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PARLIAMENTARY DEBATES
(HANSARD)

HOUSE OF LORDS

OFFICIAL REPORT

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The abbreviation [V] after a Member's name indicates that they contributed by video call.

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

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House of Lords

Thursday 10 October 2024

11 am

Prayers—read by the Lord Bishop of Oxford.

Introduction: Baroness Smith of Cluny

11.08 am

The honourable Catherine Anne Smith, KC, having been created Baroness Smith of Cluny, of Cluny in the City of Edinburgh, was introduced and made the solemn affirmation, supported by Baroness Smith of Gilmorehill and Baroness Kennedy of The Shaws, and signed an undertaking to abide by the Code of Conduct.

Oaths and Affirmations

11.12 am

Lord Filkin took the oath, and signed an undertaking to abide by the Code of Conduct.

Combat Air Capability Question

11.13 am

Asked by Baroness Goldie

To ask His Majesty's Government what assessment they have made of the United Kingdom's future combat air capability.

The Minister of State, Ministry of Defence (Lord Coaker) (Lab): My Lords, our assessment of the future combat air capability we require is informed by consideration of the future threat environment and strategic context. Consequently, the Global Combat Air Programme has been designed to utilise advanced capabilities, including next-generation sensors, weapons and data systems. Networked interoperability with allies and partners will be key. In the meantime, we continue to invest in our current fleet, which remains highly capable.

Baroness Goldie (Con): I thank the noble Lord for that part-reassurance. The previous Government's commitment to the Global Combat Air Programme—GCAP—was clear and we were doing it in partnership with Italy and Japan. However, with the best of intentions, the current Government's position is opaque. Can the noble Lord at least reassure the House that the Government understand the need to plan now for a successor to Typhoon and the extent to which UK industry is supporting thousands of jobs across the UK—not least, for example, at Leonardo in Edinburgh—that depend on this programme proceeding?

Lord Coaker (Lab): We certainly do understand that: 3,500 people are already employed in the development of this, £2 billion has already been invested in the research and development of the programme and further money will be invested, as we go forward. As the Prime Minister said a few weeks ago, the Global Combat Air Programme is “important” and

“we are making significant progress ... There is ... a review going on but ... it is an important programme”.

I think that gives the reassurance that the noble Baroness is looking for.

Lord Stirrup (CB): My Lords, as I highlighted in Grand Committee yesterday, on current plans, by 2040 the UK will be down to just three combat air squadrons. Irrespective of the debate over the type and nature of future platforms, would the Minister agree that this position is wholly untenable for any Government who care about the security of this country?

Lord Coaker (Lab): The noble and gallant Lord makes a good point. He is really referring to investment in our defence capabilities as we go forward. The review will look at the threats that we need to meet, but this Government have made an absolute commitment to go to 2.5% of GDP as soon as we can. I think that gives some reassurance to the noble and gallant Lord.

Lord West of Spithead (Lab): My Lords, we have two aircraft carriers, which will last for some 50 years. Will the Minister confirm that, in this package of air capability—which we absolutely need and do not have enough of—some aircraft will have the capability of operating from those carriers?

Lord Coaker (Lab): I certainly believe that the noble Lord is right to point out that, if we have aircraft carriers, we need aircraft to operate from them. I accept that. As far as the defence review is concerned, there is no doubt that we will look at the future capabilities we need, in respect of how those carriers are deployed and where they should be deployed, but also in respect of the necessary air combat power we need to meet the threats that the noble Lord will know well—as indeed will the noble and gallant Lord, Lord Stirrup.

Baroness Smith of Newnham (LD): My Lords, it is indeed reassuring that His Majesty's Government appear to be recommitting to GCAP but, like AUKUS, this agreement has been inherited from the previous Conservative Government. The allies, in this case, are Italy and Japan. Can the Minister tell us whether there is any scope for bringing in other partners and whether that would help with resilience and interoperability with our NATO allies, for example?

Lord Coaker (Lab): As it stands, we are certainly sharing the costs with Italy and Japan, as the noble Baroness points out. Regarding other partners, we are considering that and discussions are taking place, without any firm commitment as it stands. Interoperability is key. She will know that Germany, France and Spain

[LORD COAKER]

are also developing a sixth-generation fighter—SCAF—as is the United States. They are all part of NATO, so interoperability becomes essential.

Lord Dannatt (CB): My Lords, while we accept that future generations of fast jet aircraft should be able to fly off aircraft carriers and fixed land bases, will the noble Lord accept that we also have land forces that need major investment? Will he also consider that going to just 2.5% of GDP is wholly inadequate and that the conversation should be about 3% or 3.5%?

Lord Coaker (Lab): The review will, of course, look at the necessary profile with respect to air, land, sea and intelligence and technology sharing. The Government have made an absolute commitment to 2.5% and are determined to deliver on that as soon as they can.

Lord Howell of Guildford (Con): My Lords, I did not quite hear the question from the noble Baroness, Lady Smith, on Japan, but does the Minister agree that the huge Tempest deal with Italy and Japan is very much at the centre of this whole issue and that it really is going forward in a positive way? This is a very crucial time, when our relations with Japan are much improved and with all sorts of plans ahead, and it would be fatal if this one had a wobble.

Lord Coaker (Lab): I thank the noble Lord; that is a good question. We have made as firm a commitment as we can, although I have said that it is also part of the ongoing review that the noble Lord, Lord Robertson, is undertaking. We have made a commitment to Italy and Japan and the noble Lord will know that the GCAP International Government Organisation was set up to run that programme. Its headquarters are in the UK. On 2 October, just a week or so ago, the King ratified the final part of the SI to ensure that the treaty was put in place. That shows that the Government are making progress with respect to the GCAP programme.

Lord Craig of Radley (CB): My Lords, is the Minister satisfied that there are sufficient war stocks for our front-line aircraft at the present time?

Lord Coaker (Lab): The noble and gallant Lord will know that we have concerns about the supply of ammunition and missiles. That is why this Government are introducing a national armaments director and working with industry. We want to ensure that the stockpiles of weapons we have are replenishable quickly, and we will look to see whether we have the necessary quantity as well. That will also form part of the review led by the noble Lord, Lord Robertson.

Lord Berkeley (Lab): My Lords, reports from Ukraine indicate the importance of drones. What are the Government doing to increase the capability of drones and to add them to the needs of the future, so that we can have many more of these smaller ones as well as the big ones that we often talk about?

Lord Coaker (Lab): The noble Lord makes a really interesting point. That is the whole point of lessons learned from the conflict in respect of Ukraine, and that is part of what the review will look at. One thing that the noble Lord may pray in favour is the fact that the drones that Ukraine has used have, to an extent, neutralised the impact of the Black Sea fleet, and the Russian fleet has been driven back into port. That shows the utility of the use of drones. Of course, we need sixth-generation fighters and global combat air, but drones will form an important part of the weaponry that we need going forward to meet future threats.

Baroness Foster of Aghadrumsee (Non-Aff): My Lords, I am sure that the Minister will agree with me that we have an aerospace and defence industry in the United Kingdom to be proud of. Will he ensure that, when he is looking at air capability, he will bear in mind the totality of the United Kingdom, including of course Northern Ireland's excellent aerospace industry?

Lord Coaker (Lab): The noble Baroness will know that I know Northern Ireland reasonably well and I have seen the fantastic skills base that Northern Ireland has. At the moment, as it stands, the particular emphasis in respect of the Global Combat Air Programme is that the main centres are in the south-west of England, Lancashire and Edinburgh. Of course, the spin-off from that is numerous small industries. We need to ensure that the growth agenda of this Government reaches all parts of the United Kingdom, including Northern Ireland, as the noble Baroness pointed out.

Lord Fox (LD): My Lords, manned aircraft require a supply of pilots. Is the Minister satisfied that sufficient resources are being made available to train the pilots of the future and that they are getting sufficient, real airtime in order to be effective?

Lord Coaker (Lab): The noble Lord knows that there have been problems with the training of pilots. That is partly the point of his question. The Government are looking at training and also at the recruitment and retention of all these particular skills, not just in respect of pilots but right across the Armed Forces. That is why this Government have launched a recruitment and retention review to see what we should do about it. Pilots will form an important part of that.

Lord Lucas (Con): My Lords, given the drone capability we see daily in Ukraine, could not that be used to puncture people smugglers' boats before they ever leave French shores?

Lord Coaker (Lab): Well, I do not know about that, but the use of drones will of course become increasingly important. With respect to the noble Lord's suggestion, I am sure that people have heard it and will consider it in due course.

Lord Teverson (LD): My Lords, is the Minister confident that we can keep one Vanguard submarine at sea at all times, given the strain there is on crew and

our loss of crew because of the increasingly long time each mission has to take because of maintenance of the rest of the fleet?

Lord Coaker (Lab): This is a very important question and there should be no confusion here. The noble Lord is talking about the UK's nuclear deterrent. That forms an important part of our deterrent. We are absolutely 100% certain that we will retain a constant at-sea nuclear deterrent presence. That needs to be heard from this Chamber and across the globe. There is no way that we will in any way allow our nuclear deterrent to be compromised. That needs to be heard loud and clear.

Somaliland Question

11.23 am

Asked by **Baroness Hoey**

To ask His Majesty's Government what consideration they are giving to recognising Somaliland as an independent nation.

The Parliamentary Under-Secretary of State, Foreign, Commonwealth and Development Office (Baroness Chapman of Darlington) (Lab): My Lords, the UK, alongside others in the international community, does not recognise Somaliland's unilateral declaration of independence. The settlement of Somaliland's status is an issue for Somalia, including Somaliland, to decide through a consultative process and dialogue.

Baroness Hoey (Non-Aff): My Lords, I thank the Minister for that Answer, but does she realise that since 1991 Somaliland has had six democratic elections, observes the rule of law, has religious tolerance and is a haven of peace in that awful area of the Horn of Africa? Why will His Majesty's Government not recognise that we must support and encourage democracy around the world, particularly in Africa where we give money to some appalling regimes such as Zimbabwe? Surely this is a time for the Government to face up to the fact that, like other countries, such as France, we should recognise Somaliland now.

Baroness Chapman of Darlington (Lab): My Lords, the noble Baroness is right in her strong support for Somaliland, but that does not change our position on the question of recognition of Somaliland as an independent state. She is right, and we have a very long-standing and deep relationship with Somaliland, not least because of the large number of Somalis living here in the UK, but also our support for the port there, for health, education, security and in many other ways. We are very pleased to continue that relationship.

Lord Howell of Guildford (Con): My Lords, are we sure that we have got this completely right? I remember 10 years ago at the Foreign Office having to give exactly the same answers about this as the Minister

has given now. On reflection, and in totally changed conditions, particularly in the Middle East and in east Africa, surely those new considerations come in. Why do we have to wait for every other nation to recognise and help Somaliland? It is an extremely feisty country, if I might use that word. It is quite well run and passionately pro-British. It would do us enormous help to have a good friend in that very sensitive area, with the Chinese pouring in next door. It makes utter sense for our own foreign policy to think about this positively. Would the Minister take it back to the Foreign Office and ask it to think again?

Baroness Chapman of Darlington (Lab): Well, I am very pleased to provide consistency in the Government's approach. The UK needs to tread carefully in the Horn of Africa in regard to this, given the situation that the noble Lord has just described. We have strong links; we have a permanent diplomatic presence in Somaliland. But my sense is that it would not be the right thing to do for stability in the wider region to wade in and take such an action at this time.

Lord Purvis of Tweed (LD): My Lords, given that Ethiopia has recognised Somaliland in return for Red Sea access, and Egypt has signed a military and security defence arrangement with Somalia, and with Ethiopian troops currently in Somalia, I believe caution is justified. The UK was the lead funder for the African Union peacekeeping mission in this area in Somalia against Al-Shabaab. Is it not in the UK's key strategic interests that we restore the funding for the new mission, whose mandate will be renewed at the end of this year, to ensure that Al-Shabaab does not benefit from the tension and standoff between Somaliland, Somalia, Ethiopia and Egypt?

Baroness Chapman of Darlington (Lab): I am grateful to the noble Lord for reminding us just how complex this situation is. We have to keep in mind where Ethiopia, Egypt, Somalia and Eritrea are—this is somewhere where you do not take rash decisions. We are committed to making sure that the fight to combat Al-Shabaab is taken forward and we will play our role in that, as the noble Lord would expect.

Lord Alton of Liverpool (CB): My Lords, reinforcing what the noble Lord, Lord Purvis, just said about the importance of keeping the battle against Al-Shabaab at the top of our priorities, and bearing in mind what has already happened in the Horn of Africa—not least in Tigray—are the Government not right to proceed with caution? Can the Minister tell us whether she is in discussion with members of the African Union to discover what their views are about this? Will she also bear in mind that independence in the case of South Sudan has hardly led to peace in that troubled part of the continent?

Baroness Chapman of Darlington (Lab): We are desperately worried about what is happening in South Sudan. Minister Anneliese Dodds has visited there very recently. We will be keeping this at the front of our minds. As I said earlier in the week when these

[BARONESS CHAPMAN OF DARLINGTON]
 matters were discussed, my noble friend Lord Collins has been in Ethiopia in the last few days, and the noble Lord is right to urge caution and wisdom at all times in this.

Lord Watts (Lab): My Lords, can I also urge caution on this matter? It has wider implications for places like Ukraine. Any decision made here must take into account the wider implications that will remain if a change is made.

Baroness Chapman of Darlington (Lab): The noble Lord has summarised what I have tried to say very well, and I thank him for that.

The Earl of Courtown (Con): My Lords, I thank the noble Baroness, Lady Hoey, for bringing this matter to the attention of the House. It is an important issue. As the Minister said, stability in the region is paramount. She also mentioned the influence of the African Union. We have to take this matter further and encourage dialogue between the parties themselves so that sovereignty can be recognised for Somaliland. Can the Minister comment on ways of persuading the parties to this disagreement to come to the table and come to an agreement?

Baroness Chapman of Darlington (Lab): I thank the noble Earl for the approach he has taken to this topic. It is our role to encourage dialogue, but I do not think it is our role to specify what the outcome should be, so that is the approach that we will continue to take.

Lord Browne of Ladyton (Lab): My Lords, I am deeply concerned about the implications of some of the questions being put to my noble friend. My suspicion is that some Members clearly have an appreciation of just how near war in the Horn of Africa is and how many moving parts are already out of our control. Perhaps the Government could find time for us to have a debate in government time on the Horn of Africa so that people can fully understand just how much on the verge of war this area is and why asking questions in this House that are consistent with our long-term interest in the possibility of stopping a war would help because some of these questions will undermine our attempts to stop the war.

Baroness Chapman of Darlington (Lab): My noble friend makes an important point. He is a far more experienced parliamentarian than me, and I am sure that he is able to navigate the powers that be to enable such an opportunity, which I would very much welcome.

Lord Stirrup (CB): Is the Minister satisfied that the UK is marshalling its soft power in a sufficiently coherent way to promote stability and combat malign influences throughout the Horn of Africa?

Baroness Chapman of Darlington (Lab): That is an important question, and I will consider it further. I think we sometimes underestimate the impact soft power can have. We are well placed to act in that way,

given our historical links and the community in the UK. If the noble and gallant Lord does not mind, I will take that away and give it further consideration.

School Fees: VAT

Question

11.33 am

Asked by **Lord Black of Brentwood**

To ask His Majesty's Government what assessment they have made of the implications of imposing VAT on school fees with effect from 1 January 2025.

Lord Black of Brentwood (Con): My Lords, I beg leave to ask the Question standing in my name on the Order Paper. I declare an interest as chairman of governors of Brentwood School and as president of the Institute of Boarding and the Boarding Schools' Association.

The Financial Secretary to the Treasury (Lord Livermore) (Lab): My Lords, the implication of imposing VAT on school fees with effect from 1 January 2025 will be to raise revenue to fund the Government's objective that every child has access to high-quality education, including the 94% of children who are educated in the state sector. It will help to fund 3,000 new nurseries, the rolling out of breakfast clubs to all primary schools and the recruitment of 6,500 new teachers.

Lord Black of Brentwood (Con): As the noble Lord is a distinguished economist, must he not acknowledge that the impact on state schools of this vindictive policy will be meaningless, with 6,500 extra teachers across 20,000 schools in England adding just one-third of one teacher to each school? Yet the impact on children at independent schools will be enormous, with the losers being those who have to leave half way through the year because their parents cannot afford to pay, the children of service families who rely on boarding schools so that their parents can defend us, and children with special needs who are exceptionally vulnerable. Their lives will be upended for nothing—all pain and no gain. The Prime Minister accepted £20,000 in free accommodation to ensure that his son's schooling was not interrupted and talks about party before country. Why will he not extend that courtesy to other children and put them before party, and either scrap or delay this shambolic, shameful policy?

Lord Livermore (Lab): I do not accept in any way the noble Lord's characterisation of this policy. This is a necessary decision that will generate additional funding to help improve public services, including the Government's commitments relating to education and young people. As far as the state sector goes, to the extent that pupils move at all, the number of pupils who may switch schools represents a very small proportion of overall pupil numbers in the state sector and is likely to be less than 0.5% of total UK school pupils, of whom there are more than 9 million.

The Lord Bishop of St Albans: I wonder if I might press the Minister on SEND pupils. The majority of SEND pupils, who were mentioned by the noble Lord, Lord Black, do not have an education, health and care plan, and therefore there is a genuine worry that this policy might mean that their education is interrupted. What mitigating factors are His Majesty's Government putting in place to ensure that this particularly vulnerable group is supported?

Lord Livermore (Lab): I am of course aware that this is an area of specific concern, as was said. Our proposed policy ensures that children with acute needs that can be met only in the private sector, as set out in an EHCP, will continue to be supported through their local authority and will not be impacted by this policy change. Very many private schools will take steps to absorb a proportion, or all, of the new VAT liability, so there may be no increases in fees under such circumstances.

Baroness Hayter of Kentish Town (Lab): Will my noble friend the Minister remind the House of what happened when we lost office in 2010? The first thing the Government did was to cut the better schools initiative and the plans to improve schooling for the 90% who go to state schools. Will he ask the other side whether they will perhaps speak as often for the 90% in state schools as they seem to want to for the 6% in private schools?

Lord Livermore (Lab): I am grateful to my noble friend for making those points, and I agree with what she said. The Government are committed to breaking down barriers to opportunity. We are determined to drive up standards in schools serving the overwhelming majority of children in this country, so that they may receive the opportunities that too often have been the preserve of the rich and the lucky.

Baroness Bull (CB): My Lords, can the Minister reassure the House that the new VAT measures will not damage the UK's ability to produce world-leading performers in music and dance? He may not know that for exceptional talent to succeed on the global stage it needs to enter professional training at a very young age and at a level of intensity that the state sector cannot provide. These schools are far from the independent schools stereotype. They do not have large endowments or wealthy parent bodies, and they recruit entirely on talent, regardless of ability to pay. Can the Government ensure that the new measures do not create a scenario in which only the most advantaged children can have the opportunities that their talent deserves?

Lord Livermore (Lab): I am very grateful for the noble Baroness's insight and expertise on this matter. In answer to her question, that is absolutely what we will seek. As she knows, where parents are paying fees for their child to attend a private music or dance school they will pay VAT on those fees following this change. The music and dance scheme funds talented pupils from low-income families to attend such specialist

schools, and we will monitor closely any impact of these policy changes and consider any changes to this scheme at the forthcoming spending review.

Baroness Garden of Frogmal (LD): My Lords, this is a deeply damaging and mean measure, as the noble Lord, Lord Black, said. It is unlikely to hurt wealthy parents but it will hit those with limited means trying to do their best for their children with special needs or, as the noble Baroness, Lady Bull, said, with specialist skills. Please will the Government at least defer to September to avoid the trauma of mid-term changes, which I am quite sure no educationalist would ever have agreed—I do not know who came up with this policy for a January date? Can the Minister say whether the allowances for children of military personnel will be increased to cover the extra cost for them?

Lord Livermore (Lab): The answer to the noble Baroness's first question is no and the answer to her second question is that that is a matter for the spending review. I disagree fundamentally with her characterisation of this policy. I want to see excellence in education for children in places like where I grew up, whose parents will never be able to afford to pay for their education. They are every bit as ambitious for their children as any other parent.

Lord Altrincham (Con): Will the Minister confirm that any gains from this policy will accrue to the education budget and that any shortfall will be met by the education budget? Will he commit to sharing with this House the OBR's impact assessment of the number of pupils moving from the private sector to the state sector and the number where the overall policy would be at a fiscal cost to the Exchequer?

Lord Livermore (Lab): There were several questions there. Yes, this money will go to the state sector; I do not accept that there will be any loss from this policy; and yes, the OBR will publish the impact assessment alongside the Budget.

Baroness Blower (Lab): Can my noble friend the Minister confirm that, over the years of the Tory Government, education was treated shamefully? We have lost huge amounts of money. I recognise that 6,500 teachers is not the number we need, but it is certainly a first step in the right direction. Will the Minister confirm that, far from being an unacceptable policy, we need this policy to make sure that the 94% of children who are in our state schools have a fair crack of the whip?

Lord Livermore (Lab): I am grateful to my noble friend for those points; I fundamentally agree with her. As I said, this is a necessary decision that will generate additional funding to help improve public services, including the Government's commitments relating to education and young people, helping the overwhelming majority of children in state schools.

Baroness Fraser of Craigmaddie (Con): My Lords, there are key differences between the education systems in Scotland and England. We have a different curriculum

[BARONESS FRASER OF CRAIGMADDIE] and exam structure; different term dates, starting dates and starting ages; and different arrangements for teachers' pay and pensions. Most importantly, CSPs are not the same as EHPs. A CSP is not required for a child to go to a special school or receive extra support. Given these fundamental differences, can the Minister share the impact of this policy on the education system in Scotland, given that, because of devolution, the Government cannot guarantee that any consequential funding given to Scotland would actually be spent on the education sector there?

Lord Livermore (Lab): I am grateful to the noble Baroness for her insight on those points. I can confirm that the final policy design of this measure will be announced at the time of the Budget, alongside a tax information and impact note, which will include details of the Government's assessment of the expected impacts.

Lord Addington (LD): My Lords, do the Government agree that it is universally accepted that you can get access to an education, health and care plan only if you have money to afford lawyers to get through the process, or at least to get through it fast? If so, are the Government not saying to people that they can get the money only if they have resources in the first place? Does this not contradict a lot of what has been said?

Lord Livermore (Lab): I do not accept that in any way, shape or form. The whole point is that you should have access to high-quality education whether or not you have the money in the first place.

Lord Aberdare (CB): My Lords, further to the question from my noble friend Lady Bull, the Government's dance and drama award scheme enables a small number of specialist providers to offer higher-level qualifications, at levels 5 and 6, to some of the country's most talented performing arts students, many of whom might otherwise be unable to access such training. What reassurance can the Minister give that these providers will not be affected by the proposed VAT imposition, which might force some of them to withdraw completely from the scheme? What progress has been made in the discussions on this issue, including with the Treasury, mentioned by the noble Baroness, Lady Smith of Malvern, in the debate on 5 September?

Lord Livermore (Lab): As I said earlier, we will monitor closely any impact of these policies on the scheme mentioned by the noble Lord. The right time to consider changes to the scheme is at the forthcoming spending review.

London Underground Question

11.43 am

Asked by **Lord Moylan**

To ask His Majesty's Government, following the opening of the factory in Goole that will manufacture new trains for the London Underground Piccadilly

line by the Secretary of State for Transport, what plans they have to provide further investment in London Underground.

Baroness Blake of Leeds (Lab): The Government welcome Siemens's investment in Goole, creating a rail facility that will support up to 700 jobs and many more in the supply chain. This has been possible thanks to government funding. In London, transport is devolved to the Mayor of London and Transport for London. It is for them to make investment decisions, and the Government continue to engage with them to understand their capital funding needs. Any further government investment will be considered through the spending review.

Lord Moylan (Con): My Lords, I congratulate the Government on making progress with this project, which started under the former mayor, Boris Johnson. It is the case that a full modernisation and upgrade of the Piccadilly line would improve capacity by 60%, if it included modernising the antiquated signalling. These trains contribute only a sixth of that. Does the Minister agree that this shows that you very often get better returns from investing in and improving existing assets than from investing in something new? Are the Government willing to review and publish criteria for rail investment that prioritise the investment that contributes most to economic growth?

Baroness Blake of Leeds (Lab): I thank the noble Lord for his supplementary question. As he is well aware, discussions are ongoing with Transport for London and all the regional authorities around the country about their long-term funding needs. This will be subject to the spending review, and we very much look forward to hearing the outcomes of that. I will of course be more than happy to continue the fruitful conversations with the noble Lord opposite.

Baroness Pidgeon (LD): My Lords, although this announcement is welcome for the Piccadilly line, the Bakerloo line has the oldest trains. What discussions have the Government had with Transport for London, the GLA and the boroughs about new rolling stock and extending the Bakerloo line to Lewisham?

Baroness Blake of Leeds (Lab): I thank the noble Baroness for what I think is her first question in this House. Her experience in the London Assembly will be very welcome in future debates. The Bakerloo line, the Central line and the Waterloo & City line are all matters under consideration and discussion with the mayor, and we look forward to the outcome of those discussions.

Lord Young of Cookham (Con): My Lords, Transport for London has overall responsibility for the buses in London, but they are owned and run by private operators, which do a good job, so why have the Government abandoned that model for the railways, where private operators such as Chiltern, which runs a first-class service from London to Birmingham, are now to be banned under proposed legislation?

Baroness Blake of Leeds (Lab): I understand the noble Lord's comments; they will be subject to further discussion when the main rail Bill comes forward. I note his comments and I am sure we will have the opportunity to discuss this more. We know that there are significant failings on our railways and that action has to be taken. We cannot continue with the failures that we have at present.

Lord Foulkes of Cumnock (Lab Co-op): My Lords, with no disrespect to London, is my noble friend the Minister aware of a feeling in the north of England and in Scotland that London gets a disproportionate amount of spending, particularly in transport? Regarding what the Opposition Front Bench says about economic growth, there would be greater benefit for economic growth if more money was spent in the north of England and in Scotland and Wales.

Baroness Blake of Leeds (Lab): As a founder member of Transport for the North, I can only agree with my noble friend's pertinent comments. I welcome the fact that significant discussions are happening with the regional mayors and that we have on the table a five-year £5.7 billion investment to improve transport networks across the regions. However, we all recognise the contribution of London to the economy of the whole country, and we want to make sure that investment in the regions complements the success in London and spreads wealth and prosperity around all the regions.

Lord Wigley (PC): Does the Minister accept that expenditure on railways in Wales has been quite significant recently but is still short of what is needed? There is a feeling that the formula for distribution of resources does not adequately respond to the needs of the railway system in Wales. Will she look at this and discuss it with her colleagues in Cardiff?

Baroness Blake of Leeds (Lab): As someone who was diverted on a journey from Cornwall to Leeds via Newport, I understand where the noble Lord is coming from. Of course, discussions with the devolved nations are absolutely central to our overall ambition for growth across all the regions and nations in contributing to the economy of the whole country.

Lord Kirkhope of Harrogate (Con): My Lords, in view of the success of the Elizabeth line in London, will the Government now commit to supporting Crossrail 2?

Baroness Blake of Leeds (Lab): The noble Lord is well aware that it would be above my pay grade to make commitments that will be subject to future discussions. We obviously have the Budget coming up and the spending review, and I look forward to those discussions.

Baroness Winterton of Doncaster (Lab): My Lords, I am sure that the Minister, as a great advocate for Yorkshire and the Humber, will join me in advocating for the many opportunities that there are in our region

for train manufacture and repair, such as in Doncaster in South Yorkshire, which has a long history in that respect.

Baroness Blake of Leeds (Lab): I thank my noble friend for her comments. I remember fondly our many discussions about achieving more investment into Yorkshire and the Humber. The truth is that our economy is grossly imbalanced. The potential and talent that exist within those regions is immense. This is a very important statement of intent to make sure that investment and jobs can be spread around the country, and I welcome it. I particularly welcome any discussions that we have in the future about Doncaster.

Baroness Randerson (LD): My Lords, the Minister was understandably cautious in her response about Crossrail 2. Can she at least assure the House that the land for it has been safeguarded for future delivery, so that it remains a realistic option?

Baroness Blake of Leeds (Lab): I do not have the precise answer to the noble Baroness's question. We can make sure that she receives that answer, but I know that discussions are ongoing. I am confident that nothing will have been done to undermine those conversations.

Lord Bird (CB): My Lords, is it possible to also take into account that when you open up the Elizabeth line, you then open up the estate agents and get the spreading of gentrification and of poverty? Can we not do something like what was done in the inter-war years, when some of the cheapest housing went with the railways? Is there a way of putting the thinking together, rather than just treating it as transport?

Baroness Blake of Leeds (Lab): I thank the noble Lord for his ongoing contributions to this House on poverty and people's needs. It is absolutely imperative that these schemes benefit all the population and offer opportunities. We know that investing in rail lines brings real investment to different areas. We have seen that across London and across the country. I am sure that his concerns will be paramount in the decisions that are taken going forward.

Lord Paddick (Non-Affl): My Lords, in support of the noble Lord, Lord Moylan, what assessment have the Government made of the cause of London Underground's unreliability, and therefore where investment can best be made?

Baroness Blake of Leeds (Lab): These discussions happen regularly between the Mayor of London and the Government. Of course, we have only recently come into government and I am sure those discussions will be fruitful. We know that, as with so much of our infrastructure, we are dependent on systems that were brought in decades ago. Having been a leader in this field, we are, I am afraid, subject to the fact that decay is inherent. That is right at the centre of our discussions and I look forward to taking them forward.

Holocaust Memorial Bill

Membership Motion

11.54 am

Moved by The Senior Deputy Speaker

That a Select Committee be appointed to consider the Holocaust Memorial Bill and that, as proposed by the Committee of Selection, the following members be appointed to the Committee:

Etherton, L (*Chair*), Faulkner of Worcester, L, Hope of Craighead, L, Jamieson, L, Scott of Needham Market, B.

That the Committee have power to adjourn from place to place;

That the evidence taken by the Committee be published, if the Committee so wishes;

That the Report of the Committee be printed, regardless of any adjournment of the House;

That the order of appointment of the Committee remain in force notwithstanding any prorogation of Parliament.

The Senior Deputy Speaker (Lord Gardiner of Kimble): My Lords, I beg to move.

Lord Carlile of Berriew (CB): My Lords, in supporting this Motion I have what I believe is quite an important point to make, so I make no apology for taking a minute or two of time. A number of Members of your Lordships' House who have a very strong interest in this Bill were permitted to give evidence to a previous Select Committee dealing with it. The lawyers advising the putative Select Committee are seeking to obstruct all those Members from giving evidence to the new Select Committee which is about to be appointed. This is causing consternation and not a little offence. I would be grateful if those setting up this committee would ensure that the lawyers' efforts to reduce the importance of the Select Committee to nothing were overcome.

The Senior Deputy Speaker: My Lords, it would be courteous just to say that I am sure that what the noble Lord has said will be considered.

Motion agreed.

Northern Ireland City Deals

Commons Urgent Question

The following Answer to an Urgent Question was given in the House of Commons on Wednesday 9 October.

“As the Chancellor set out in July, the Government have inherited a £22 billion black hole in the public finances. As a result, the Treasury is having to consider a range of measures to deal with this significant problem. Last month, the Treasury informed the Northern Ireland Department of Finance that the UK Government's contributions to the Mid South West deal and the Causeway Coast and Glens deal would now be considered as part of the spending review. The Belfast regional city deal and the Derry/

Londonderry and Strabane city deal are unaffected and proceeding as planned. Since the announcement of the pause on those two deals, I have met with the First Minister, the Deputy First Minister, the Chief Secretary to the Treasury and the Northern Ireland Finance Minister. I will also be meeting the chief executives of those two deals shortly.

Everyone in Northern Ireland understands the importance of the city deals to economic growth and encouraging investment, and this Government are committed to working with the Northern Ireland Executive and businesses to make the most of the huge economic opportunities that now lie ahead. That is shown by the progress being made on the Belfast region city deal and the Derry/Londonderry and Strabane city deal. I attended the Derry/Londonderry and Strabane city deal signing on 18 September. The UK Government's £105 million investment will help to progress transformative innovation, including digital and health projects, which will build on the region's well-established research excellence. The Chancellor will set out the results of the first phase of the spending review on 30 October, which will include an update on the two outstanding city deals”.

11.56 am

Lord Caine (Con): My Lords, does the noble Baroness understand the deep dismay over the city deal pause that the Government slipped out late on Friday 13 September, while Parliament was in recess, particularly in the two areas where the deals remain paused: the Mid South West region, which I visited in February, and Causeway Coast and Glens, where I signed the terms of agreement in April and where there is now great uncertainty and limbo? Will she apologise to the House for the shoddy and disrespectful way in which this was announced? Can she assure us that the Secretary of State will employ the full weight of his office to persuade the Chancellor, in the forthcoming Budget, to lift the pause so that these deals can now proceed as planned and deliver investment, growth, jobs and prosperity for the whole of Northern Ireland?

Baroness Anderson of Stoke-on-Trent (Lab): I shall be clear: if the former Government had not left us in such a challenging fiscal situation, there would be no financial pause and we would not be in the position we currently are. While I agree that the timing was unfortunate, whenever the announcement was made it would not have been welcomed by those people whom it affected. I assure your Lordships' House that, since the announcement was made, the Secretary of State and all the officials at the NIO have been working tirelessly with key partners. We are doing everything that we can to make representations to our very dear and close friends at the Treasury, to whom I am going to be very nice for the next 20 days, making it clear how important these deals are to the future of Northern Ireland.

Baroness Suttie (LD): My Lords, I too express disappointment at the timing and the way in which this has been handled. It has caused great economic uncertainty and a loss of momentum for those areas

which were expecting to receive the funds. Yesterday, the Secretary of State for Northern Ireland said that an impact assessment had not been carried out. Can the Minister say how the Government intend to assess the economic consequences of these decisions, not least their impact on regional development in Northern Ireland?

Baroness Anderson of Stoke-on-Trent (Lab): I have seen no such impact assessment either. The Secretary of State was clear about this yesterday. However, we are making every effort to demonstrate the potential success of these deals. As we have seen with the Belfast region deal, £350 million of UK government money has led to £1 billion of investment in association with the deal. I turn to the timescale. We do not know what will be announced in the Budget and spending review. This is a six-week pause in a programme that has so far taken three years and is likely to go on for another 15. Six weeks is an appropriate pause to make sure that every penny of government money is appropriately allocated.

Lord Dodds of Duncairn (DUP): My Lords, in their recent announcement that they were going to grant an inquiry in the Pat Finucane case, the Government made a lot of the fact that previous commitments had been made. It was an entirely unnecessary decision, but they said it was based entirely on previous commitments. Previous Governments have committed very strongly in Command Papers and other agreements to these city deals for Northern Ireland. Why are the Government not applying the same standards and principles to this important case, which has delivered extremely good results in Belfast?

Baroness Anderson of Stoke-on-Trent (Lab): My Lords, the fiscal situation we inherited means that we are not in the position we believed we would be in when we came to government in July. That is the reality. There are many pauses to projects across the United Kingdom while we review to make sure that appropriate value for money is secured for every deal. This Government's priority is the delivery of growth. The Secretary of State and the NIO are making every representation to the Treasury to make it clear that the Causeway Coast and Glens deal and the Mid South West deal will help us deliver that long-term plan. Like everybody, I will be waiting to see what happens in 20 days from today—fewer than three weeks—in the outcome of the Budget.

Baroness Ritchie of Downpatrick (Lab): My Lords, I thank my noble friend for her answers on this fairly vexatious issue, which landed on the people of Northern Ireland on Friday 13 September. City deals are a vehicle for regeneration and rehabilitation throughout Northern Ireland. I welcome the announcement about the reinstatement of the money for the Greater Belfast deal—it impacts the area I live in and there are many projects contained in that—and the Derry deal. It is important to address regional imbalances and inequalities in Northern Ireland. Could my noble friend, along with the Secretary of State, champion the outstanding

city deals—namely, those for the Causeway Coast and Glens and Mid South West—with the Treasury to ensure that the funding is forthcoming? It is a ready means of addressing good regional development in Northern Ireland and those regional imbalances.

Baroness Anderson of Stoke-on-Trent (Lab): I reassure your Lordships' House that the Belfast region deal signed in December 2021 was never subject to any pause. I am delighted that the Secretary of State attended the signing of the Derry/Londonderry and Strabane deal on 18 September 2024. On next steps I say that, even as I sat next to my noble friend Lord Livermore, I was making a case for the two city deals and I will continue to do so. I promise noble Lords that the Secretary of State, who has met the Chief Secretary to the Treasury in recent days, is making every possible persuasive argument about why these deals should go forward. However, as I said, we will await the decisions in the Budget.

Baroness Hoey (Non-Aff): My Lords, the noble Baroness has quite understandably mentioned the fiscal situation. Is she aware—I am sure she is—that nearly half a billion pounds has already been spent by His Majesty's Government on the trader support scheme? In addition, £190 million has been spent building border customs posts at Larne and other places. What will His Majesty's Government do about this ridiculous Windsor Framework, which is separating out Northern Ireland from the rest of the United Kingdom? There is a real solution of mutual agreement, which could make the difference and save money that could then go into the city deals.

Baroness Anderson of Stoke-on-Trent (Lab): The noble Baroness will be very aware that, since this Government came to office in July, we have tried to reset relationships with the European Union to ensure smoother relations. The Windsor Framework is an important step in delivering trade and securing prosperity for the people of Northern Ireland. We are doing everything we can to make sure that relations between GB and Northern Ireland work effectively.

Lord Empey (UUP): My Lords, the noble Baroness will be aware that the city deals are cocktails of funding. It is encouraging to get private sector funding to go along with the public sector funding. She will also know that, where these cocktails are involved, funds from different public sector bodies and the private sector are given within a timeframe. If the deals are subject to significant delays, there is a real risk that some of those funders will drop out and therefore the schemes will be lost. I ask the noble Baroness to give the House an assurance that she and her colleagues are acutely aware of that. We do not want the funding sacrificed, particularly that from the private sector.

Baroness Anderson of Stoke-on-Trent (Lab): I completely agree with the noble Lord, which is why the Secretary of State is meeting this week the chief executives of the Causeway Coast and Glens and Mid South West deals, to see what other support we can

[BARONESS ANDERSON OF STOKE-ON-TRENT] give them for reassurances. I am also delighted that the Northern Ireland Executive continued the funding for the two deals so that activities can proceed. We will know in three weeks; I appreciate that this is far from ideal, but we are not necessarily talking about a very extended delay—we will know in 20 days.

Lord Foulkes of Cumnock (Lab Co-op): My Lords, I understand that there were a number of announcements by the previous Government, but no money put in the budget. Is this one of them?

Baroness Anderson of Stoke-on-Trent (Lab): Unfortunately, because of the previous Government's mishandling of our fiscal situation, leaving us with a £22 billion deficit, and their having spent the reserves three times before July—that is something quite special—every penny of public funding in-year now needs to be reviewed. However, we will continue to make the arguments based on our number one mission of economic growth. I hope that the Treasury will smile favourably on these two deals. We will continue to do what we can.

Freedom of Speech in Universities

Commons Urgent Question

12.07 pm

The Minister of State, Department for Education (Baroness Smith of Malvern) (Lab): My Lords, with the leave of the House, I shall now repeat in the form of a Statement the Answer given by my honourable friend the Minister for School Standards to an Urgent Question in another place. The Statement is as follows:

“It was a Labour Government who enshrined the right to freedom of expression in law, and it is a Labour Government who will again uphold freedom of speech and academic freedom on our university campuses—not through creating a culture war, but through working with academics, students and campaigners to get the legislation right.

The Secretary of State wrote to colleagues and made a Written Statement on 24 July 2024 on her decision to pause further commencement of the Higher Education (Freedom of Speech) Act 2023 in order to consider options. We have heard concerns from minority groups and others that that Act and its implementation may have unintended consequences and result in disproportionate burdens for universities and student unions. Many are concerned that it could push providers to overlook the safety and well-being of minority groups over fears of sanction and costly action.

I want to provide the House with reassurance that this Government believe that higher education must be a space for robust discussion that exposes both students and academics to challenging ideas. The decision to pause the Act was made precisely because of the importance of getting this legislation right. The Secretary of State indicated in her Written Statement that she would confirm her long-term plans for the Act ‘as soon as possible’. Since then, officials and Ministers have engaged with a wide range of stakeholders on the

future of the Act. This includes representatives of higher education providers and academics, including those from the Committee for Academic Freedom, Academics for Academic Freedom and the London Universities’ Council for Academic Freedom. They are continuing to engage with stakeholders before any final decision is made”.

12.09 pm

Baroness Barran (Con): My Lords, there are a lot of ironies in the Government's decision to delay the implementation of the Higher Education (Freedom of Speech) Act. First, it was done without any debate in Parliament and, secondly, it was not mentioned anywhere in the Government's manifesto, despite the decision being taken within three weeks of the election. The failure to commence the legislation that this Parliament passed is resulting, every day, in freedom of speech and academic freedom in our universities being eroded, most recently with an elected MP being unable to speak at a university this evening.

The reasons the Minister repeated relate to the impact on minority groups, so I ask her to confirm that she agrees with those leading lawyers and academics that the new Act does not provide any further protection for those wishing to express hate speech on campus, including Holocaust denial. Can she confirm that it does not change the law in that regard? Will she agree to meet with those Jewish academics who sought a meeting with the Secretary of State and who are calling for full implementation of the Act?

Baroness Smith of Malvern (Lab): The noble Baroness probably understands that the speed with which the decision was made related to the timing of the commencement. It is right to be taking the time now and engaging in the way we are with those on various sides of the argument about the best way of proceeding on this issue.

I have spoken to some of the legal experts that the noble Baroness cites with respect to hate speech and understand their points. The fact that there is debate about the impact of this piece of legislation is part of the problem that we seek to ameliorate through the options we are considering. What I know is real is the strong concern among minority groups that the reality of the impact of the legislation would be to allow on to campuses people whose views would be reprehensible and would potentially constitute hate speech. That is what has brought the fear about. But this is not, of course, the only reason. There has also been considerable concern from universities themselves and from unions representing university staff about the disproportionate burdens. On the Jewish academics, I have met a lot of people already and I am more than content to meet with that group as well.

Lord Wallace of Saltaire (LD): My Lords, I remind the House that the story in today's *Telegraph* about the inability of the Cambridge University Conservative Association to have Suella Braverman visit this evening says that it is on advice of the police, due to another MP's visit to Cambridge, and not that of the university.

I remind the House that we on these Benches were deeply doubtful about the Bill and the disproportionate burdens it would impose. Any decent conservative would believe in the autonomy of civil society and of academic institutions.

This is not a new problem. The first lecture I ever gave as a university lecturer, in January 1968, had a large demonstration—because they thought the dean was giving it—against Vietnam and the then Labour Government. My wife and I, as undergraduates, had taken part in earlier demonstrations about South Africa, which the *Daily Telegraph*, of course, denounced at the time. We now have a culture war in the United States, in which Republicans are—

Noble Lords: Question!

Lord Wallace of Saltaire (LD): Okay. Does the Minister accept that the urgency of this is rather overstated at present, given the one report in the *Telegraph* this morning? Does she agree that it is absolutely right to reconsider a badly drafted Act, and that the autonomy of universities has to be respected?

Baroness Anderson of Stoke-on-Trent (Lab): My Lords, I remind the House that this is a repeat of an Urgent Question and is therefore time limited to 10 minutes.

Baroness Smith of Malvern (Lab): I thank the noble Lord for his appreciation of our considered approach. I absolutely reiterate that I and the Government believe that there is an issue about freedom of speech and academic freedom on our campuses. It is of fundamental importance, which is why we need to get it right.

Baroness Stuart of Edgbaston (CB): Will the Minister agree that uncertainty sometimes leads to bad decisions? I therefore urge her to take into account the fact that while the process is paused, universities may be uncertain about what is right and what they cannot do. Having that process done as speedily as possible to create that certainty would be helpful.

Baroness Smith of Malvern (Lab): I hope that universities are absolutely certain about both the existing protections for freedom of speech in legislation and their responsibilities to create campuses in which academic freedom and freedom of speech can flourish. Elements of legislation may be necessary to enforce that, but there is no uncertainty in my mind that that is their responsibility and that is what they should do.

Lord Cashman (Non-Aff): My Lords, I welcome the Government's response, and I say that as a member of a minority and a Member of this House who has expressed concern about the defamation of minorities, which has led to hate crime and hate speech. Will the Government therefore continue on their path to damp down the culture war that was fanned by the party opposite when it was in office, and indeed by some

Members of this House? Fanning the culture war impacts on the most vulnerable in our society, and freedom of speech comes with responsibility.

Baroness Smith of Malvern (Lab): I agree with the noble Lord. The position of higher education, support for higher education and the embedding of freedom of speech and academic freedom within our universities are serious issues. This is a serious Government who are interested in finding the right solutions, rather than a political headline.

Lord Sewell of Sanderstead (Con): On freedom of speech, as a former academic, I detect—to put it firmly—a real stitch-up here between vice-chancellors and the Government. Really and truly, they just want an easy time of this and the Government have provided them the convenience of having that. This is not really an issue about freedom of speech because the Government do not believe in it in this context. This is more ideologically driven than anything else.

Baroness Smith of Malvern (Lab): The noble Lord is wholly wrong. We strongly believe in freedom of speech and academic freedom. It was a Labour Government who enshrined freedom of expression in legislation. The discussions I have had have been not only with representatives of higher education but with advocates of this Act and of freedom of speech and academic freedom. I will continue to do that, and I will not be tempted into the sort of political grandstanding that the noble Lord is attempting to get me into.

Lord Foulkes of Cumnock (Lab Co-op): Does the Minister agree that that grandstanding is abhorrent in this House, as is that kind of completely untrue allegation? That kind of misinformation and fake news, which is being perpetrated in so many ways, is causing the problems in the United Kingdom and elsewhere today.

Baroness Smith of Malvern (Lab): I agree with my noble friend. Vice-chancellors say to me that theirs is a difficult job, made tougher by the previous Government's failure to address the financial challenges that they faced and by their propensity to use universities and higher education as a political battleground, rather than supporting them in the way they need. The previous Government only made this worse, and we are determined not to go down that route.

Baroness Penn (Con): Does the Minister think that seven Nobel Prize winners, one Fields medallist and 650 other academics are engaging in a culture war in calling for the implementation of the Higher Education (Freedom of Speech) Act in full?

Baroness Smith of Malvern (Lab): No, I do not, which is why I did not use that expression.

Baroness Stedman-Scott (Con): My Lords, does the Minister agree that an elected politician was cancelled from speaking at one of our leading universities—

[BARONESS STEDMAN-SCOTT] supposedly a beacon of free speech? Will she commit to implementing the Higher Education (Freedom of Speech) Act as soon as possible?

Baroness Smith of Malvern (Lab): As the noble Lord, Lord Wallace, made clear, there might be different views about the causes of the particular event to which the noble Baroness refers. For that reason, I shall not comment on the details of that case. I would say that as a student I have been a protestor and as a politician I have been on the receiving end of protests. This Monday at the University of Manchester, where I was speaking, I was interrupted by a protest, which was obviously not ideal. A careful balance needs to be made between the right to protest and the right of freedom of speech, and I think that these things are probably better dealt with in a calm and considered way than in headlines on the front of newspapers.

Film Industry Statement

12.20 pm

The Parliamentary Under-Secretary of State, Department for Culture, Media and Sport (Baroness Twycross) (Lab): My Lords, with the leave of the House, I shall now repeat a Statement made in another place by my right honourable friend the Secretary of State for Culture, Media and Sport. The Statement is as follows:

“Film is one of the great British success stories of the last 30 years. Ever since Gordon Brown created the film tax credit back in 2007, this amazing industry has created jobs and growth across the UK and flown the flag for British creativity across the world. Our Government have huge ambition for the film sector, and today we are introducing secondary legislation that will put rocket boosters under this growing industry and unlock the potential of our incredible independent film sector.

The UK has some special advantages that give us a natural competitive edge. Thanks to the creativity and imagination of our authors, playwrights and publishers, we have some of the best stories to tell and take to the screen, helped by some of the best storytellers in the world—the directors, scriptwriters and cinematographers—and against some of the most incredible backdrops, from the Welsh valleys to the north-east coastline, as well as acting talent that is second to none and that breathes life into those stories. Our film industry is one of our great economic and cultural success stories. It is worth £1.36 billion and employs more than 195,000 people, and it has created true icons such as James Bond, Harry Potter and my personal favourite, Paddington Bear.

Our Government have three aims for our film industry. First, we want to attract the investment for UK film makers to make the best films in the world. Secondly, we want UK audiences to see films that reflect their lives and their communities. That means telling a wide diversity of British stories that draw on the rich cultural inheritance in every region and nation. Thirdly, we want the UK to be the best place in the world to make

films, because we have the right ingredients: the investment, the talent, the technical skills, the sound stages, the creative imagination and the right fiscal and regulatory environment. That is why this Government will do everything in our power to ensure that the fiscal and regulatory environment matches the ambition of film makers and studios around the world. We want them to invest in great British film making.

However, the key to maintaining that advantage is an internationally competitive tax regime, and I think that is beyond party politics. As Members will know, tax incentives for film were first introduced by the last Labour Government in 2007, and the previous Conservative Government followed suit with the announcement of a planned UK independent film tax credit in the last spring Budget. We have heard loud and clear the industry’s concerns that any further delays to introducing this secondary legislation, even to the end of the month, may mean that investments in UK independent films are lost. So I am glad to announce that we have today laid the necessary statutory instrument, under the negative process, for the independent film tax credit to take effect. It means that eligible films with a budget of up to £23.5 million can claim enhanced audiovisual expenditure credit at a rate of 53% on their qualifying expenditure up to £15 million. That is higher than the standard 34% rate for other films. The regulations set out the eligibility criteria for film production companies, which can apply from 30 October.

This Government do not underestimate how important this tax credit is. Big blockbuster movies are an important part of the mix, but independent films are every bit as important, both for the British talent they allow to shine and for the untold stories that they bring into the spotlight. Too often, people do not see themselves and their community reflected in the stories we tell ourselves about ourselves as a nation, and this Government are determined that will change.

Later today, the 68th London Film Festival will open with the world premiere of “Blitz”, written, directed and produced by one of our most successful British directors, Steve McQueen. Set in England during World War II, it is an example of exactly what film can do. It brings together top talent on screen and off, and it showcases the nation’s history through storytelling and highlights on screen our beautiful country, from London’s East End to Hull’s old town. Our independent sector has produced films such as “Pride”, “The King’s Speech” and “Bend It Like Beckham”, which show our heritage, our communities and our culture to the world and act as a springboard from the grass roots for world-class UK talent on screen and behind the scenes.

While major film production has flourished, smaller-budget independent films have not received sufficient support over the past decade. They face multiple challenges, including rising production costs, crew shortages and declining revenues, which have hampered the growth of this vital sector. While too much of our creative industries has traditionally been concentrated in just one part of our country, independent film thrives everywhere, given the chance. This uplift will not only boost creativity but create jobs, growth and

investment in every nation and region. Through that, we will help the independent film sector to reach its full potential.

While the uplift has been designed to support and target British independent film makers, I am glad to say that it is also open to qualifying official co-productions, because film and television co-production is a key way in which the UK increases its cultural ties and collaboration with Europe and the rest of the world.

This Government will go further still to support this critical industry. The skills shortage that has been ignored for too long acts as a brake on the ambitions of this incredible sector. That is why this Government launched Skills England to bring about the skills we need for a decade of national renewal of our communities, business and country. We will focus apprenticeships once more on young people to set them up to succeed and to help fill the 25,000 vacancies in the creative sector. The Secretary of State for Education is overhauling the apprenticeship levy to provide better career opportunities for young people, building on the success of existing high-quality apprenticeships in the creative industries, and we are working closely with Skills England to ensure that the new flexibilities announced by the Prime Minister last month offer shorter apprenticeships and an improved offer for a creative skills pathway for young people embarking on careers in this sector. Every child should have the chance to live a richer, larger life and to consider a career in the arts.

In addition, the Ministry of Housing, Communities and Local Government is keeping the Government's mission to deliver economic growth at front of mind when making decisions about planning applications. I am pleased to announce to the House that yesterday MHCLG recovered an application for planning permission for Marlow Film Studios in Buckinghamshire. The merits of that application will now be reviewed by its Ministers in detail before they reach a decision.

Finally, next week the Government will host the international investment summit, where industry leaders, investors and businesses from across the world will come together to put the UK back at the global table and to kick-start a decade of economic renewal. As a critical part of that, our creative industries will be at the summit's heart. This Government are committed to ensuring that the UK is a first-choice destination for film production. We are backing up those words with actions today. Britain is open for business, and creativity is back at its heart. I commend this Statement to the House".

12.28 pm

Lord Parkinson of Whitley Bay (Con): My Lords, this is my first chance—with a bit more time on the clock than we have at Questions, and certainly than we had for our heavily subscribed Question for Short Debate on libraries—properly to welcome the noble Baroness, Lady Twycross, to her place. I know that she has a busy time, speaking both for DCMS and for the Cabinet Office, but she has an excellent team around her, and I look forward to our exchanges on what I am sure she will agree is the far more interesting half of

that deal, representing sectors that are a fast-growing part of the economy and enrich our lives in so many ways.

It is in that spirit that I welcome the Statement she has just repeated, but your Lordships might well expect me to, because it is simply confirming a policy that the Conservative Government announced in March. The statutory instrument that the Secretary of State trumpeted yesterday puts into effect the extra support for the independent film sector that my right honourable friend Jeremy Hunt brought in at the Budget this spring. I looked at the press release put out by the Minister's department but, curiously, I could find no mention of that. Will she start by acknowledging the important role played by Jeremy Hunt, and, indeed, by Lucy Frazer, the former Secretary of State, in winning the argument at His Majesty's Treasury for this dynamic tax stimulus?

The announcement that we made in March followed months of careful work with brilliant organisations from across the sector, such as Pact and the British Film Institute, and was welcomed by industry titans such as Sir Christopher Nolan, Barbara Broccoli, Sir Steve McQueen and that great Geordie, Sir Ridley Scott. At the time, the BFI described it as

"a game changer for UK filmmakers"

and British storytelling, and

"the most significant policy intervention since the 1990s".

So the Government's Statement this week is not so much an original production as a remake of a previous hit. If it were a film, my right honourable friends would surely appear in the credits, at least. Will the Minister give them the acknowledgement that they deserve when she stands up again?

Perhaps she can also tell us a little more about the timing of this Statement. I am very glad that the Government are supporting the London Film Festival; it is an incredible showcase for the brilliant film-making talent that we see on display right across the United Kingdom. That is why the last Conservative Government provided £1.7 million of support for this year's festival through our creative industries sector vision, announced back in June 2023.

However, if the Secretary of State is going to be governing by gimmick and announcing fiscal policies based on the red-carpet events that she is invited to, would she also recognise that this week marks the start of Frieze London, one of the world's most influential art fairs? The art world is waiting to see whether the Government will continue the museums and galleries exhibition tax relief at the extended rate and scrapping the sunset clause, as we committed to in the Budget in March? If the Government are recycling good news for the film sector, can the Minister put the art world out of its misery by confirming that today, too?

Every single evening, across the country, people are benefiting from brilliant new productions supported by the theatre tax relief, and astounding concerts supported by the orchestra tax relief. In the Budget in March, we announced that we would keep those at the extended rate permanently. Is the Minister able to give those vital sectors the certainty that they need to be able to continue programming excellent new plays and

[LORD PARKINSON OF WHITLEY BAY]

concerts? If not, why has her department chosen to give just one part of the creative industries special treatment ahead of October's fiscal event?

But even the film sector is waiting for answers from our new Government in other areas. In another place yesterday, Dame Caroline Dinéage, the chair of the Select Committee, asked when the Government expect to confirm the introduction of the visual effects tax credits. These were also announced in the Budget in March and have been consulted on, and they are desperately needed and urgent. The Secretary of State was unable to give a clear answer in another place yesterday—perhaps the Minister can give your Lordships more information today.

My right honourable friend Sir John Whittingdale highlighted another area where clarity is needed from the noble Baroness's department. He pointed out that investment in the film industry—and, indeed, across our creative industries—depends on confidence and certainty, not least in the copyright protection regime. He asked the Secretary of State to make it clear that the Government do not intend to extend copyright exceptions to text and data mining, which would damage both the creative and publishing industries massively. The Secretary of State was not able to give him a clear answer yesterday; perhaps the Minister can fill in the gaps today.

Sadly, this is becoming a bit of a picture from our new Government: failing to come up with answers to the big questions that they have had 14 years to think about, and failing to come forward with any new ideas of their own. We have not yet had 100 days of this Government, which is strange because, with all their miserable announcements, their descent into sleaze and the sacking of the Prime Minister's chief of staff to try to signal a reset in Downing Street, it certainly feels like longer. But all they seem to be able to do is recycle Conservative policies. I welcome this Statement and I look forward to the introduction of the football governance Bill, which is another goal that we kindly set up for them. But I have to ask: when do they plan to start governing on their own?

Lord Clement-Jones (LD): My Lords, I hope to strike a rather more positive note. I thank the Minister for repeating the Statement. On these Benches, as we did in the Commons, we welcome all the elements of the Statement; it is a really excellent way of marking the London Film Festival.

The confirmation of the IFTC is very welcome. On these Benches we are huge champions of the creative industries and we absolutely share the ambitions for the sector that the Minister has set out. Our film industry, particularly the independent sector—I pay tribute to PACT and the indefatigable CEO, John McVay—is dealing with a wide range of disruptive changes, from recovery from the pandemic to the rise of streaming platforms and AI.

The confirmation of the IFTC is a welcome first step, but we must also consider international competition. We have seen in the last week that the Irish Government have announced their own boosted tax incentive of 40% for films budgeted under €20 million. In that light,

does the Minister consider that this level of tax relief goes far enough? As the Minister will have found, while giving support on these Benches, we always want even more ambition from the Government.

Another key issue that the industry is dealing with is that of a scarcity of skills. Inward investment in the film industry is very welcome, but the boom has also caused skills gaps and shortages for independent films, as the highly paid jobs in large productions are more attractive. This has created a destabilising and precarious production landscape in which smaller productions are struggling to hire the necessary talent to make a successful production. So will the Government address the skills deficit in the creative industries, including replacing the apprenticeship levy with a more flexible training and skills levy to suit the needs of the creative industries and increase take-up? Can the Minister confirm that we will soon see a full reform of the apprenticeship levy, and that she is confident that the reform will suit the needs of the creative industries?

In the context of skills, I welcome the plans put forward for the Marlow film studio site and the Government's announcement in that respect. This grey-belt site is exactly the kind of location where we should be focusing growth and development. As a party, we support the proposal nationally and locally; the training and skills elements contained in the proposal are particularly welcome.

According to Creative UK, over 70% of creative businesses report not having enough finance. Today's announcement will be helpful news for the film industry, but what steps are the Government taking to ensure that our creative industries more broadly can access the finance that they need to flourish? What steps, for instance, will the Government take to protect our independent television production companies, many of which are facing similar issues from the rise of streamers to competition from elsewhere in Europe? We need to establish creative enterprise zones beyond London to grow and regenerate the cultural output of areas across the UK. What are the Government's plans for these?

Finally, Feryal Clark, the new Minister for AI and Digital Government, recently announced that she expects to resolve copyright disputes between British AI companies and the creative industries

“by the end of the year”,

saying that she wants to

“bring clarity to both the AI sector and also to creative industries”.

Does this mean that the Government plan to bring back a new text and data mining exception of the kind that was backed by the *Pro-innovation Regulation of Technologies Review: Digital Technologies*, from the noble Lord, Lord Vallance, or will they affirm, as they should, the rights of copyright holders such as film makers, faced with the ingestion of their material, or the performing rights of actors, artists and other creatives, and the need for licences to be taken by large language models? What consultations are the Government engaging in in this rather narrow timescale?

Baroness Twycross (Lab): My Lords, as I hope your Lordships have understood from the Secretary of State's Statement—I think there is consensus across the House—

our film industry really is one of the UK's true economic powerhouses. We are genuinely one of the best places in the world to make films, with our incredible talent and world-class studios and locations.

When I was repeating the Statement, I noted that "Paddington" got quite significant coverage in the debate yesterday, so before I answer the points raised by noble Lords, I just wanted to mention that my own personal favourites are "Suffragette" and "Brassed Off". These and many other films are not only compelling entertainment but depict important cultural and social moments in our nation's history. This Government want to make sure that our film sector goes from strength to strength and that we can attract more investment and make more exciting, diverse and original films than ever before.

We cannot be complacent, however, and we recognise the challenges facing the sector. That is why we laid the regulations yesterday, which will provide much-needed support to our independent film sector, providing an uplift to our existing audiovisual expenditure credit specifically targeted to support the growth and success of low-budget films.

Films can be a fantastic driver of regional growth, helping to spread opportunity across the country, but we know that access to and participation in this sector has in some ways become the preserve of the privileged few and we want to change that. We are committed to working with regional partners to create more growth, boost opportunities for all and support people to fulfil their creative potential.

Labour introduced the first film tax credit back in 2007. Since then, our industry has gone from strength to strength. I do not think we should make this a political knockabout around who supports the film industry more. The noble Lord, Lord Parkinson, asked for an acknowledgement that this was a policy of the previous Government and I refer him back to the Secretary of State's Statement, which makes it clear that this is a continuation of that policy. It was a shame that he resorted to political jibes, when this should be something around which we have political consensus. Although the measure announced yesterday was announced by the previous Administration, it is this Government who have designed and laid the necessary regulations to ensure that companies, many of which are eagerly anticipating its introduction and welcomed it yesterday, are able to apply for independent film tax credit from the end of the month. This is the first DCMS SI of this Government and, as such, I believe it shows the priority that we on these Benches place on supporting the industry.

British indie films such as "Pride", "Billy Elliot" and "Trainspotting" tell award-winning stories about our country, celebrating parts of our culture that often get less exposure. This relief will allow more stories like these to be told, enabling more people to see their lives and experiences reflected on the screen. Yesterday, the film sector reacted incredibly positively to this announcement, and we have already seen Pinewood, in response, announcing a new indie production hub. This relief is open to co-productions, which means it will also boost UK-international collaboration on film.

The DCMS-funded UK Global Screen Fund helps British filmmakers co-produce films with international partners and distribute their films globally.

The noble Lord, Lord Clement-Jones, highlighted the issue of skills. The announcement yesterday is just the start of how this Government will be supporting our world-leading creative industries. We are reviewing the school curriculum, to put creative education back at its heart, which will boost the talent pipeline for our fantastic film sector, as well as looking at the apprenticeship levy he referred to. On his other points about support for television, we recognise that the last 18 months have been quite difficult for the TV production sector and we are committed to supporting it. The Government maintain a range of interventions to support independent TV production companies, including a system of quotas and the terms of trade regime. We are taking steps, through the Media Act, to retain, and as appropriate modernise, these to ensure that they remain fit for purpose. It is also worth noting that there are several existing tax reliefs that independent TV production companies can benefit from, covering animation, children's TV and high-end TV.

In relation to specific measures and tax credits to support creative industries, I am afraid that I am not going to be able to give definitive answers today. As noble Lords will be aware, the Budget and the spending review are coming later this month: watch this space.

Briefly, the Government believe in human-centred creativity and the potential of AI to open up creative frontiers. Some 35.2% of creative industry businesses are currently using AI technology. We recognise its significance, but are committed to finding the right balance between fostering innovation and ensuring protection for creators. That requires thoughtful engagement with the creative industries and companies driving AI development.

Noble Lords will be aware that this Government have already launched Skills England to bring the skills we need for a decade of national renewal for our communities, businesses and country. Next week, the Government will host the International Investment Summit; we have big ambitions to ensure that the UK is back at the global table. Our creative industries, which reflect the best of this country, will be so important to that.

12.43 pm

Lord Swire (Con): I thank the Minister for repeating the Statement. There is much in it that I welcome. The film industry needs fiscal certainty—one thing it did not have when I was shadowing the department in 2005, when Gordon Brown thought there were some tax holes and immediately changed the fiscal environment for film. That had the net result of driving "Casino Royale", then the latest Bond film, across to Prague from Pinewood. I am nervous when the Minister talks about the sorts of films the Government would like to see made—I hope they are not going to interfere in that respect too much. The Minister also alluded to what this can do for the regions, the built environment and the rural environment. What discussions will she have about doing more with English Heritage, Historic Houses, the National Trust and our regional tourist

[LORD SWIRE]

boards to pump-prime regional film production and bring some of our undoubted assets to a wider international audience?

Baroness Twycross (Lab): I am not going to respond to the suggestion that my favourite films indicate that we are going to be picking and choosing. The Secretary of State's Statement made it clear that "The Kings Speech" was also an independent film. There is a balance, as there should be, and a range of voices should be heard. This is the first step in ensuring that we support the film industry, specifically the independent film industry. A particular focus was provided so that this could go ahead of the Budget, for production purposes and so that people did not lose potential funding. The Government are committed to ensuring that, across the piece, we have a creative sector and industry that reflects the country and is supported across the country. At the heart of this will be the skills agenda and ensuring that every child has the opportunity to acquire the skills required.

Baroness McIntosh of Hudnall (Lab): My Lords, of course the Statement that my noble friend has just repeated is very welcome. Although it builds on the work of the previous Government, much in it is to be commended. I hope we will build on it further. However, I take her back to some of the points raised by the noble Lord, Lord Parkinson. Does she accept that, in this country, unlike in many other countries, the various elements of the creative industries are closely connected, and many people work across theatre, television and film in a way that they do not so much, for example, in America? Therefore, it is very important to maintain support, of which tax credits are an important element, across all aspects of the cultural industries. I understand that she cannot say what might be in the Budget, but will she please stress to her colleagues in the Treasury how important it is to maintain the tax credits that are available currently in theatre and for orchestras in order not to have, by withdrawing them, a bad impact on other elements of the industry?

Baroness Twycross (Lab): My noble friend is right. To give her some reassurance, I think the Treasury and DCMS are entirely clear on the contribution made by all creative industries to this country's economy. I remind noble Lords that the creative industries are worth £125 billion in economic value to the UK and employed 2.4 million people in 2022. This is the first step in the Government's plans for and support for creative industries, but I cannot pre-empt decisions made by the Treasury. As I mentioned earlier, the Budget will be held later this month.

The Lord Bishop of St Albans: My Lords, this is surely to be welcomed, and I think we are all delighted to hear these announcements, building on what has been said before. However, there is a deep concern in many parts of the country. In Hertfordshire, where I live, we have Elstree, Leavesden, the OMA V and the new studios being built in Broxbourne, and I have been privileged to visit some of those. Not only do we have the challenge of skills shortages for the film

industry but we have a massive shortage already with the announcement on building extra houses. Can the Minister assure us that we are getting an integrated strategy, looking across the whole range of needs for skills, so that we can really get ahead of this game? Without that, we will have the facilities but simply not the people available to make the films.

Baroness Twycross (Lab): The right reverend Prelate correctly identifies that, across the piece, we have a skills shortage in this country. If we are talking about legacies from previous Governments, this is one that I would not expect noble Lords opposite to be shouting about quite as much as they have in other points they have made. I stress the commitment to skills generally, through creating Skills England, and the intention to transform the apprenticeship levy into a new growth and skills levy. Both measures should create opportunities and give employers greater flexibility to train and upskill their workforce. We are very clear that this country will not succeed in the growth that we need to recover as a country without improving basic skills across the piece.

Lord Cashman (Non-Aff): My Lords, I refer to my entry in the register of interests as a rights holder, performer, writer and author. I welcome this Statement, obviously, but I want to concentrate on the Government wanting the country to be

"the best place in the world to make films",

et cetera. In that regard, Brexit has not helped. Will they therefore fast-track visas for those in the creative sectors to work in the United Kingdom? Secondly, as my noble friend Lady McIntosh outlined, no artist works in one silo in this country; we work across a landscape of different parts of the industry. I therefore encourage a holistic approach, which means greater investment in arts and education, particularly in state schools.

Baroness Twycross (Lab): The noble Lord is right that this is a real focus. As he will be aware, the Labour manifesto committed to reset the UK's relationship with the EU and improve UK-EU trade and investment. I cannot provide a specific response on his point about visas, but I will write with further details.

Baroness Fraser of Cragmaddie (Con): My Lords, I welcome the Government's support for the UK film industry and am glad to hear the Minister confirm her support for stories from the nations and regions across the UK. I declare an interest as a board member of Creative Scotland. One of the ways to do this is to support small and medium-sized production companies outside London. We also need to support the development of skills so that people can have a career in the industry outside London and across the nations and regions in which they live—and so that they perhaps do not all have to move into the diocese of the right reverend Prelate the Bishop of St Albans, who is worried about housing. They certainly should not have to move to London to pursue a career in film. Underpinning commissions for these small and medium-sized production companies are commissions from

our public service broadcasters. Does the Minister agree that we should aim for population-based production quotas for each UK nation so that we can deliver permanent and sustainable bases in key production centres across the regions and nations of the UK?

Baroness Twycross (Lab): I thank the noble Baroness for her proposal. I will take it back to the Minister of State in the Department for Culture, Media and Sport. I have not discussed this with him previously, but this Government are absolutely committed to all creative industries being represented across the nations and regions as a vital part of our growth and cultural richness. Every child and young person in every part of the country should have the opportunity to learn those skills. While, as a Londoner, I might be biased about the merits of living in London, we are clear that this includes people not automatically having to move to the capital.

Lord Davies of Brixton (Lab): My Lords, I thank my noble friend for repeating the Statement and for the support announced for the film industry. I am sure she will be aware that this industry depends crucially on freelancers, but there are real concerns about the financial and mental health of many freelance workers. A recent survey by the Film and TV Charity found that only 12% of freelancers believed that working in the industry was good for their mental health. What steps will the Government take to enhance working conditions for the freelancers who are so crucial to this industry?

Baroness Twycross (Lab): I will take back my noble friend's points about mental health and the role of freelancers and speak to my noble friend Lady Merron and the Minister of State about these significant issues.

Lord Purvis of Tweed (LD): My Lords, I think the whole House will agree with the Minister that film production is a real driver for regional growth, including in Scotland, where I live, like the noble Baroness, Lady Fraser. However, about 45 minutes ago, the noble Baroness, Lady Anderson, answered a Question on the pausing of the Northern Ireland city deals. The Belfast city deal includes investment for Studio Ulster. The Government are to be commended for promoting investment in film production, but they are simultaneously pausing it. Why?

Baroness Twycross (Lab): I understand that there is no pause to the funding for the Belfast deal.

Baroness Penn (Con): My Lords, recognising the constraints ahead of the Budget and the contribution of our creative industries to growth in this country, could the Minister address the enterprise investment scheme for film and high-end TV? Do DCMS and His Majesty's Treasury have any plans to look at this? If not, will she encourage them to do so?

Baroness Twycross (Lab): I regret that I will have to be slightly repetitive in giving assurances of this Government's commitment to the creative industries. Some of these issues are decisions for the Treasury, but both DCMS and the Treasury understand how important various measures and reliefs are to the

industry. An update will be provided as soon as possible and, as noble Lords are aware, the Budget will be held later this month.

Lord Stevenson of Balmacara (Lab): My Lords, I declare an interest as a former director of the British Film Institute. I was a guest of the BFI at the opening of the London Film Festival last night for the showing of the film "Blitz", which was extraordinary. I recommend it to noble Lords on all sides. It tells us a lot about Britain as it was, in the way that cinema can do, and it is worth all the money given by its supporters—and there are a lot of them. The opening speech at the London Film Festival yesterday made reference to the Statement made in the other House earlier that day. The very warm reception given by the huge audience to that announcement was striking. We should recognise that the industry is very supportive of what the Government are doing. It was also supportive of the previous Government's work, so I want to correct something my noble friend said: the very first film tax credit followed the Downing Street seminar in 1990 with Mrs Thatcher, when she was Prime Minister, and was introduced by the noble Lord, Lord Lamont, who is sadly not in his place to receive the credit for making that first step. It was then built on by the great work—I am surprised to hear myself saying it—of George Osborne, who not only provided extra support but extended it, as we have heard, to many other art forms, which are very grateful to the last Government for the work they did. We should recognise that and build on it.

The points I wanted to make have largely been made by others, but one that has not really been answered, which is crucial to the future development of the film industry, is the question of the apprenticeship levy, raised by the noble Lord, Lord Clement-Jones. Will the Minister be a bit clearer about how wide a view the Government will take on this? The industry is in a terrible mess; without the support of the young coming into it, it will not survive.

Baroness Twycross (Lab): I thank my noble friend for his question. I repeat that at the moment we have a skills shortage and significant vacancies—a vacancy margin of about 25,000. We know that our success is down to our skilled and innovative workforce. As a number of noble Lords have highlighted, this goes way beyond people working in a silo. There is something about creativity and working across different parts of the sector that probably benefits that.

We will get more details on the transformation of the apprenticeship levy into the new growth and skills levy in due course. It will create opportunities and give employers greater flexibility to train and upskill their workforce. Through working with Skills England, it will also allow the Government to identify what skills gaps there are, so that we make sure that every single sector, including the creative industries, has the skills it needs for the growth this country requires.

Lord Bellingham (Con): My Lords, the Minister mentioned the forthcoming economic growth summit, which I applaud the Government for putting in place.

[LORD BELLINGHAM]

She will be aware that many young growth companies in the creative industries sector currently enjoy IHT relief, particularly those on the AIM market. Can she confirm that she is supportive of this relief, and will she make representations to the Chancellor on this point?

Baroness Twycross (Lab): Both I and the Government are clear that the use of tax relief to support creative industries is a really important way in which we increase and support the success of an already successful sector. Any specifics around future relief are obviously a decision for the Treasury, although I repeat what I have said previously—and apologise for repeating it—that DCMS and HMT both understand how important these reliefs are to the industry. As I have previously mentioned, the Budget will be held later this month.

Baroness Thornton (Lab): My Lords, when we were in opposition, I visited the National Theatre to be shown around. I was struck by the fact that it was working very hard to get children and young people to come into the theatre, because it recognised the need to have children from a wide spread of different backgrounds in the theatre, ready to take up jobs and apprenticeships. I would be really grateful if my noble friend could talk about the skills agenda and how we are going to link up policy on incentivising filmmaking and the skills required to make sure that children from all backgrounds have the opportunity to be involved in this industry.

Baroness Twycross (Lab): My noble friend will be aware of the passion that both the Secretary of State for the Department for Culture, Media and Sport and the Secretary of State for Education have for giving opportunities to children from all backgrounds. We all probably remember our first visit to the theatre. For far too many children, this is not something that happens through their family. We need to make sure, as the National Theatre does, that children get the opportunity to experience theatre directly.

The work through Skills England, and particularly the curriculum review—Secretary of State Bridget Phillipson has spoken so passionately about creative skills and the passion they can bring to children—is going to be central to how we view the curriculum going forward.

Social Care Strategy

Motion to Take Note

1.03 pm

Moved by **Baroness Tyler of Enfield**

That this House takes note of the state of social care in England, and the case for a comprehensive social care strategy and further support for unpaid carers.

Lord Kennedy of Southwark (Lab Co-op): My Lords, before this important debate gets under way, I thought it would be useful to remind the House and all Back-Bench speakers that the advisory speaking time is four minutes.

This means that when the Clock has reached three minutes, noble Lords should start making their concluding remarks, and at four minutes their time is up. I have asked the Government Whips to remind noble Lords of this fact during the debate, if necessary. I thank all noble Lords in advance for their understanding, which will allow everyone to contribute to the debate fairly within the allocated time.

Baroness Tyler of Enfield (LD): My Lords, it is a privilege to be opening today's debate on such a vital issue to our national life: social care. I am very grateful to the many organisations that have sent me such excellent briefings. I particularly thank the unpaid carers who shared with me their personal experience of caring for a loved one at the drop-in event organised by Carers UK on Tuesday. It was a humbling experience. I look forward to hearing from other noble Lords who have such expertise in and commitment to this issue.

I want to start by making some general points that I feel too often get overlooked. First, social care is a hugely valuable public service in its own right, at best allowing millions of our fellow citizens to live independent and fulfilling lives, improving their well-being and that of their families. It is not simply an adjunct to the NHS. Yes, fixing social care will help the NHS address its current problems, and two of the three big shifts articulated in response to the Darzi review—moving from hospital to community and from treatment to prevention—can certainly be assisted by an effective social care system, but bailing out the NHS is not, I contend, its primary purpose.

Secondly, the social care market makes a significant contribution to local economies. Skills for Care estimates that the sector contributes more than £50 billion to the English economy.

Thirdly, social care is not all about older people, or preventing people having to sell their properties to pay for care, as the debate is too often so unhelpfully characterised. Support for working-age adults and lifelong disabled adults, particularly people with learning disabilities, has become the largest area of spend in adult social care and is growing faster than any other part.

In short, we need to frame the debate in a different way: valuing the sector as a contributor to economic activity, as fundamental to promoting the health and well-being of people in local communities and as contributing to the preventive agenda that the NHS on its own has, according to the noble Lord, Lord Darzi, and others, failed to deliver. Despite all the very real problems, there is some good and innovative practice at local level, often involving integrated neighbourhood working between social care, community health and the voluntary sector.

All that said, social care has been described—I think rightly—as one of the biggest public policy failures of our time. The last 25 years have seen six government and independent commissions, seven Green and White Papers, 14 parliamentary committee reports and innumerable other reports on social care policy. They have identified policy options to address many of the problems and, time and again, commitments have been made but then reneged on. In particular, the

funding has been subject to much analysis—not least by Select Committees of this House—and the options for reform are clear. It certainly does not need a royal commission to crawl all over it again.

There is wide consensus that things cannot carry on as they are. Our adult social care system is not fit for purpose and needs radical reform, following decades of political neglect and underfunding. Indeed, the noble Lord, Lord Darzi, in his recent report, described it as “dire”. With an ageing population and a growing number of disabled people of working age, demand is increasing but funding is not keeping pace. In reality, publicly funded social care is available only to those with the highest needs and the lowest means.

Recent analysis from Age UK found that more than 2 million older people are now living with some form of unmet need. Healthwatch recently estimated that up to 1.5 million working-age disabled people could be missing out on the social care they are eligible for. Only last week, the County Councils Network pointed out that persistent underfunding of local government in the last decade means that some councils now spend as much as 80% of their budget on care for adults and children.

Looking forwards, the Care Provider Alliance estimates that at least 1.7 million more adults will require social care over the next 15 years. In big-picture terms, the Health Foundation has estimated that meeting growing demand for care, enabling more people to access it and improving services could cost an extra £18 billion by 2032. This is serious stuff indeed.

In short, we have a system struggling with myriad problems, including: an overly stringent means test; catastrophic costs, leading to some people having to sell their homes; high levels of unmet need, so that people go without the care and support they need; a high reliance and unrealistic expectations placed on unpaid carers; patchy quality of care; poor workforce pay and conditions; a fragile and highly fragmented provider market; and a postcode lottery of access.

All these issues have solutions, as the plethora of reports on social care demonstrates. I hope that we will hear lots of potential solutions in today’s debate, but this needs to be addressed in the round, not in a piecemeal fashion with last-minute sticking-plaster solutions.

Far too often, the crucial role of unpaid carers comes last in the list, but today I will deal with it first. It is vital that we recognise the challenges that the UK’s 5.7 million unpaid carers are facing and the critical role they play in supporting people and, frankly, propping up our health and care systems. Finding appropriate support can be extremely challenging, and many carers report having to fight to get the support they need. One unpaid carer I spoke to on Tuesday said that she had found it impossible to get an assessment for her own health needs—despite the fact that this was legislated for in the Care Act 2014—and felt totally burnt out.

The lack of accessible and affordable social care hinders carers’ ability to juggle work and care. The extra expenses associated with caring for a loved one with a complex condition, coupled with the inability to work, can have a massive adverse effect on family

finances. The development of a new national carers strategy—which I strongly support—should be a priority for the Government as part of their wider reforms of social care and, crucially, be seen as integral to the development of the national care service. We need to be ambitious here. From these Benches, we want to see it include paid carers’ leave and a statutory guarantee of regular respite breaks, as well as increasing carer’s allowance, by expanding eligibility to it, and bringing to an end the overpayments scandal.

I turn to the social care workforce. According to Skills for Care, last year there were around 130,000 vacant posts and 1.7 million filled posts. That is a vacancy rate of some 8% and a turnover rate of just under 25%. This is about three times higher than for the wider economy. Skills for Care attributes turnover and vacancies in the sector to a range of factors including low pay, zero-hours contracts and difficulty accessing full-time work. Today’s debate is timely because only this morning, Skills for Care published its annual report, which shows some modest improvements in filled posts and a slightly lower turnover. However, these improvements were mainly driven by international, rather than domestic, recruitment, and there are signs that the supply of international recruits is declining, not least due to changes in visa rules debarring migrant workers from bringing family dependants with them. So domestic recruitment and retention problems continue.

As many in this Chamber have said, the silence in the King’s Speech on social care was deafening, and many people felt badly let down. It felt, once again, as though social care had been pushed to the back of the queue. The Government must, as a matter of urgency, produce an updated vision for social care that tells us what good looks like and then start work immediately on finding a long-term, cross-party solution to putting social care on a sustainable footing. I hope that this House, with all its expertise, can make an important contribution to that debate.

I ask the Minister what plans the Government have to publish a comprehensive reform package for social care with a clear timeline attached for action in this Parliament. I note that the Nuffield Trust has called for a rapid diagnostic exercise similar to the Darzi NHS review to build urgency and the case for change. Can the Minister say whether such an exercise is being considered, and, if so, what the timescale would be?

I recognise the financial constraints the Government face, but that is not a reason for silence or inaction. A comprehensive plan for social care reform can be framed according to short-term, medium-term and long-term actions. The most pressing priority is for the Government to provide an immediate uplift in social care funding in the upcoming Budget to stabilise the sector in the short term. However, there are also a number of short-term and relatively low-cost actions, such as setting up a mandatory professional register of adult social care staff in England, which already exists in Scotland and Wales; requiring direct adult social care representation on all integrated care systems in England; establishing a new commissioner for adult social care to promote the rights of those relying on care; and developing a more simplified, consistent and

[BARONESS TYLER OF ENFIELD]

efficient approach to how councils commission care. These are simply examples of things that could be put in place relatively quickly.

In the upcoming comprehensive spending review, the Government must commit to multiyear settlements to local government, so that the social care system can plan with confidence over the medium term and provide further stability. The Government also need to provide clarity on their plans for social care—including, I hope, more detail about developing a national care service and the fair pay agreement—and what they hope to achieve by when, and how that will be funded. I look forward to hearing more from the Minister on this today.

Credible longer-term reform plans must, at the very minimum, cover funding, a workforce plan and support for unpaid carers, which I have already talked about. On the workforce, social care is a job requiring skill, insight, compassion and commitment, but that is not recognised in the terms and conditions on offer. Front-line roles typically attracted only £11 an hour in March this year—58p higher than the national living wage then. I also find it staggering that care workers with five or more years' experience were earning just 10p more per hour than those with less than a year's experience. In short, there is no progression. More than 80% of jobs in the economy pay more than social care, so it is scarcely surprising that employers find it hard to attract and retain people already resident here. If you do a similar role in the NHS, you are paid appreciably more.

We need a social care workforce plan sitting alongside the NHS workforce plan with equivalent government commitment to implement its recommendations. Pay is hugely important, but it is not the whole story. Social care needs a formal career structure, along with training and development to help people advance and be appropriately rewarded for doing so. The Liberal Democrats are calling for a royal college of care workers to improve recognition and career progression, and a higher minimum wage for carers.

The Government's plan to broker a fair pay agreement for social care is welcome in principle—and it is timely, as it is part of the Employment Rights Bill published today—but we need to understand how it will be funded. Will there be commensurate increases in local authority funding, or will the cost be passed on to care providers and self-funders? I would welcome clarification from the Minister on this point.

We need to think about the workforce in the widest possible sense. There is an obvious role for the voluntary sector to provide a lot more of what is often called wraparound support. There is scope for the sector to do so much more and for every area to have a stronger safety net in place.

On funding reform, transformational reform cannot happen without us working out and agreeing, as a society, how we can fund it, both in the short term and into the future. So far, efforts to achieve this have been half-hearted at best and egregious at worst. The lesson from other countries that have successfully grasped the nettle of modernising social care is the need to have a pretty honest conversation with the public about

the options for funding it and how the costs are shared between the individual and the state. We need a cross-party commission to look at the realistic options for sustainable long-term funding, not least to try to future-proof the outcome and lessen the risk of a successor Government undoing decisions made.

As the Government develop their approach to social care reform, they should draw on the significant body of existing policy analysis. The main options—free personal care, which of course has my vote, a cap and a comprehensive NHS-style care—are well known and costed. Respected independent commentators such as the Health Foundation have set out the options and costs, so we are not starting from scratch. The sooner work begins on thinking through the options and engaging with the wider public, the better. The nearer we are to the next election, the harder the task will be.

To conclude, despite countless commissions and reports, successive Governments have failed to enact meaningful reform. With many of the policy options already on the table, and a clear willingness for cross-party talks, the Government have the chance, finally, to implement social care reform and to improve the lives of older and disabled people and their carers. This does not need a lengthy royal commission, simply a substantial injection of political will. Social care reform is a top priority for the Liberal Democrats and, as I hope I have demonstrated, we have plenty of ideas to bring to the table. I look forward to hearing the wisdom of other noble Lords on this thorniest of public policy challenges.

1.18 pm

Baroness Thornton (Lab): My Lords, I am very pleased to take part in this important debate. I congratulate the noble Baroness, Lady Tyler, on her excellent and comprehensive introduction. As the first Back-Bencher to make a speech, at least I will not be repeating anyone else's. I very much look forward to my noble friend Lady Keeley's maiden speech.

The fact that there are so many speakers and we are therefore limited in our time tells us how important this matter is. In my short time, I will not be doing the big-picture painting that the noble Baroness, Lady Tyler, did but will talk about some very specific practical things. I am a non-executive director of the Whittington Health trust, which is our local hospital in north London. We are an integrated care organisation and we face the same challenges that all parts of the National Health Service do. We provide hospital and community care services to half a million people in Islington and Haringey, as well as other London boroughs such as Barnet, Enfield, Camden and Hackney, and it is worth looking at the practical issues involved in how you do this.

Haringey and Islington have multiagency care teams, which work across health and the council to assess and support rising risk patients and avoid unnecessary hospital admissions, keeping people in the community. They are multidisciplinary, with pharmacists, housing officers, social care workers, consultants and district nurses working together. We have a single front door in Islington, which we have just launched, for healthcare and the council to share a single triage point to ensure

that patients are seen by the right team and to avoid duplication of input, and to ensure the best way of sharing our limited resources. Again, this sees council staff and Whittington staff working together. We have social workers embedded in our hospital; they are in our teams and in our hospital offices.

These are the practical details that can inform how primary care locally can be further developed, as defined by the noble Lord, Lord Darzi, in his report, which points to the need to develop primary care, GP care, social care and community care together. I invite my noble friend and her colleagues to come and visit us at the Whittington, where they will be very welcome indeed. There is no doubt that effective and innovative practice exists. I make a plea not to reinvent the wheel as we work towards the much-needed reform of adult social care.

Secondly, I want to ask my Government to look at who provides care at every level in our communities and at whether it is appropriate that we have care providers that are not going to sustain their care in our communities. For example, in 2023, Beaumont Healthcare, a homecare agency providing care to people with disabilities and complex health conditions in Cambridgeshire, went out of business and handed back the care contract to the local authorities. That would not be unusual, but it was the fifth care provider in Cambridgeshire to hand back care contracts in 2023. We know that the marketisation and privatisation of adult social care following the care Act in 1990 brought with it the dangers and instability that we see today.

I have championed co-operative social enterprise and mutuals for 25 years in your Lordships' House. Frankly, in rebuilding our economy and in the reform of our public services we need to look at organisations that can provide public services and do so in a sustainable way. I ask my noble friend that, in the rebuilding of health and social care in the UK, we look at the failures and bureaucracy that competition and marketisation have brought and positively seek alternatives, to have a diversity in the provision of social care in our communities.

1.23 pm

Lord Young of Cookham (Con): My Lords, I too am grateful to the noble Baroness, Lady Tyler, for initiating this debate, the importance of which was underlined by the sheer volume of the high-quality briefing that we have all had for it. There is a fairly common analysis in those representations: declining funding for the sector over many years, leading to delays in assessment and then unmet need, in turn putting pressure on carers, aggravated by workforce pressures, which is made worse by poor pay and conditions for the workforce. The whole problem is compounded by decades of indifference by successive Governments.

In the time available I want to focus on young carers. In another place, I met a group of impressive young people, Andover Young Carers. They were different from older carers. Older carers know that they are carers; they see themselves as carers. These young carers did not see themselves as carers at all but as brothers and sisters, sons and daughters, and grandchildren. They

looked after their relative because that is what they had always done; for them, that was life. Unlike older carers, they had never been non-carers. A further difference was that these young people were coping with the demands of full-time school and college, and at the same time coping with the challenges of the transition from child to adult. Their needs are very different, and I hope that we will not forget them in the short debate today.

The 2021 census showed over 50,000 young carers caring for over 50 hours a week—that is more than the standard working week. Worryingly, within that figure of 15,000, 3,000 were aged between five and nine. The Carers Trust has shown that those young carers at school are at risk of a poorer attendance record and lower academic achievement, and also more liable to social isolation and, sadly, bullying.

What do we do about it? The APPG of which I was the vice-chairman did an inquiry, and we met lots of young carers last year. They told us that, on average, it took three years before their needs were identified and up to 10 years before some of them even got support. That is inexcusable. They also told us that that support came only when they reached absolute crisis point, so we need to identify their needs much earlier, downstream. There needs to be consultation between the various settings of adult services, children's services and education. There is a memorandum of understanding called *No Wrong Doors for Young Carers*, which is designed to improve joint working between adult services, children's services, integrated care boards and other statutory organisations. Despite a requirement for local authorities to have such joint working arrangements in place, recent research by the Carers Trust found that only 7% of local authorities appear to have done so. I will ask the Minister just one question. Does she agree that all local authorities should sign up to that memorandum so that young carers get the support they need?

1.27 pm

Baroness Murphy (CB): My Lords, the helpful House of Lords Library briefing paper by Eve Collyer Merritt started with great clarity. The opening statement was:

“Social care services help people living with illness or disability”.

That is so often forgotten. I think the people in this Chamber today know that—we would not be here if we did not. Indeed, I see assembled before us a number of what I would call the usual suspects for debates of this kind. However, vast sections of the population do not comprehend at all what social care services are. When we have a candidate for leading the Conservative Party who refers to carers recruited overseas as “bottom wipers”, I find myself in an angry rage at her astonishing ignorance, and feel that many politicians require some educating.

That problem explains, in part, the catastrophic neglect by successive Governments, who come to the elections and find that nobody is the slightest bit interested in it as a vote winner. It seems that this Labour Government, whom I expected better of, are also kicking the can down the road. That is one theme that I think will remain constant through this debate today.

[BARONESS MURPHY]

The noble Baroness, Lady Tyler, set out clearly and admirably the challenges, and I can do no more than repeat her words and support her call for a long-term strategy for what should be a growing workforce and the desperate need for training of staff too—especially in dementia, I would say. In view of the fact that over half of home recipients of care and over 70% of care home residents have a degree of dementia, it is surely unacceptable that fewer than half of residential carers have any training whatever in how to manage that condition. I suppose that at this point I ought to draw the House's attention to my lifelong professional interest in this area and current role as an ambassador with the Alzheimer's Society.

Since the Dilnot commission report of 2011, there has been talk of capping care costs in residential care, but I am pleased to say that the one thing the Government have said is that they do not support that line. Capping costs simply transfers the burden from those who have the resources, albeit often locked up in property and capital assets, to the Government and, by extension therefore, to the working population through taxes. It has the effect of unjustifiably allowing older people who need residential care to hang on to properties and pass them on to their children, while adding an extra tax burden on to younger people, most of whom will not own homes. There are many ways to ensure that payment can be deferred so individuals and spouses do not have to pay and, in that sense, I agree with the Government's announcement.

I do not think we can ever get away from the profound unfairness that was established in 1948, when healthcare and social care were separated. We are in danger of recreating a national care service which makes all the same mistakes as the behemoth of the National Health Service. Please do not move away from having a locally focused and locally accountable social care service. By all means have a national strategy but not, please, a national care service.

1.31 pm

The Lord Bishop of Oxford: My Lords, I too welcome this debate. I particularly appreciated the initial appeal by the noble Baroness, Lady Tyler, for a reframing of a broader conversation. Like others across this House, I pay tribute to the many unpaid carers and those who work in social care, who invest their lives in the well-being of others. As has been said, in this debate we acknowledge together that our social care system is in urgent need of reform and that this is a key moment. I share the hope that the Government will take the first steps in that reform in the very near future. Social care impacts us all, in terms of our responsibilities and needs. It brings the most vulnerable in our society from the margins to the centre of our attention and our love.

Last year, the Archbishops' Commission on Reimagining Care published its excellent report, *Care and Support Reimagined*. The commission was chaired by Dr Anna Dixon MBE and the right reverend James Newcombe, then Lord Bishop of Carlisle. The report commends the development of a national care covenant. The biblical notion of covenant is based not around commercial contract but around a wider societal promise

and mutual expectation, and is focused on relationships, mutuality and partnership. It demands a shared vision across society and common values.

I particularly draw the House' attention to the seven values and principles from the commission's work, which I believe offer an excellent underpinning for the Government's future work. Social care should be universal, fair and characterised by loving kindness, which, as we all know, is transformative. Social care should foster trust, be inclusive and promote mutuality. It is an expression of empathy, focused on what each individual wants or needs, rather than being paternalistic and presumptive.

A number of Lords have highlighted, or will do so, the need for workforce planning. Clearly, that is needed as part of a holistic, integrated, systemic approach. We are entering a period in wider society when new technologies are likely to lead to a rapid decline in the number of roles in many industries, such as warehousing and call centres, as many roles become automated. The renewal of social care gives us the opportunity to rethink and expand the workforce in an area of our lives which needs to remain distinctly personal and deeply humane. In social care, we must think not only of how to be efficient but of how to create communities of kindness. As the Motion implies, there is an urgent need to offer a matrix of support for voluntary carers, not least the funding of respite to enable rest and sabbath in their demanding roles.

So much that is good is offered by home carers, volunteers, partnerships with faith communities, local authorities and businesses. The Government now have a significant opportunity and responsibility to reimagine care and support, and the need to begin this task is very urgent.

1.35 pm

Baroness Thomas of Winchester (LD) [V]: My Lords, I welcome this debate and declare that I receive NHS home care.

The whole social care landscape is unbelievably complex, as we have heard. Select Committee reports in both Houses in recent years have all stressed the need for urgency to establish a new and sustainable framework for care, yet nothing is done. My noble friend Lady Tyler is right in making the case for a comprehensive strategy. The LGA, in its White Paper in June about social care, said that stabilising and supporting the care workforce must be an immediate priority, as must measures to improve pay. According to the charity Skills for Care, more than 80% of general workers are paid more than care workers, which demonstrates how low their pay is.

Our population is getting older and those with long-term disabilities are living longer, so there is no time to lose. Sir Ed Davey has called for a social care commission, so I ask the Minister whether this is being considered as a first step and, if the answer is positive, whether it could be started as soon as possible.

I want to turn now to the status of care workers. In my experience, they are worth their weight in gold. They have to be skilled to cope with all manner of machines and appliances, from feeding pumps to bed

hoists, ventilators, catheters, humidifiers and suction machines, to name but a few. They have to keep cheerful and calm, however irritated or grumpy they feel. They are all truly on the front line. Nearly all of them could get much more money stacking supermarket shelves. Home carers do not get paid for travelling between clients in London and, in some districts, they have to pay parking charges. Carers notice that healthcare professionals, such as podiatrists, get free parking and can usually choose their hours for home visits. This tells carers that society in general does not rate them as equal partners in looking after someone. We should treat them as professionals giving a vital service and pay them accordingly.

As for retaining staff, it was interesting to note from Skills for Care that care workers from overseas tended to stay longer than the domestic workforce. Simplifying the whole system of care will surely help the NHS manage hospital admissions and discharges, and take the pressure off local authorities, which have to spend a lot of their scarce resources on matters such as financial assessments.

It was disheartening that the gracious Speech did not mention care. We do not want to hear the words “in due course” from the Minister, rather the word “straightaway”, and for the Government to be prepared to put far more money into the social care we need. Thank you.

1.38 pm

Baroness Keeley (Lab) (Maiden Speech): My Lords, it is a great pleasure to speak in your Lordships’ House for the first time in this debate, to follow the noble Baroness, Lady Thomas of Winchester, and to listen to the comprehensive opening by the noble Baroness, Lady Tyler.

First, I thank noble Lords on all sides of this House for the warm welcome I have received. It is a pleasure to be reacquainted with former colleagues from all sides who also served in the House of Commons. I give special thanks to my noble friends Lady Hayter of Kentish Town and Lady Blake of Leeds, who were my supporters at my introduction. Thank you also to Black Rod and her team, the Clerk of the Parliaments, the doorkeepers, police officers and all the House staff who have been so helpful, supportive and welcoming.

For the past 19 years, I have represented the great city of Salford, being the first woman MP elected to represent the constituency of Worsley in 2005. I have served as a Government Whip and as deputy leader of the House of Commons, working with my noble friend Lady Harman, who was leader of the House of Commons. In opposition, my shadow ministerial roles included social care and the arts.

Before I was elected, I worked as a consultant with the Princess Royal Trust for Carers—now the Carers Trust—on a project to evaluate the then Labour Government’s national strategy for carers. We consulted over 4,000 unpaid family carers. One issue that became very clear was that carers did not receive support unless they were identified as carers, which was a particular problem for young carers, as we heard from the noble Lord, Lord Young of Cookham.

In 2010, I introduced a Private Member’s Bill on the identification of carers. Unfortunately, this did not progress and there is still a need to identify unpaid carers so that they can be supported.

Further, the national strategy for carers was not refreshed by Governments that came in after 2010, meaning that, for 14 years, we have had no high-level strategy across government departments to support carers.

I have raised these and other concerns repeatedly, particularly when I served as the shadow Cabinet Minister for Mental Health and Social Care. To my mind, support for carers has been left too much to carers groups and even to carers themselves.

Katy Styles is a full-time carer for her husband, who has motor neurone disease. Alongside her caring responsibilities, Katy has founded the “We Care” campaign to empower carers to feel visible and valued. This campaign is motivated by the belief that

“all carers deserve so much better”

and I wholeheartedly agree.

I have worked on carers issues across the years, and I acknowledge the work of my noble friend Lady Pitkeathley, who has done so much for carers. I hope that our new Labour Government will redevelop a national carers strategy and work to improve life for carers.

I have also worked for a number of years to highlight the appalling treatment of autistic people and people with learning disabilities who are held for too long in inappropriate in-patient units. The families affected need champions of their cause, which they have in the noble Baroness, Lady Hollins. It is a privilege for me to be in your Lordships’ House at the same time as the noble Baroness, so that I too can raise their concerns and issues.

My most recent roles were as shadow Minister for Music and as shadow Minister for the Arts. I have worked with many noble Lords, including the noble Lord, Lord Berkeley of Knighton, on issues related to music and the decline of music education in state schools. Music and the arts can offer children and young people so much in the way of confidence, teamwork and well-being. I look forward to working with noble Lords across the House on what can be done to bring the joy of music and the arts to all young people, not just those whose families can afford it.

I conclude by saying how happy I am to be working with noble Lords and learning from the great collective wisdom that resides in this House.

1.42 pm

Baroness Pitkeathley (Lab): My Lords, it is a great pleasure and honour to welcome my noble friend Lady Keeley to your Lordships’ House and to be the first to congratulate her on her marvellous maiden speech. As your Lordships have heard, we have worked together on these issues for some years and I thank her for her kind tribute.

Time does not permit me to do justice to the great experience, expertise and wisdom that she brings to your Lordships’ House. As noble Lords have heard, she was first elected to the House of Commons in 2005,

[BARONESS PITKEATHLEY]

as the first ever woman MP for the Worsley constituency, which later changed its name to Worsley and Eccles South. She served as chair of the Women's Parliamentary Labour Party and held government jobs in the Treasury and as deputy leader of the Commons. In opposition, she has held an impressive variety of shadow Minister posts. Her last, as your Lordships heard, was as shadow Minister of Culture, Media and Sport, where she championed music and tourism, and worked closely with the voluntary sector as shadow Minister for Civil Society. She combined all this with close attention to her constituency and an active role in local issues, much admired by all her constituents. She begins another phase of her public service today in this House, where I know she will be a valued and valuable Member.

I thank the noble Baroness, Lady Tyler—whom I always want to call my noble friend—for her very welcome debate. I hope that she and other noble Lords will forgive me for a little trip down memory lane. I remember the many social care debates in which I have taken part in your Lordships' House when it was very difficult to assemble a reasonable speakers list—far from the distinguished gathering that we have today. So few were those noble Lords interested in or concerned about the subject that I used to refer to them, as I have been reminded, as “the usual suspects”. Happily, the number of suspects has greatly increased today. In those days, it was also difficult to get detailed briefings; we have come a long way, with the raft of excellent material that we have from many sources today.

Your Lordships will not be surprised to know that I am especially grateful to the noble Baroness, Lady Tyler, for including unpaid carers in her Motion. Going again down memory lane, I remind your Lordships that, when I became involved in the carers movement in the 1980s, the word “carer” was not in the *Oxford English Dictionary* and spell-check always changed it to “career”. When I went to collect my gong at the palace in 1993, my citation was announced as “for services to careers”. We have come a long way since then.

Carers are central to legislation now and some individual bits of legislation are aimed at them specifically. Even spell-check has caught up. However, I met a carer at a drop-in this week who told me that she feels completely rubbed out by a system that makes her fight for the slightest assessment of her own needs, despite that being enshrined in legislation since 1995, as we have heard, and strengthened in the Care Act 2014. Another told me of her struggles with mental health as a direct result of all the caring stress.

Your Lordships all know what needs to be done. We cannot fix the NHS without fixing social care. We must shift resources from hospital to the community. We must focus on prevention and early intervention. We must find a way to share the risk so that catastrophic care costs do not fall in an unfair way. We have known all this for years but, above all, we must understand that you cannot fix social care without supporting the main providers of social care: not staff, care homes or care workers but the unpaid carers, who are there all the time, providing £162 billion a year, as the value of

their care, to individuals in need—often at terrible cost to their own mental and physical health, not to mention their finances. If they withdrew their labour or worked to rule, they would get more attention, but they are not going to do that because they are motivated by love, duty or a combination of both.

As the All-Party Group on Carers, which I had the honour to chair, so forcefully said, carers' problems can be addressed by developing a new national carers strategy, which would set a clear direction of travel and a long-term vision for how carers can be supported, look at the interaction between different policies and departments and ensure that their needs are recognised and responded to at the highest levels of government.

It is 16 years since the last national strategy was developed, led by Prime Minister Gordon Brown. Surely it is time for another. If not now, when? The problem is going to get only more acute as our population ages and lives with increasing comorbidities. As the increased interest in this once-neglected subject shows, this is not someone else's problem. We are all—every one of us—a hair's breadth, a fall, or an accident away from being cared for or being a carer. As we have heard, there is a strong economic case for supporting carers. The Government need the will and determination to do it, but the rewards will be ample, for not only 6 million carers but every one of us.

1.48 pm

Lord Hunt of Wirral (Con): My Lords, I first declare my interests as set out in the register, in particular as a partner at DAC Beachcroft. Last week I attended an excellent event with leaders in social care. What an impressive group they were, full of ideas and so very open to greater engagement and innovation. They easily persuaded me that innovation is the key to reforming the social care sector—and innovation must be enabled, not stifled.

Leaders in the sector are already championing a wealth of innovative solutions, from everyday innovations such as the decaffeination principle, which helps to reduce falls, to whole-system changes in approach. These should be encouraged and supported through financial support and regulatory understanding.

The new chief executive of the Care Quality Commission, Sir Julian Hartley, supported by an excellent chair, will have a testing challenge on his hands to persuade people that the CQC can indeed be fit for purpose. The sector urgently needs more effective and outcomes-focused regulation, and transparent, consistent and partnership-based commissioning. I hear encouraging things about Care Inspectorate Wales, where a spirit of partnership has been cultivated to positive effect. That may be a useful example for England to follow.

As the Darzi report forcefully points out, we must see a far greater recognition of the role that social care plays in supporting the NHS. A successful social care system is and always must be a core part of moving our cultural focus from cure to prevention and wellness, and to making the gradual shift from hospital care to community-based care. Sadly, while we tell people to stay in their homes for as long as possible, we do not then offer them the support they need.

Social care should be viewed much more positively, in this place and elsewhere, and not just as the service of last resort. It really needs to move out of the “too difficult” box, as stakeholders, including sector leaders, are brought into the discussion, to contribute to shaping the future in a more meaningful way. This includes those younger carers, instanced by my noble friend Lord Young of Cookham, and those key unpaid carers, as so clearly demonstrated by the noble Baroness, Lady Pitkeathley, and in the outstanding maiden speech by the noble Baroness, Lady Keeley.

While I welcome the new Government’s stated desire to build a consensus for reform, I find talk of a royal commission disheartening and evocative of the long-grass era. As the noble Baroness, Lady Tyler of Enfield, pointed out in her outstandingly good and wide-ranging opening speech, reform has been avoided for many years, and this cannot be allowed to continue. I hope that today’s debate will come to be seen as one of many landmarks on the route to sustainable reform of social care in England.

1.52 pm

Lord Turnberg (Lab): My Lords, I too congratulate my noble friend Lady Keeley for her outstanding speech. May we hear many more from her.

Of late, we have heard quite a lot of brave words about the prospects for a national care service, but I am very sorry to say that I do not have a great deal of faith in the idea of grand schemes. For example, we have seen the creation of integrated care boards, but these are yet to have much of an impact outside the Whittington Hospital. As always, it is the funding that counts. As long as we have two types of funding arrangements, one for the NHS and another for social and community care, the latter will always be the poor relation. While local authorities continue to be starved of funds, we will always have major problems—and we have very little money. We have our brave new Secretary of State, Wes Streeting, laying out his ambitious plans, but it is inevitable that he will not be able to do everything, and we will have to ask: what is the highest priority? What will give us the biggest bang for our buck? That is where funding for social and community care should come top of the list. It is least expensive but will do the most to save the NHS. Think of the advantages that it would bring not just to the NHS—we all know about those—but to all those in desperate need in the community.

There are many practical solutions that we could adopt now. First and foremost, we must repair the damage we have inflicted on the caring staff. The way they are currently treated is nothing short of a national disgrace. Not only are they underpaid, they are completely undervalued. Some 20% of new recruits leave within 12 months for better paid jobs in supermarkets. Being a carer of those in need—the elderly or disabled—can be fulfilling, but not if you feel undervalued and underappreciated. There is little prospect of career progression and, as we have heard, if you last in the job for, say, five years, your pay is just 10p an hour more than you were getting when you started. Little wonder there are such high vacancy rates, and that the total numbers have held up only because of a cohort of foreign workers that sadly is now drying up.

But we can correct the problems. I follow the noble Baroness, Lady Tyler—we have to set up a national register of care workers so that they can be registered as the professionals that they are. We should assure that they are given a recognised qualification after a nationally approved training programme. Amazingly, that does not exist—they do not have a nationally recognised qualification. We should open up satisfying career progression, possibly even leading to a career in nursing. They should, of course, be paid at a rate that reflects the vital importance of their work that they do as caring professionals. It might cost a bit of cash, but think what we could save the NHS.

Secondly, as we have heard, there is the whole issue of the inadequate recompense that we pay those who care for relatives or friends at home. If you manage to jump through the tortuous series of bureaucratic hoops, you are allowed £76.70 a week, after you have had to give up paid employment to gain the full amount. Yet we know that the value of home care to the economy is at least in the order of £5 billion a year. Talk about slave labour.

Finally, there is the cap on the costs of care beyond which those in need have to pay—set so low that few can gain any support. It is now time for the Government to at least reconsider whether the Dilnot report can offer some help. These were proposals that last the Government almost adopted but finally scrapped. We will, of course, have to consider how we might provide the money, but I am running out of time. If noble Lords want to know more about what I think, perhaps they can read my book on how to save the NHS.

Noble Lords: Oh!

1.56 pm

Baroness Browning (Con): My Lords, I congratulate the noble Baroness, Lady Tyler, on bringing this debate to the House today. I wish the noble Baroness, Lady Keeley, a warm welcome and congratulate her on her maiden speech.

I hold a lasting power of attorney for a younger close relative who has had a local authority package of care for over 20 years and in recent years we privately funded a homecare package for my husband, who had Alzheimer’s. So I speak from what they call now the “lived experience”. So I first say thank you to all those who work in the social care sector—and, to the Government, here are my 10 priorities for a bit of activity now that they are in office.

First, there are not enough carers—we know that. Please make this a priority. Stop talking about integrating health and social care—just make sure that it is happening. Look at where it works and where it does not; legislate if necessary. It is a postcode lottery. Put in place, through primary care, a system where those reaching the fragility of old age, or diagnosed with a disease—I am thinking particularly of dementia—are not just left to deteriorate at home without some overview.

With regard to carers, there are many vulnerable people who have no carers at all—not even relatives. Do not wait for a crisis before they come into contact with health. It will cost a lot more. For those who have

[BARONESS BROWNING]

carers, flag them up on GP and hospital records. Unpaid carers often get ill themselves—often brought on by exhaustion. Please stop sending very elderly people to hospital unnecessarily and then keeping them there for days or even weeks on end. Not every fall on to a carpet needs an A&E admission. Please keep people at home where possible.

A comprehensive, fairly funded care policy has been promised by all Governments but never delivered—please do it. Anyone who thinks that the country cannot afford it will soon find out what it costs their family when they need it. Please consider the plight of couples where one partner uses up all the savings on care and the second person is left with virtually no financial means at all. Please consider—I know this is a Conservative idea—using tax relief as an incentive, not a penalty, to help resolve the financial challenge of a social care policy. Please try and make out-of-home placements as local as possible, particularly where children are affected. This is more important than looking for the cheapest option.

Ten years for a plan—which I believe is what is proposed—or even a Royal Commission, is far too long. Do not say, “Nothing can be done until everything is done”. Be brave—that is what those needing care have to be every day.

2 pm

Baroness Meacher (CB): My Lords, I congratulate the noble Baroness, Lady Tyler, on her excellent speech and on initiating this debate. I thank her. It was very moving to hear the contribution of the noble Baroness, Lady Thomas, today. She was a good friend and it was very moving to see her.

I want to make just a few points. The demand for social care is absolutely colossal. Last year, more than 2 million adults needed social care support. There were some 5,485 requests per day. The social care sector faces huge workforce pressures. There were about 131,000 vacant posts in the sector last year, some 8.1%. The rate of turnover was more than 25%. Of course, these pressures are not surprising in the context of low pay, zero-hours contracts and problems gaining a full-time job.

The backdrop to paid social care is, as others have mentioned, a huge unpaid care sector involving some 4.7 million people or 9% of the entire population. Carers UK estimates that the number of unpaid carers is something like 10.6 million, some 20% of the population—absolutely huge. I think the House will agree that it is quite shocking that some 44% of working-age carers who are caring for 35 or more hours a week live in poverty. The majority of carers are women and the majority have disabilities or long-term conditions. The carer’s allowance, payable to people who provide at least 35 hours per week of care for a person receiving certain benefits, is only £81.90 per week. Is that not an unliveable wage? The level of this benefit and its restrictions in scope are utterly unacceptable. A small compensation is that some carers are eligible for council tax reduction, universal credit, pension credit and so on, but the financial position of carers needs to be comprehensively addressed.

I welcome Keir Starmer’s plans for the spring of 2025 to shift care from hospitals to communities and integrate health and social care. These reforms should greatly help patients. For the adult social care workforce, Labour has pledged a fair pay agreement to cover terms of pay, conditions and training standards. This agreement is also vital, but it has to be matched by increases in local authority spending.

Sensibly, Wes Streeting, the Health Secretary, is arguing that NHS trusts must buy beds in care homes to reduce delayed discharges from hospital and increase treatment capacity. This is all incredibly valuable. Of course, Stephen Kinnock, Minister of State for Care, is right to prioritise the involvement of people receiving care and their families in planning care services. I am sure that all Members of the House will support these initiatives.

2.03 pm

Baroness Donaghy (Lab): My Lords, I congratulate the noble Baroness, Lady Tyler, on securing this debate and compliment her on her excellent summary of the dire state of adult social care in the UK. I also congratulate my noble friend Lady Keeley on her maiden speech. She leapt fully armed into the role required of a second Chamber with her depth of knowledge and wisdom, and I very much look forward to listening to her future contributions in this Chamber—and was it not lovely to see the noble Baroness, Lady Thomas of Winchester, today?

And here we are again. The subject is adult care, my noble friend Lady Pitkeathley is in her place, I am her pale shadow; it must be Thursday. There have been countless Thursdays. The noble Lord, Lord Young, is quite right that for more than 14 years adult social care has been a matter of national shame. It is particularly frustrating that we are having this debate a couple of weeks before the Budget, as I realise Minister will not be able to say anything about funding today.

There are reasons to be cheerful. If the Government are preparing a 10-year plan, at least that is practical and, let us face it, realistic. Please, no more promises to fix social care “once and for all”; we know what happens to those promises. Please, no more talk of royal commissions; we know the issues, as the noble Baroness, Lady Pitkeathley, said. Solutions require money—for local government, the workforce and family support. When a politician stops talking about money and talks about reorganisation and reconfiguration, you know that nothing is going to happen.

I have been an unpaid carer, on and off, for 24 years—for my mother, my husband and my brother. I am glad I did not have to go begging to a cruel and indifferent state for financial support during that time, and I am deeply sorry for anyone who is forced to do so. The exhaustion and stress are bad enough; add poverty into that, and it is no wonder so many people have been forced out of the labour market and no wonder we have so many skills gaps. We need a task force to get on with this, and possibly an ombudsman service to deal with potential injustice.

Some improvements may save money, or at least improve another arm of our public services—for instance, releasing hospital beds or releasing people back into

the labour market. But let us not kid ourselves: adequate funding for local authorities, better care homes and decent pay for the workforce will all cost money. The question is: where will that money come from?

I do not think there is a single system where everyone will be better off. To make promises about not having to sell a home was breathtakingly dishonest. We live in such an unequal society that solutions will have to be different for individuals, whether we like it or not. We have rising demand, increasing costs and 14 years of short-termism. I am tempted to say that any action will be an improvement but, if the Government do nothing else, they need to adequately fund local government, and adequately pay workers in social care.

2.07 pm

Lord Lilley (Con): My Lords, it is a privilege to follow such a witty, wise and moving speech from the noble Baroness, Lady Donaghy. I congratulate the noble Baroness, Lady Tyler, and agree with her that the most serious problem in social care is financing care for people who cannot pay for themselves; it is not the potent political issue that often eclipses it: the fear of home owners and, let us be honest, their heirs that catastrophic care costs will consume the value of the parental home.

Most proposals to deal with this involve the taxpayer meeting anyone's social care costs above, say, £100,000. That was what Dilnot proposed, and both parties have flirted with it. I congratulate the Government if they are distancing themselves from it now. Extending free social care to some, let alone all home owners would pre-empt public funds desperately needed for councils' social care budgets. If there is a way to protect people's homes from bearing the catastrophic cost of social care in old age, it is insurance.

Andrew Dilnot noted that elderly social care looks like an eminently insurable risk. We know the average proportion of elderly people who need social care, the average length of stay and the average annual cost of that care, so it is simple to calculate the necessary premium to insure against having to sell your home. But the private insurance industry was adamant that it would not provide such policies, mainly because of the incalculable and therefore uninsurable risk that future medical advances may prolong the period during which people need such care. Dilnot therefore abandoned the idea of insurance, but there is an alternative to private insurance, which was rejected by my own party for ideological reasons. I hope the same ideological reasons will make it appeal to the Government.

The alternative to private insurance is for the state to offer or underwrite such insurance. My Conservative friends were appalled that I, who had drafted the Thatcher privatisation programme, should propose nationalising an element of insurance. What apostasy! But if a state body provides or underwrites insurance against the current known risks of long-term elderly care, the only costs which would fall on the taxpayer would be those added if advances in medical care prolong the duration that people need social care. The reality is that the state already bears that risk. If we set a cap on care costs, the taxpayer will find themselves

also paying billions to protect home owners from the costs of known risks of long-term care, which could be met by insurance.

The second reason why private insurers will not provide such policies is that they believe people will not pay contributions during their working lives, on top of saving for their pensions and repaying their mortgages. The alternative to trying to persuade people to contribute during their working lives is to enable them to take out such insurance after they retire by taking a modest charge on their homes, which would be realised only when they die or sell their homes. I set out the details for this in a pamphlet called *Solving the Social Care Dilemma?: a Responsible Solution*. I hope that the Minister and her apparently open-minded Secretary of State will give this proposal serious consideration. If not, they will find the pressures to divert money to enable home owners to bequeath to their undeserving heirs almost irresistible.

2.11 pm

Lord Davies of Brixton (Lab): I thank the noble Baroness, Lady Tyler of Enfield, for introducing this debate and for her fantastic introduction. I congratulate my noble friend Lady Keeley on her excellent maiden speech and add that I would really like to give my noble friend Lady Donaghy a virtual hug.

I want to make a joint or double point: carers deserve pensions—decent pensions. I am talking here about paid carers and unpaid carers. As far as paid carers are concerned, we had this great promise in the Labour manifesto of a fair pay agreement in the care industry. It would be a sector-collective agreement that would set fair pay terms and conditions along with training standards. That has to include decent pensions. I suspect that, because of the nature of employment within the care sector, relying on existing automatic enrolment provisions will not be sufficient. I hope that, in establishing the arrangements for the fair pay agreement, the need to consider pensions is built in and not there simply as an afterthought.

The treatment of unpaid carers and their lack of decent pensions—I have addressed this issue many times before—is one of the prime reasons for the gender pension gap. Whatever we may say about shared responsibilities, in practice it is women who end up undertaking the great majority of unpaid care. They do not get any pension, yet we have a pension system which relies on people earning. The basic state pension is not enough; they need a pension in addition, but do not get one because they are not being paid. Well, the state needs to provide them with additional pension top-up. I am not going to set out too much detail now about how that should be done but, for me, the most attractive option is some form of pension credits. In addition to the normal state pension, for the years that you provide unpaid care, whether for children or parents, you should receive additional credits for additional state pension. I hope that my noble friend will acknowledge these issues, which we will need to discuss.

2.14 pm

Baroness Fraser of Craigmaddie (Con): My Lords, last week I was attending a conference—no, not that one. It was the Cerebral Palsy Scotland conference,

[BARONESS FRASER OF CRAIGMADDIE]

where there was much talk about social care. I declare my interest as the chief executive of Cerebral Palsy Scotland.

The Government have a headline commitment, as I understand it, to create a national care service, but there is no detail about timescales or resources. Coming from Scotland, the mere mention of a national care service makes me shudder. The SNP's plan for a national care service has already wasted £28 million. Parliamentary committees and NHS bosses have warned about its flaws. Council leaders and unions have pulled their support. It will cost more billions—that is just to set it up—and, despite this, not one person's care across Scotland has been improved. I urge the Minister: please do not make the same mistakes down here.

At our conference last week, one of the sessions laid out a job description for unpaid carers. It included the provision of personal care, housework, mobility assistance, medication management, emotional support, transportation, advocacy, respite care, health monitoring, project management, financial support and advice. They do all this, and they remain invisible and unappreciated. The most common theme that comes up in any conversation with unpaid carers, or any carers, is: "I wish I had known about it sooner".

As the noble Baroness, Lady Keeley, said in her excellent maiden speech, identification is key. Professionals already have a responsibility for this, but it does not seem to be working. Despite the effort put into carers' resources, research by the King's Fund found that it does not always translate into the support that carers want. A carers' strategy could look at what could be done to improve this.

As the noble Baroness, Lady Tyler of Enfield, said in her excellent introduction, we must stop looking at social care through the prism of the NHS. We will never get it right if we view social care only as the application for the ill or the old. The people I spoke to at the Cerebral Palsy Scotland conference last week were neither ill nor old; they are just asking for some support to live their lives in the way the rest of us, who do not rely on assistance, take for granted.

What they need and want are good PAs, personal assistants, who help you do what you want, whether that is going to work or going to the pub. Such flexible outcomes do not fit easily into local authority care packages, and there are not enough PAs. Many of the agencies previously supplying staff did not survive Covid. People are resorting to permanent ads on sites such as Facebook and Indeed. It is a bit of a lottery who applies. People often do not turn up to interviews or trial shifts, and you are really stuck if your PA does not turn up or is ill. The challenges of becoming an employer, dealing with recruitment, PAYE and pensions, too often defeat people.

I recommend that the Minister looks at the PA model delivered by the charity Enable, which works with local authorities across Scotland. It deals with employer issues and provides a personalised service to people. It may be one example of good local practice that would benefit from support to extend it further afield. At any time, any one of us could suddenly

become responsible for the care of another person, or any one of us might need to be cared for. It is time the Government moved social care up their priorities list.

2.18 pm

Baroness Warwick of Undercliffe (Lab): My Lords, the noble Baroness, Lady Tyler, helped us all with her comprehensive and thoughtful introduction to this debate, and with the urgency she injected into it. I thank her for that. I also thank my noble friend Lady Keeley for her marvellous maiden speech.

The Library briefing for this debate states that "the social care sector in England is facing workforce, resource and funding pressures".

It echoes similar comments from the Public Accounts Committee. These bald statements can scarcely convey the awful state of our social care system, which the wider public woke up to during the pandemic and which the recent report from the noble Lord, Lord Darzi, described even more trenchantly as "dire".

At the same time, the social care sector is trying to handle unprecedented demand and is largely reliant on millions of people providing unpaid care. The service is close to cracking apart. There is universal acceptance that this is placing huge strains on people and their families, as we have heard today, as well as the health service. Yet the political will to change it has just not been there. Much has been promised but almost nothing has changed.

Along with the noble Baroness, Lady Fraser of Craigmaddie, I was a member of the Adult Social Care Committee, which reported to this House 18 months ago. We highlighted the need for support for those who cannot support themselves, which would enable them to live fruitful, active and valuable lives—what one witness described to us as a "gloriously ordinary life". We used that as our title, to encapsulate what we believed public policy could achieve if the political will were there.

Yet our report concluded, largely based on the voices of lived experience, that many disabled adults and older people continue to be denied choice and control over their lives, largely due to a lack of resources. The cruel reality for local authorities, which provide most adult care, and for the people who rely on these services, was a 29% real-terms reduction in spending power and an estimated 12% drop in spending per person on adult social care services in the previous 10 years. That is the challenge facing the Government now.

Our new Government clearly intend to make this a priority, and they will not be short of advice. Innumerable reports have attempted to address, for example, the highly sensitive question of who pays for the unsustainable costs of social care. Unfortunately, the previous Government refused to grasp this nettle. The new Government have announced their intention to create a national care service and to improve NHS and social care integration as part of a 10-year plan. Although I understand why they are thinking of a 10-year programme—I suspect it will take at least that time to put right the huge imbalance between the funding of the health service and the social care service—the Government have the opportunity to make a real

difference now, in the course of this Parliament, and to offer some hope to the millions who rely on care now. They need to show they are determined to, at last, make our social care service visible and fairer—a kinder system that enables people to live positive and valuable lives. The Select Committee report offers some signposts for action that I hope the Government will consider, including establishing a commissioner for care and support to show how adult social care, properly delivered, can have a transformational power in people's lives.

Finally, I echo the words of the noble Baroness, Lady Tyler, on unpaid carers, as well as the wise words of my noble friend Lady Pitkeathley, our marvellous champion for carers in this House. I urge the Government to develop a system that is not based on the assumption that families will automatically provide care without any financial support because there is no other option. I hope my noble friend the Minister will agree that unpaid carers need better financial compensation if their caring duties prevent them working, or help with juggling work and care if they can remain employed. That would be a great start.

2.22 pm

Baroness Neuberger (CB): My Lords, I declare an interest as chair of both UCLH NHS Foundation Trust and Whittington Health NHS Trust. I thank the noble Baroness, Lady Thornton, for what she said, because I now do not have to say it—but, yes, it is an integrated care system and it actually works. I also declare interests as the former chair of Independent Age and a present trustee of the Rayne Foundation.

I say a major thank you to the noble Baroness, Lady Tyler, for initiating this debate and for what she said. I congratulate the noble Baroness, Lady Keeley, on an amazing maiden speech, and I give a virtual hug to the noble Baroness, Lady Donaghy, because she deserves one. It was wonderful to hear the noble Baroness, Lady Thomas of Winchester, speak.

We have heard a lot about how the noble Lord, Lord Darzi, described our social care system as “dire”. It is dire for many reasons. NHS hospitals cannot discharge people who are fit to receive packages of care because there is nowhere for them to go and no money with which to do that. It makes everyone feel powerless. If we had Care England's proposal for a national tariff of £1,500 per week for intermediate care for people coming out of hospital, people would be able to get out of hospital and we would be able to free up some beds and make the system work better. That is one small thing we could do. It may be expensive, but it is not that expensive.

It is dire because the social care workforce is so often undervalued, underpaid and insecure, as we have heard. It has a fragmented provider landscape and commissioning arrangements that limit innovation and change. That means insufficient support for untold numbers of unpaid carers who are looking after loved ones day in, day out, until they too cannot cope and are in crisis. It is dire.

However, there are ideas out there of what might help, which is why I cited my interest as trustee of the Rayne Foundation, which has a new grant programme

for adult social care workforce development, Better Careers for Better Care. It is based on the theory that, if you value and invest in the workforce, people will receive better care if they need it; that way there will be fewer crises and it will cost less, so that both unpaid carers and the care workforce will feel more able to cope and be more appreciated. That should lead to a better and more secure quality of care for those who need it, and I think that the Government need to look at that very closely.

Care England has produced some policy papers, with proposals so breathtakingly obvious that I am amazed that the Government have not yet taken them up. Among them is increasing the minimum wage in the sector to £15 an hour—and we know that there is a manifesto pledge to do something. I echo the noble Lord, Lord Davies, on pensions being added to that, because that is essential. The other thing is having a proper professional register of care workers, paid for by government; that way we know that the care workers are up to the job.

These are first steps. Valuing the social care workforce is fundamental to providing high-quality care and fundamental for those providing unpaid care, for whom respite is being able to step away from their loved ones for just a few hours. Can the Minister tell us how far the social care strategy has been developed and whether the urgency that we have all expressed has been acknowledged? Might she tell us to what extent, in the shorter term, the Government will examine how the care workforce is treated and valued and move to a system where development and training are the norm? That alone would make a difference in a complex landscape where we need urgent action.

2.26 pm

Lord Dubs (Lab): My Lords, I declare an interest, as a member of my family is a full-time unpaid carer. I suspect that many of us have unpaid carers in our families and, if we have not got them yet, we are likely to have them in future.

We have had a plethora of reports, an avalanche of committees and this, that and the other on this subject. I congratulate the noble Baroness, Lady Tyler, on initiating this debate. Why do not the Government simply take this debate—and have no more committees—and act on it? That seems to me simpler than having yet another committee, which will take time.

I hope that we will eventually get to a national care service. I am reasonably confident that this Government are going to do something about it and that we will have no more debates asking whether the Government will do this; next time, my noble friend will come to us and tell us, “This is the start that the Government have made on dealing with the problem”. That is the least that we expect of my noble friend, and I hope that she will do it.

I shall say one quick word about professional carers—and in my family I also have experience of those. If any Member of this House has seen the local authority forms that one has to fill in to qualify for care, they will know that they require two PhDs and a couple of lawyers to fill in. It is a nightmare. Could we please

[LORD DUBS]

simplify the bureaucracy? It is not fair on those who do not have the legal background. My daughter helped somebody in my family, because she is a lawyer, but it is not fair that there should be such enormous difficulties. And of course even paid carers tend not to turn up for Christmas and New Year's Day.

Some unpaid carers are full time. It is not just about those who are working and losing money through the bureaucracy; some of them are full time, and they do not end up with any pension at all because they have had to give up their jobs to get £81.90 a week—I think that is the amount. We are talking about something between 5 million and 10 million such people. We do not know how many unpaid carers are full time and how many have given up their jobs. It is pretty expensive having a disabled person at home, as it requires more heating and one has to use more people for repairs. It is a costly business to have a person who requires care in the house.

If there is to be one single change on behalf of full-time unpaid carers, it should be to provide them with respite care. The ones I know are desperately up against it; they just need a break—otherwise, they cannot continue. We are not talking about 35 hours a week for them; we are talking getting on for about 150 hours a week. They are full time, and they have to be there and ready at night, in case there is a need for help. We should give unpaid carers some respite care; that is what they need. If we can come away with that alone, it would make such a big change to the lives of at least some of them. A bit of respite care every few years is not enough of a break from the onerous responsibility of caring.

Let me give an example. I know of one carer and the person she was looking after had a catheter, which got blocked, and on that occasion the nurse could not clear it. It required a visit to hospital. I mentioned this to my friend the noble Baroness, Lady Neuberger, as she knows about it. The result was that the ambulance came but could not take the patient to the hospital where the consultant looking after him was. It took him to another hospital, but that was no good. The unpaid carer would have had to get a car, but could not park anywhere near UCH, so had to pay for taxis. It is a cumbersome extra burden that should not be necessary.

Finally, there is one council that still provides unpaid adult social care: Hammersmith. Noble Lords should have a look at what it is doing and at why it is so successful.

2.30 pm

Lord Jamieson (Con): My Lords, I draw attention to my registered interests, in particular as a councillor in Central Bedfordshire and a member of the Older People's Housing Taskforce. I thank the noble Baroness, Lady Tyler, for initiating this important debate and congratulate the noble Baroness, Lady Keeley, on her maiden speech, which was excellent. I also express my thanks to the extraordinary contribution made by the many people employed in the sector and the carers—with that, I also pass a virtual hug across the Chamber to the noble Baroness, Lady Donaghy.

As many have outlined, social care and health are in crisis. We are all living longer, which is great news, but an ageing population means that more of us will need care for longer. We just do not have the care or health service that is up to providing the services that we need today. As has been mentioned here, it is not just pensioners; there has been a 25% increase in working-age adults needing care and a near doubling of SEN over the past 10 years.

The instinctive solution is to say that we need more funding—more money. Unfortunately, that is just not practicable. In my experience of councils, they have seen the share of expenditure taken up by social care increase from 50% to over 70% in the past 15 years—somebody said that it was 80% for some councils. If we look at government expenditure, we see that the amount spent on health, social care and social security has gone up from 30% to 45% over the past 30 years. The health and social care workforce is forecast to increase from roughly one in 10 of the current working population to one in five over the next 20 years. Unfortunately, this is simply not sustainable. We need a radical change of direction, and we need to be honest with ourselves and stop kicking this can down the road.

As a society, we need to support people to live healthier for longer and to live independently. Of current health outcomes, only 20% are down to health interventions; around 30% are down to the environment in which we live and another 30% are down to the choices we make about how we live our lives. It is outside the health system that we can make the biggest differences to our longer-term health and independence.

As the Darzi report mentioned, we need to change the NHS, focusing on prevention, early intervention and a move away from medicalisation. This means more GPs, community health, better public health and changing how we work, with things such as community health hubs that bring together a multifaceted approach and treatment outside of hospitals. We need to accept that this will mean a transfer of funds away from the acute sector and the consequences of that.

Housing has an absolutely crucial role. An active, healthy life involves having friends and living somewhere suitable that promotes independence. We do not need more mass housing estates; we need to bring people into cities, towns and larger villages, where they can be part of the community and where services are on their doorstep. It is about having the right accommodation for the right point in your life. Having the right housing saves money. In Central Bedfordshire Council, we estimate that extra care facilities save the council and the NHS around £4,000 per apartment and improve the lives of the people living in them.

Technology has a huge role to play, and innovation, as was mentioned earlier. That will happen only if we have real devolution and integration at a local level. I am not in favour of a national social service, but one locally led by local leaders, with devolution of health, housing, DWP, skills and other budgets. Underpinning all this is the need for a cultural change, personally and as a society. The state has a crucial role in supporting those who need it, but it is also there to facilitate the changes we as a society need to make as we plan for

our future. It is about facilitating as much as delivering. It is not just funding, it is housing, health and social care—it is culture. We need a radical structural change.

2.35 pm

Lord Murphy of Torfaen (Lab): My Lords, in 1983, I almost became the Labour candidate for Worsley. I did not, and I am delighted I did not, because we might not have had my noble friend Lady Keeley as the Member of Parliament for Worsley. She had a very distinguished career in the House of Commons and we all look forward very much to working with her.

Every Government have spectacularly failed on social care, including the one I was a member of. I want to refer very briefly today to the example of my own local authority in Wales: yes, I know the debate is about England but as the noble Lord, Lord Hunt, has said, it can also take best practice from somewhere else. Torfaen Borough Council has taken an initiative on adult social care. As we all know and have heard, there will always be people who will have to go into hospital and residential care, but most people do not want to do that; most people would prefer to stay at home. The impact of people going into hospital unnecessarily is, of course, delayed discharges and the enormous social and financial costs of that. Torfaen Council's initiative is about ensuring that people remain in their homes as long as they can. It is a type of "care in the community plus". I do not think that care in the community worked very well all those years ago, but the idea was good, and if there is an improved care in the community, as this initiative is, we can all learn from it.

My noble friend Lord Dubs referred to Hammersmith. Of course, if we look at individual local authorities, perhaps elsewhere can learn from them. Torfaen Council employs teams of community connectors, as it calls them, and these people liaise with carers, paid and unpaid, with the voluntary sector, with community groups, with churches, with community councillors, with the NHS and with GP surgeries. In other words, the whole local community comes together to look after its people and ensure that they stay in their homes. This might not seem possible, but I assure your Lordships that over the last couple of years it has proved very successful. Of all the local authorities in Wales, Torfaen Council is the best at dealing with and tackling delayed discharge. More and more people are staying in their homes. They have the confidence to do so and the ability and finance to do it. My plea today to my noble friend the Minister is, despite the fact that her remit does not go beyond the River Wye, nevertheless to be able to look at and even come to Torfaen and see the good work that it is doing. This work has been acknowledged by a substantial grant from research organisations; it is working; it is less costly than what is happening at the moment; and, above all else, it means that we can tackle, in the community, the problem that social care is at the moment.

2.39 pm

Lord Freyberg (CB): My Lords, like others, I congratulate the noble Baroness, Lady Tyler, on initiating this important debate and warmly congratulate the

noble Baroness, Lady Keeley, on her excellent maiden speech. My contribution will focus on a rather niche area: the urgent need to fix social care data so that an evidenced-based social care strategy can be developed apace.

The head of the Office for Statistics Regulation, Ed Humpherson, said:

"I am responsible for regulating data across economics, employment, health and more and it is social care that stands out by far for its low quality or even absent data".

The *Data That Cares* report and its precursor, published by Future Care Capital, highlighted in some detail the egregious neglect of social care data, as did the OSR's subsequent publications on the topic. However, progress in remedying the situation has been slow.

How will the Government devise a comprehensive social care strategy if they lack robust information about demand and provision, including information about the estimated 25% to 30% of adults in England who fund their own care? I stress "estimated" because we do not know for certain how many adults are currently in receipt of care. How will the Government proceed if they cannot meaningfully compare public spending on different types of social care services in different places and connected with different providers for cohorts of working-age adults with different needs; and, crucially, if they lack access to reliable data about the quality of care currently provided, as laid bare in the Homecare Association's recent report on the subject? Can the Minister provide some reassurance and confirm whether the Government intend to continue implementing the *Care Data Matters* road map and, if not, let us know what will replace it?

If I were to make one suggestion, I would recommend that the Minister make full use of provisions in Part 2 of the Health and Care Act 2022 and immediately mandate the collection of timely, standardised data, including financial data, from social care providers that wish to be registered with the CQC or take receipt of public funds in connection with service provision—or, better, extend the scope of those powers to help them better understand the unregistered and private care market. This should be accompanied by a commitment to reciprocity to help providers make the most of data sharing to improve provision.

In conclusion, I emphasise the importance of investing in data-driven and tech-enabled care, otherwise we are apt to neglect a dynamo which could drive up productivity in a sector beset by growing workforce shortages and, crucially, unmet need. The Government could instead support economic growth in the UK by investing in CareTech research and development to capitalise on the one global market that is guaranteed to expand over the coming years. The Minister could usefully support initiatives such as Care City and the social care test bed anchored by the University of Liverpool's Civic Health Innovation Labs, working in partnership with the National Care Forum, in the interests of making swift progress. The time for procrastination has long since passed.

2.42 pm

Baroness Brinton (LD): My Lords, it is a pleasure to follow the noble Lord, Lord Freyberg. I completely agree with him about the importance of technology

[BARONESS BRINTON]

and data, and will refer to it later in my contribution. I declare my interest as a vice-president of the Local Government Association. I very much enjoyed the maiden speech of the noble Baroness, Lady Keeley. She and I first got to know each other very well during the pandemic, because we were officers of the All-Party Group on Coronavirus, which had a busy time—we can probably leave the rest of it there. I also know about her passion for social care. She is a very welcome addition to your Lordships' House.

I congratulate my noble friend Lady Tyler of Enfield on securing this important and timely debate. She rightly said that the debate must be reframed, and this has been reflected in the thoughtful contributions from so many Members of your Lordships' House. I also thank the House of Lords Library and the many organisations that have sent us briefings.

Our Lib Dem leader, Sir Ed Davey, made social care a core policy for the Lib Dem manifesto in the recent election. His experience as a child carer when his mother was ill and dying, as well as his parental role as a carer to his lovely son John, means that he knows at first hand how vital social care is, especially the role of unpaid carers. It is good that a party leader has put forward such a comprehensive package of measures to increase support for the vital work that unpaid carers do. I think this is the first time in living memory that one party has had social care as its principal policy.

The Lib Dems also point out that the current structures of the health and social care systems, as well as the failures in the structural funding of social care, have brought the sector close to catastrophic failure. It is worth going back and reflecting briefly on the Dilnot report, commissioned by Labour and published in 2010, just as the general election happened. That led all three major parties to agree to work together to accept it; that acceptance happened by 2013. Legislation even went through, and the Queen signed the Bill. As Sir Andrew said in a podcast,

“in politics 101, you learn that once the Queen has signed the Bill, you're over the line”,

but after the 2015 general election, the then Chancellor of the Exchequer postponed it until 2020. Five years later, there is still no change.

The Dilnot commission recommended a partnership model with a much more generous means test and a lifetime cap of between £25,000 and £50,000 on social care costs, to ensure that the state steps in when people face catastrophic costs that cannot be planned for. Sir Andrew said:

“It was a recommendation for social insurance, collective provision, with a relatively large excess”.

That is why I thank the noble Lord, Lord Lilley, for his contribution on the need for nationally funded insurance in the future. We have heard him speak of this regularly during the passage of the Health and Care Act and on various other occasions. Will the Government now look at this?

The noble Baroness, Lady Warwick, outlined the financial problems that local authorities have with the 20% drop in accessible money. This is compounded by

the fact that, as a result of demographic changes, the number of those needing care is continuing to increase. We are nowhere near the peak yet.

One key point that has not really been covered so far today is that disabled people's care is treated the same as elderly care. It is certainly completely inappropriate to use the same financial systems. When the Government come to look at whatever the new financial systems are, will they use a different frame for young adults with disabilities, who do not have years of working behind them to have their own home and other resources?

The noble Baroness, Lady Murphy, spoke of the need for dementia training for all care workers, and she is right. The social care sector needs to learn from good practice, but dementia training should be compulsory.

Many noble Lords have already commented on the workforce issues. I will not cover those again, but I note that 25% of the workforce is not British and 27% of the workforce is aged 55 or over, compared with 31% of the workforce across the economy. This is particularly worrying, as our demography means the need for skilled care workers will increase. There will be a horrible hole in a very short period.

It was good to hear from the noble Baroness, Lady Neuberger, that the Rayne Foundation will provide grants for workforce improvement. I hope that demography among the workforce will be looked at.

As many noble Lords have said, we must professionalise the roles in care. We need regulation—my party favours a royal college of care—but also progression and career pathways, including apprenticeships and innovative schemes to make it attractive to young people. In the Netherlands, some care homes now offer free accommodation and 10 hours' work per week to local students to live on-site. Not only does this help students see the reality of social care, but there have been two unexpected benefits that may surprise us. First, some of the students have changed their entire view about what they want to do after they graduate and are now working in social care. Secondly, the engagement of young people living in the home means that residents' health is improving, including slowing down dementia.

I am reminded of a project I saw in Japan 20 years ago, where a group of 80 year-old war widows got together to do about five hours' work a week, to give themselves some money to be able to communicate with families who lived off the island that they lived on. Their GP said their care needs went down 30%. Why do we not learn from that?

The noble Lord, Lord Jamieson, also talked about healthy living and social prescribing. Its substantial increase over the last four or five years is one thing that the last Government got really right.

My noble friend Lady Thomas of Winchester spoke of the breadth of skills and the attitudes of excellent carers. We should celebrate them and their contribution to individuals, but we must remember that they also contribute to society as a whole.

The noble Lord, Lord Hunt of Wirral, talked about the need for outcomes regulation, but that will not happen without the shift that he also discussed. The noble Lord, Lord Murphy of Torfaen, talked about good practice in his local area, but I also argue, as my

noble friend Lady Thomas did, for the need for lifetime home standards in new homes—M4(2)—which would transform the lives of elderly people and stop them having to move out of their own homes. This goes way beyond the area of social care, but it could transform it.

The noble Baroness, Lady Browning, talked about early intervention for people, and she is right that that will certainly reduce the need for care. The increasing use of fracture clinics, not just to mend the bones but to invite physios and occupational therapists to work with people after their first fall, is reducing falls in later life once people are home.

The noble Baroness, Lady Donaghy, is right that there is no need for a commission—many noble Lords have said that—but we have to reframe a national care service on a par with the NHS. It should not be the whipping boy. The noble Lord, Lord Murphy, is right that local services are vital in that. The noble Lord, Lord Turnberg, was also right to speak about funding.

I thought that the right reverend Prelate the Bishop of Oxford's care covenant was interesting. The Church of England's policy working group, with its excellent values-based dialogue, is really important—as is kindness, which perhaps the CQC ought to look at. If you go into a home and see kindness, you know that, if it is led from the top, it pervades everything that happens in that home.

The noble Lord, Lord Freyberg, spoke of effective data. Thanks to Skills for Care, we have excellent workforce data, but he is right that we also need demand data.

The noble Baroness, Lady Thornton, talked about an effective integrated service. She is right that it works. The problem is the funding structures; they are a real issue. For example, in my mother's last days, my brother and I witnessed the argument between the NHS and the local authority about whether her nursing needs in the care home were as a result of dementia or the fact that her osteoporosis had cracked her vertebra. That was a ridiculous debate. She was an elderly lady who needed nursing care, and that problem should not have been going on.

The noble Baroness, Lady Pitkeathley, is also right that resources must be shifted from the NHS to social care. I do not want to hear another Minister say that delayed discharges are the problem. Every single NHS Minister says that, but they never actually tackle the problem, which is to change social care.

I thank the noble Baroness, Lady Fraser, for the warning about what is happening in Scotland. We should learn from those errors, too.

Many others have spoken about unpaid carers. Although I have already covered that with the work that our leader does, we absolutely know that we will fail our carers if we do not identify carers of all ages. We must commit to secure funding for care services, otherwise we will push them to the limits. That is particularly important for young carers because of the risk to them of losing their education and other support systems.

If we are the usual suspects on social care, it is time that Ministers started to listen. We have not discussed housing, transport or community activities—all those

will also help. Labour's response since the election has been disappointing, and I hope that the confidence of the noble Lord, Lord Dubs, that things will happen under this Government is true, because the time for action is now.

2.53 pm

Baroness Scott of Bybrook (Con): My Lords, I thank the noble Baroness, Lady Tyler of Enfield, for bringing this important debate to the House today. I warmly welcome the noble Baroness, Lady Keeley, to the House and congratulate her on her maiden speech.

It is estimated that 10 million of us are affected by adult care services in England at any one time. It is fair to say that there are few of us whom this issue does not touch. We saw that very clearly today when seeing and hearing the noble Baroness, Lady Thomas of Winchester. Personally, it was lovely to see her in the Chamber once again, even though she was on a screen. Also, the noble Baroness, Lady Donaghy, made it very clear how important adult social care services are. Yet this is a sector facing profound challenges, and the Government are failing at the moment to provide detailed and costed plans on how they will support the social care system as it performs this most vital role.

The Opposition have concerns about the Government's approach to adult social care for four key reasons. Many of the Government's pledges lack detail, including on how exactly they will be delivered and funded; the Government's policies fail to focus on the immediate challenges faced by the sector, with very little information on how the immediate industry stressors will be resolved; the Government have failed to set out a plan to end our reliance on foreign workers to fill vacancies in the social care sector; and they have failed to set out plans to recognise and support—as we have heard clearly today—unpaid carers. I urge the Government to listen the concerns of noble Lords in today's debate and to take a pragmatic, detail-orientated and financially sound approach to reforming the social care system in England.

We have heard several pledges from the Government. The Labour manifesto pledged a "fair pay agreement", with terms for pay and conditions, and training standards for adult social care workers. The Labour manifesto also included an aim to create a national care service and a "new legal right" for people in residential care to see their families. While these may be admirable statements, at the moment they lack crucial detail.

The "fair pay agreement" is set to be enmeshed in the Employment Rights Bill. However, this Bill is only being introduced to Parliament today. Although we welcome the Government's intention to ensure fairness in the pay, conditions and training of carers, it is a shame that they have taken so long to publish the Bill, thereby failing to give the House ample time to examine the contents of the Bill before today's debate.

It is also crucial that the Government focus on those who receive care, not just the workers in the sector. Can the Minister confirm to the House what practical steps the Government are taking to ensure that social care bills are affordable and that the services that people receive in the social care system are of the highest quality?

[BARONESS SCOTT OF BYBROOK]

Given this lack of detail, it is unclear whether the Government have considered the most basic of governmental truths, “What is spent must be funded”. Unless pay increases for carers are matched by an adequate increase in local government funding, as we have heard, and direct financial support for older people, care providers and local council budgets will be further squeezed.

Regarding the national care service, there is little available detail on how this will evolve, how it will be set up or how much it will cost. Can the Minister confirm when we will see further plans for this service?

The Prime Minister has said that the Government are building a 10-year plan for healthcare reform which they expect to publish in spring 2025, after consultation. Although I am sure that this House will appreciate the need for a considered and long-term approach to social care, so any new system will be equipped to handle the care needs of an ever-ageing population, there are many pressing issues facing social care now.

With the Employment Rights Bill only just introduced, scant detail on the proposed national care service and the 10-year plan not due to be published for several months, it seems that the Government have no immediate plans to improve the state of social care in England.

In the year 2023-24, there were record levels of international recruitment for social care workers, while the sector struggled to recruit and retain domestic employees. More specifically, 105,000 international recruits started direct care roles in the independent social care sector in 2023-24, whereas the number of people in the workforce with British nationality shrunk by 30,000. Over the last two years, 185,000 international recruits joined this sector and the number of British workers fell by 70,000.

Clearly, the social care sector could not function today without the wonderful contribution of workers from overseas. We must be grateful to those who come from overseas to provide these vital services. Without them, many people would simply not receive the care they need.

However, in their manifesto, the Government pledged to

“end the long-term reliance on overseas workers in some parts of the economy by bringing in workforce and training plans for sectors such as health and social care, and construction”,

and to “reduce net migration”. The Opposition must ask the Government how they intend to honour their manifesto commitment to deliver lower immigration and wean the social care sector off overseas workers?

The 2021 census found that approximately 4.7 million people were providing unpaid care in England. This represented around 9% of the entire population and, as we have heard today—I thank my noble friend Lord Young of Cookham for making this very clear—that includes children. The report from the noble Lord, Lord Darzi, noted the “huge contribution” of unpaid carers. It called for a “fresh approach” so that the NHS can provide unpaid carers with support and treat them as an “equal partner” when working up care plans. However, the fantastic work of these truly selfless and very kind people is notably absent from the

Government’s social care reforms. What steps are the Government taking to better recognise the invaluable contribution that unpaid carers make in our society?

Can the Minister tell us whether the Government will provide greater detail on what the “fair pay agreement” and the National Care Service involve, and when can this House expect to see a detailed cost analysis of the proposed social care reforms? Do the Government have any policies currently in play that will ease immediate pressures on the social care sector in England? I reiterate my earlier question: how do the Government intend to honour their manifesto commitment to deliver lower immigration and wean the social care sector off overseas workers? Finally, how are the Government going to support unpaid carers and ensure that their voices are heard during the creation of care plans?

Having a functional, efficient and, above all, compassionate social care system in England is of critical importance to all of us. Without this, there will be no way to relieve the strain on the NHS, which is currently treating those who would be much better served by local community care services. The Opposition urge the Government to listen to our concerns and urgently provide this House with detailed, costed and pragmatic plans for the social care sector in England.

3.02 pm

The Parliamentary Under-Secretary of State, Department of Health and Social Care (Baroness Merron) (Lab): My Lords, I thank the noble Baroness, Lady Tyler, for securing this important debate—and very timely it is too, at the beginning of a Government’s time. I also thank noble Lords from across the House for their contributions. There was reference to the usual suspects being an extended group, and I certainly welcome that. I have noticed how balanced the numbers of contributions from all sides have been, which is not always the case when it comes to debates, particularly of this nature, and that chimes very well with the approach of this new Government.

It is a particular pleasure to congratulate my noble friend Lady Keeley on her maiden speech. Of course she chose this debate to make it. I would have expected nowhere else, because she brings tremendous experience, insight and sensitivity to this subject, and many others, and I am sure that we will hear much from her.

I welcome the opportunity to reiterate the Government’s commitment to social care, but also to acknowledge the role of unpaid carers. Like other noble Lords, I am pleased that the noble Baroness, Lady Tyler, was very specific in her title, and I will attempt to do justice to the title as I continue.

I share, as have other noble Lords who have said similar, my tribute to all those who provide care and support for family and friends, both those who are unpaid carers and those who work as care professionals. I use the word “professionals” deliberately, because they make a vital contribution to communities and the well-being of individuals up and down the country. They show tremendous dedication and skill in doing so.

It is important to note that today also marks World Mental Health Day. As I hope noble Lords are aware, improvement of mental health outcomes is an

absolute priority for this Government. My noble friend Lady Pitkeathley was quite right to speak about the impact on the mental health of carers.

I turn to what our approach will be and the state of social care. I, like other noble Lords, acknowledge the current state that we have inherited coming into government. People are suffering without the care that they need. They are fighting complicated and complex systems, as noble Lords have described, often just to receive a quality of care that is not what it should be. There are inconsistent standards and chronic staff shortages, and people are not always treated with the care, dignity and respect that they deserve. In his independent investigation into the National Health Service, the noble Lord, Lord Darzi, outlined that, in recent years:

“Social care has not been valued or resourced sufficiently, which has both a profound human cost and economic consequences”.

We are all living longer, and that is increasing the demand for adult social care services. For the first time ever, in 2022-23, over 2 million requests for adult social care support were received by local authorities. The London School of Economics projects that demand for publicly funded social care will rise by 43% between 2018 and 2038, as a direct consequence of the demographic pressures to which noble Lords have referred.

Despite growing demand, access to local authority-funded adult social care has declined, as the number of people receiving long-term care has decreased since 2015-16. This is our starting point, along with the economic situation in which we find ourselves, including the £22 billion black hole. It is against that context that we will tackle this issue.

While there is no doubt about the appalling state of adult social care at present, there were a number of questions about a royal commission. We will be setting out the next steps—I look forward to updating your Lordships’ House on this—to build consensus on a long-term plan and comprehensive strategy. That will be through a process of consensus called for by noble Lords, including the noble Baroness, Lady Neuberger, which engages stakeholders and those with lived experience, and is cross-party. That is why I take particular pleasure in hearing contributions from around the House today.

It is important to remember—the noble Baroness, Lady Fraser, and my noble friend Lady Warwick made this point—that social care includes around 300,000 working-age disabled people who, without social care, would not be able to lead their lives, contribute to society and, in some cases, participate in employment. My noble friend Lady Warwick referred to a wish to see the ability to lead a gloriously ordinary life, and the noble Baroness, Lady Fraser, talked about the need for flexibility. Both are absolutely right, because that is what social care should do. Our ambition is for care to be tailored to people’s needs and circumstances, and to be delivered by a professional, qualified and valued workforce.

It is important that social care prevents people developing more acute needs, rather than intervening just at the point of crisis. Let us also consider the contribution to the economy and the potential for

growth. With more than 1.5 million staff, the adult social workforce is larger than those of the NHS and the construction and transport industries.

As I mentioned earlier, I agree with the noble Baroness, Lady Tyler, who also spoke of the need for working collaboratively. My honourable friend the Minister for Care, Stephen Kinnock MP, has already held two significant round-table meetings, one with people with lived experience and unpaid family carers, and another with key stakeholders in the sector. I mention it because this will be the way that this Government continue to address the challenge that we have before us.

What will the government action be? The 10-year plan will set out what joined-up looks like. My noble friend Lady Thornton raised some first-rate examples, particularly focusing on the way that the Whittington assists with support for social care, and I am grateful to her for that.

Here is what we will do. We will move from treatment to prevention. We will support local systems to prioritise early intervention, to begin to address unmet care needs and reduce the pressure on the health service and other services. There will also be a shift from hospital to home, which noble Lords have called for, and more care in the community. We will see more neighbourhood health centres, which bring together a range of services to ensure that, under one roof, healthcare is closer to home. There will also be a shift, called for in today’s debate, from analogue to digital: I can assure noble Lords that we are exploring how to build on existing progress towards digitising social care records.

On housing, the noble Lord, Lord Jamieson, rightly made the point that it is about having the right housing for the right time in our lives. This Government are committed to delivering 1.5 million quality homes over this Parliament to ensure that people have access to quality housing, and that will support people to live independently in a place that they can call home.

In the course of the debate, there has been much reference to the Government’s plans for a national care service: I have heard enthusiasm, caution and concern, which covers the whole range. This Government are fully committed to building a national care service. This will be one where care is delivered locally and will be what people need, but it will be based on national standards to improve the consistency of care. I believe that that will help to build trust and give reassurance on the quality of care being received by those who need it and will build confidence and trust among their families and carers.

I turn to the workforce. My noble friend Lord Turnberg was right to say that staff are undervalued. As I said in my opening speech, we want to see care and support workers regarded as professionals and for those who work in care to be respected accordingly. We will establish the first ever fair pay agreement for those working in adult social care. I am glad that the noble Baroness, Lady Thomas, described care workers as truly being on the front line—I recall that she said that they are worth their weight in gold, and I understand why she says that. We will engage with those working in the social care profession, and with the trade unions, stakeholders and providers, in order to make sure that we can have that agreement.

[BARONESS MERRON]

The noble Baroness, Lady Scott, asked how funding will happen. We will consult widely on how we design the fair pay agreement, because we have to engage with all those who will be affected by it. I can give an assurance that all voices will be heard, so we can ensure that the financial impacts on the adult social care market, local government and self-funders will all be considered. I am pleased that the Government are fulfilling a manifesto commitment to bring forward legislation in the first 100 days of entering office by introducing the Employment Rights Bill. That signals the first phase of delivering an adult social care fair pay agreement.

In addition, since entering government we have launched the learning and development support scheme, helping care workers and their managers to complete courses and qualifications, gain recognition for existing expertise and develop new skills and specialisms. We will continue to develop the care workforce pathway, which is a new national career structure for adult social care. Again, noble Lords are absolutely right to call for this.

I turn now to another crucial part of the debate, unpaid carers. There are 4.7 million unpaid carers in England providing unpaid care for those they want to ensure live the best life they can. Some 1.4 million are providing more than 50 hours per week. The noble Lord, Lord Young, talked about 3,000 of those being five to nine year-olds. I absolutely agree that their needs are entirely different, so NHS England will support the ongoing identification of young carers by producing young carer GP guidance and using data to inform greater join-up between health, education and social care, in order to support those families where it is needed.

Unpaid family carers have to look after their own health and well-being, not just that of those they care for, and they must have the support to do so. The noble Lord, Lord Darzi, was clear that a “fresh approach” is needed to improve support for unpaid carers and the outcomes for those they care for. We will be carefully considering those findings as part of our 10-year plan and as we develop the plans to reform adult social care.

I want to assure noble Lords today that we have heard the calls, including from my noble friends Lady Pitkeathley and Lady Keeley, for a cross-government carers strategy. This has to be addressed in the wider context of an urgent need for a renewed vision of adult social care. As we do that, we will consider how we can best support unpaid carers, because we are committed to ensuring that families have the support they need. We will be collaborating with our counterparts across government, unpaid carers and sector partners to make sure that unpaid carers are visible and not “rubbed out”—as the experience of one unpaid carer was described; and I am sure that they are not alone—and that they are supported.

May I, too, give a virtual hug to my noble friend Lady Donaghy? She is probably a bit overwhelmed, but in my experience you can never have too many hugs.

I recognise that many unpaid carers can face challenges in balancing employment with caring. The Government’s plan to make work pay sets out an agenda to ensure that workplace rights will be fit for modern times and empower working people, including those who provide unpaid care. This Government are committed to delivering this plan in full, reviewing the implementation of carer’s leave and examining all the benefits of introducing paid carer’s leave.

The right reverend Prelate the Bishop of Oxford and my noble friend Lord Dubs were right to emphasise the need for respite and carer breaks. The better care fund includes funding that can be used for carer support, including short breaks and respite services. I know it is not making the major difference noble Lords are seeking, and that will be part of our considerations.

The noble Baroness, Lady Meacher, referred to financial support for unpaid family carers. Understandably, unpaid carers often turn to the benefits system for financial support. We will be keeping the carer’s allowance under review because we want to see whether it is meeting its objective to give unpaid carers the help and support they need and deserve.

My noble friend Lady Donaghy, the noble Baroness, Lady Tyler, the noble Lord, Lord Jamieson, and other noble Lords asked what the Government are doing about funding pressures. We recognise that local authorities are facing significant challenges in funding adult social care. We will be working closely with them because we acknowledge that the distribution formula has not been updated for a decade, and we will be working with Ministers at the Ministry of Housing, Communities and Local Government to address that. I am grateful to my noble friend Lady Donaghy for acknowledging that the timing of the upcoming Budget constrains my ability to comment on funding, and I hope noble Lords will be kind and be sympathetic to that point.

My noble friend Lady Keeley raised the issue of those with autism. The number of people with learning disabilities or autism in mental health hospitals is unacceptable, and too many people are still being inappropriately detained. I look forward to our proposed reforms to the Mental Health Act to ensure that people get the support they need in the community.

My noble friends Lord Murphy, Lord Dubs and Lady Thornton gave great examples of good practice. I assure them and other noble Lords that we are looking at best practice and the reforms we will make for social care, the social care workforce and unpaid carers in order to change the landscape. It will not be easy. We start with a very challenging inheritance, to put it mildly, but we are determined to get there, and I am grateful to noble Lords today.

3.24 pm

Baroness Tyler of Enfield (LD): My Lords, this has been an excellent debate with some moving and heartfelt contributions that will live long in my memory. I congratulate the noble Baroness, Lady Keeley, on her maiden speech; she will make a tremendous contribution to this House. I am grateful to noble Lords who were able to touch on subjects such as housing and digital transformation data, which I could not cover.

I thank the Minister for the tone of her response, which was comprehensive and covered a number of points I was hoping to hear about. I particularly welcome the emphasis she put on working collaboratively and on a cross-party basis; that is important. I understand the need for 10-year plans and long-term planning, but they make me a bit nervous because I worry that they mean nothing will happen very quickly. If there is one message from today, it is that action needs to start now.

Wonderful ideas and solutions have been generated by noble Lords from across the Chamber, and I hope the Government will look carefully at the ideas put forward. A lot of them—I tried to do this myself—could happen in the short term, relatively quickly and at a relatively low cost, to kickstart things and get some real momentum. I very much hope that we can continue to have debates in this Chamber in this vein and that we can make a real contribution to the social care debate. Noble Lords can rest assured that these Benches have many things we want to put on the table. We want to work collaboratively, but we will be holding the Government's feet to the fire.

Motion agreed.

Flood Prevention: Farmers

Question for Short Debate

3.26 pm

Asked by The Lord Bishop of St Albans

To ask His Majesty's Government what plans they have to ensure farmers are supported and recompensed for their role in flood prevention.

The Lord Bishop of St Albans: My Lords, I am grateful to all Members of your Lordships' House who have signed up for this topical debate, giving us a few minutes to explore the extraordinary challenges that flooding is causing for our farming community.

We had an extremely wet September, with dozens of flood warnings issued by the Environment Agency. Indeed, in my diocese in Bedfordshire, large areas flooded—fortunately not for long periods. In fact, England had 95% more rainfall than its September average, and 10 counties in England experienced their wettest September on record.

Floods and heavy rainfall can affect everyone, but the devastation they can cause to farmers is unique. When farmland is flooded and the ground saturated, it can be impossible to plant crops; harvests are poor and may be lost completely. So many of our farmers have not yet recovered from the intense flooding they faced last winter. Defra-commissioned research finds that winter floods cost farmers an average of £480 per hectare. That is a staggering loss.

The Government need urgently to roll out the expanded offer of the farming recovery fund, as businesses and livelihoods are under threat. The time pressures here are critical. The fund is designed to support farmers to restore their land to the condition it was in prior to flooding in order to secure food supply, which this

Government have repeatedly assured us is a key priority. I note that the Defra Secretary of State, Steve Reed, has said that no confirmation on the rollout of the farming recovery fund can be given until the spending review is complete. I regret that it should be delayed for so long and stress that every week it is delayed, farmers and their businesses are suffering. Can the Minister confirm that the expanded offer will be launched as soon as possible following completion of the spending review?

The devastating impacts of flooding on farmers are clear, but what about the public goods they provide through their role in flood prevention, and the costs they bear to protect us from flooding? Rural landowners and farmers provide a critical service in the form of natural flood management when their lands flood, and they do this by storing water. Farmers need to be properly compensated for providing this public service—not just for the cost of restoring this land to use for food production but for the cost of lost income.

This is complicated, as illustrated by a specific example brought to my attention by a hill farmer in the Naddle valley just outside Keswick, an area that suffers from flooding. A flood management pilot, part funded by government and called the Resilient Glenderamackin project, is aimed at trying to tackle the risks to Keswick of increased flooding through natural flood management. This farmer is facing the challenge of trying to work out whether to join that flood management scheme. If he enters his bottom valley fields into the flood management scheme, he will no longer have suitable grazing or haymaking land. Fodder would need to be brought in, which raises concerns about availability, price and quality. It can be extremely challenging to put a price on this for a year, let alone longer term, which is a challenge both for the West Cumbria Rivers Trust, as it tries to set payment rates for farmers, and for the farmers themselves when it comes to making these decisions. I raise this example just to highlight the complexities of the issues. This is what people are actually facing: the day-by-day reality of how they are going to make their farms viable.

We need a long-term, mutually agreed strategy to allow farmers to plan and prepare for flood storage. We need to ensure that our farming businesses are able to thrive and that we can guarantee our food security. As many of us have noted, in recent global conflicts it has become even clearer just how urgent it is that we are able to produce the majority of the food that we need here in this country.

I welcome His Majesty's Government's new Floods Resilience Taskforce and Secretary of State Steve Reed's pledge to speed up the construction of flood defences, drainage systems and natural flood schemes. However, I hope too that the department recognises the importance of maintaining existing assets and systems. Data from the Environment Agency shows that maintaining existing assets in good repair is more than twice as cost effective as building new defences to protect property from flooding. Yet in some places, existing flood defences are falling into disrepair as the Environment Agency's revenue budget, which is used for asset maintenance, has not been increased in real terms for nearly 20 years

[THE LORD BISHOP OF ST ALBANS]
and has suffered cuts of nearly a third since 2020. As is true in so many cases, the lack of a multiyear financial settlement is preventing long-term planning and investment.

We on these Benches appreciate the work of Ministers and civil servants in Defra on these issues. I know that Farming Minister Daniel Zeichner recently reassured the farming community that he is “fighting tooth and nail” on their behalf when it comes to the upcoming Budget. Secretary of State Steve Reed said this week that he is

“making the strongest case for that funding”—[*Official Report*, Commons, 8/10/24; col. 240.]

for the agricultural budget and various other schemes. We want to put our weight behind them, and I hope the Minister will pass this on and note our appreciation for all that Defra is working on.

I also want to highlight, as we so often do when we say that something is going well, that some measures in the SFI and Countryside Stewardship schemes work well for both flood management and farmers, although these need time to mature. Hedgerows along the contours of fells, for example, give farmers clear field boundaries and slow down water. They are good for wildlife and for carbon sequestration. We need to work together to try to find win-win solutions that work for all the parties involved in this significant area.

Farmers play a vital role in the flourishing of our country, producing the food we need, sustaining and protecting our environment and wildlife, and preventing flooding. They are an essential part of the solution to many of the challenges that we face. I ask that we keep that in mind in a world where there are lots of issues. I am acutely aware that the Treasury is always being asked for more money for everything we do, and that special pleas and special cases are being made.

We need to remember where the food on our tables comes from. Who is on the ground doing so much of the work to restore our natural habitats and move towards net zero and, of course, playing a central role in protecting our homes from flooding as extreme weather events become more common in the face of climate change? We need to give strong, practical long-term support to our farmers in the face of flooding. They are the bedrock of our nation.

3.35 pm

Baroness McIntosh of Pickering (Con): I congratulate the right reverend Prelate on securing this very important debate, which is very timely given the recent wet weather. I declare my interests in the register. In particular, I am a vice-president of the Association of Drainage Authorities, which encompasses the internal drainage boards.

As the right reverend Prelate said, farmers perform a huge public role producing food and delivering wholesome products domestically, battling the elements as they do so. They can and do face unfair competition from substandard imports and the inability to bid favourably for major contracts with prisons, schools, hospitals and others. However, farms are businesses, and they need to make a profit and have a sustainable business model.

Flood water is retained on farmland, which in turn protects businesses and properties downstream from flooding, yet often this service is neither recognised nor rewarded. Farmers are responsible for keeping the riverbanks on their land free from debris and maintaining the embankments, which act as a flood defence and are often in a state of disrepair. In addition, as members of internal drainage boards in low-lying areas, farmers provide the vital service of maintenance, dredging watercourses and performing flood prevention schemes.

The Environment Agency’s resources, as we know, are spread thinly and do not stretch to cover rural areas on the same basis as urban ones. The issue of maintenance and repair of pumping stations is hugely important as, where flood banks are breached in extreme floods or pumping stations fail, devastation follows for farmland and properties alike. Where farmland floods, thereby protecting other businesses and communities, it is only right that the farmer affected should be recognised for the provision of that public good on his or her land. I am sure that many farmers take a view that, if they were properly compensated for the provision which enables them to remain with a viable business, that would be an acceptable recognition for the service to the community they are providing.

Local authorities in rural areas also have a role to play but we know that their budgets are under great pressure. This is not helped where money for flood defences and prevention is not ring-fenced. Where regular maintenance does not take place, this makes farmland yet more vulnerable to floods. I believe that farmers and organisations such as golf clubs would be open to creating reservoirs on their land but are discouraged from doing so by the prescriptive provisions of the Reservoirs Act 1975. The Flood and Water Management Act 2010 modified that Act to reduce from 25,000 to 10,000 cubic metres the capacity at which a reservoir will be regulated. This should be revisited urgently. If it was reviewed, it would help more reservoirs to be created on farmland and other land, such as golf courses.

Sufficient investment must be made to maintain and manage our river systems. I have long argued that there should be a total budget for flood defence spending—totex—as opposed to conflicting and competing revenue and capital funding spend. This came to light most graphically when there was an enormous row during the flooding on the Somerset Levels some years ago, about whether the moving of a pump on to that land constituted revenue or capital spend. The farmers did not care what it was; they wanted the pump to be on the land to pump the water off the farmland, protecting it and communities downstream. Better use must be made of current budgets by rebalancing spending allocations from the current heavily weighted capital investment choice to a much more balanced approach, favouring revenue funding and the long term, to bring all flood risk assets and rivers back up to good condition.

Farmers have suffered significant challenges in recent years—Covid, the impact of hostilities in Ukraine, higher energy costs, and heavy losses of crops given the sheer scale of floods over the last 18 months. Floods this year have impacted on both arable and

livestock farmers alike. As reported in the *Yorkshire Post* today, what makes the situation so grave and urgent, after weeks and months of flooding and saturated land, is that the impact on food prices is already being felt. The potential consequences for food security and self-sufficiency are significant, as highlighted by the right reverend Prelate. I therefore join his call for action. I press the Minister to confirm that the Government will go ahead with the expanded offer of the farming recovery fund, and to recognise what was always understood: that the public good that farmers perform with flood storage on their farmland will be recognised and receive compensation through the ELM scheme.

Will the Minister review the Reservoirs Act 1975, as amended by the 2010 Act and others, with a view to encouraging more reservoirs to be built on farmland and other areas, such as golf clubs? At present, she must recognise that the duties on landowners of smaller reservoirs are simply too onerous, with responsibilities for inspections and failure in this carrying criminal penalties and convictions for such offences. Finally, will the Minister look at amending the flood defence grant in aid to ensure that farmers and rural communities are treated on a more equal basis with urban areas and receive better protection from future floods?

3.41 pm

Earl Russell (LD): My Lords, it is a pleasure to speak in this debate. I thank the right reverend Prelate the Bishop of St Albans for bringing it to us, and thank the others who are speaking. It is important that we fight to support and protect our farmers from the hardships they face. Between the impacts of Brexit, the implementation of delinked payments, wet weather, declining crop yields and inadequate compensation schemes, our farmers face a perfect storm that is sending many to the wall. The collective impacts are heartbreaking: the loss of family farms to bankruptcy, increased rates of suicide, and an overall decrease in crop yields due to the ever-present wet weather.

No farmers, no food: farming contributes £120 billion to the UK economy and is responsible for 4 million jobs, and our farmers provide 64% of the food we eat. Our farmers produce the food we need to survive. We all ate lunch today thanks to the work of our farmers. Farmers are our champions in the fight against climate change. Equally, the impacts of climate change hit them hardest and first. Farmers are the backbone of our food security—the protection of our land and soils. They are key partners in the work that must be done to protect the natural environment.

This September has been one of the wettest on record. Something is wrong when all we do is break climate records day after day. The UK is getting warmer and wetter as the impacts of climate change and climate breakdown are increasingly felt. The luxury of talking about possible future extreme weather events and their possible impacts is over. They are here now and only set to get worse.

For every rise of 1 degree Celsius in the atmospheric temperature, the atmosphere can hold up to 7% more moisture. Increasing heat brings increasing evaporation,

which means that we will experience more precipitation, extreme rain events and flash flooding. Storms such as Babet, Ciarán and Henk have caused considerable damage to our agricultural land. Some of our farmers have had their land continuously underwater since October last year.

Either farmers have not been able to plant crops at all or the crops that they have planted have been impacted by waterlogged soils. Crop yields are down as a result. Wheat is down 15%, oilseed rape is down 28% and winter barley is down 22%. These are the real impacts that climate change is having today on our food security and farmers' bottom lines. In 2023, the income from farming decreased by 19% as a result of flooding. It is against this background that we need to talk about the role of farming in our flood defences. Society needs farmers' help in the fight against flooding and government needs to be clear that this means sacrificing their land, and their livelihoods, so their land is used to delay or hold water so that it is then released slowly and does not cause extreme damage to our homes and critical infrastructure. All this has an opportunity cost to farmers and we must compensate them fairly and quickly for this public service.

The announcement by the last Government of the flood recovery framework and the farming recovery fund were both welcomed. The flood recovery framework was poorly designed. Farmers struggled to get the information necessary to make applications. The requirements for 50 or more properties to be flooded were inappropriate for a farming fund. The local authority verification processes were also slow. The farming recovery fund still requires 50 properties to be flooded, but I welcome the fact that the qualifying measure of being 150 metres from a river has been removed. However, these systems are still not really fit for purpose and payments are still being delayed, which is causing real hardship. We really need a clearer and more flexible payments system that has the right criteria and is efficient in making the payments necessary. Above this, we need long-term stable support mechanisms so that farmers can prepare and plan longer-term changes and recover from traumatic weather-related events.

Farmers are only one small part of the food resilience framework. I welcome the Floods Resilience Taskforce that has been set up, but the Climate Change Committee has been clear that government must do more work on our resilience to plan for and invest in our flood defences. Government must properly fund the Environment Agency and other bodies. The Environment Agency has a £34 million deficit in its maintenance budget. Government must ensure that capital funding is in place for flood defences, to ensure that basic maintenance is conducted on drainage and flood defence systems. My view is that we need to do much more work with nature-based solutions that delay and hold water and release it slowly. These systems are good for people and the planet.

To conclude, there are rumours in the press that Labour may be planning to cut funding support for flooded farmers and that the budget decisions are also delaying reforms that are required to the application criteria. A Defra source said that decisions about how

[EARL RUSSELL]

much money could be paid to farmers for the floods were being held up because of the spending review, and that cuts were on the table. We have already seen threats to cut £100 million a year from the nature-friendly farming budget.

I respect the Minister and I suspect she is not able to comment on the Budget, but my speech here today is leading to one appeal, and I suspect she can guess what it is. Now is the time to find solutions that work in practice, pay out on time, are adaptable to individual farmers' needs and balance the competing objectives of flood prevention and food security. The window for finding solutions to the flooding problem is closing. Let us get these solutions right and let us get them in place now. The longer we leave this, the worse it will get and we will be overwhelmed with dealing with everyday levels of chaos, without having the necessary robust, basic systems in place that we need to weather the storms ahead. I call on the Minister to protect budgets and fight for a fair deal for our farmers and for holistic solutions to the ever-growing flooding risks.

3.49 pm

The Earl of Devon (CB): My Lords, my thanks go to the right reverend Prelate the Bishop of St Albans for calling this debate—he is an excellent servant of the rural countryside. Inspired by the noble Baroness, Lady Parminter, yesterday, I will seek to extemporise today, so I hope noble Lords will excuse me if I am not as fluid as the title of our debate. I hope not to get lost, however, as I will take noble Lords around my own experience of farming, hopefully to illustrate some of the issues that are raised by this topic.

I live at a place called Powderham. It is a medieval settlement, “the village on the marsh”, and we are therefore very used to issues of flooding. During my tenure, we have dealt with many such issues. We are based on the junction of the River Exe estuary and the River Kenn, and one of the tributaries of the Kenn is called the Slittercombe, which runs through the village of Kenton. This time last year, on a Sunday, we suffered the most dramatic rainfall ever experienced and a flood surge of some four to five feet rushed through the village of Kenton, flooding about 20 houses and the village primary school, which sits in a building that has been there for over 400 years. The primary school will never return to that building. It is currently resident in the Powderham Castle estate office and hopefully will have its own home soon on some playing fields up the hill and away from this danger.

This is a tragedy. The landscape above the village of Kenton holds the Slittercombe. That watershed is only about three miles long. Powderham farms a considerable amount of that watershed and all of the valley bottom is grassed. The steep banks alongside the valley bottom are subject to high-level stewardship and are managed under the EJ5 regime, where you have grass on the steep hills to prevent erosion and flood issues. Despite this, we had this most dramatic incident, and I do not think that anything we could have done on the farmland could have prevented it. It really is a desperate issue for the school.

The upper reaches of that valley, however, are the Haldon forest, which is of course inundated with deer—our nation is inundated with deer. The deer eat all the understory, so there is nothing on the ground in the woodlands and nothing to soak up the water that falls in the woods. In the higher ground on the valley, there is a considerable amount of farming for energy. That is maize growing, which is possibly the worst thing to be doing on a steep hillside. The land that is not growing maize tends to be growing horticultural vegetables—which, again, is a terrible thing to do on a steep hillside. But those farmers are not fortunate, like the Powderham estate, to be able to get a countryside stewardship scheme and are therefore desperate for the profits necessary, so they farm in that way.

Coming down the valley, we get to the River Kenn, which has long been a major tributary into the Exe. It is a managed landscape that has been canalised and managed for watercourses over many centuries. Of course, many of those watercourses are now failing and getting old and flooding is beginning to appear, so the fertile land within the valley is getting more and more boggy. There is an ongoing land management discussion among neighbouring farmers up the Kenn valley, seeking to find how to manage the land in a contiguous sense to better improve the outcomes. Of course, the only thing that the farmers have been able to agree on is carbon markets, because issues such as flood prevention and biodiversity are so complicated. I think that, as farmers begin to seek to work together, we really need to provide them with options that are not just the sale of carbon credits, which is the only marketplace that seems to be functioning at the moment.

As you go further down the valley, you reach the Powderham and Exminster marshes. This is an area of land that anyone who has taken the train down to Cornwall will be familiar with, because it is where the Great Western Railway first hits the water of the River Exe estuary. There is a large embankment that runs up from Powderham church to the Turf locks that is currently almost inundated. Both Network Rail and the Environment Agency are taking desperate measures to try to prevent the entirety of the Exminster marshes flooding. Among the difficulties we are seeing there is that animals—mammals—are undermining the banks and obviously, with climate change and sea level rise, those Powderham banks will not be fit for purpose. The Environment Agency, as we have already heard, does not really have the budget to do the work necessary to restore those banks and it is a terrible challenge.

The other threat that is coming is the beaver. The River Otter is obviously ground zero for the release of beavers, and if you get beavers burrowing into the Powderham banks and blocking all the drainage across the Exminster marshes, I dread to think what will happen to that very productive farmland that is the source of famously early Devon spring lamb and many different heritage productions. How we manage beavers following their release into the wild is an important issue that I hope the Minister will consider.

Then there is the broader Exe estuary. We have a project under way with Natural England, the National Trust, the Environment Agency and others to work out how to manage the whole lower Exe, which is silting up remarkably. The river is becoming almost

impassable in some respects. The Exe, as I mentioned yesterday in our debate about water companies, used to be “the river of fish” in Roman times. We no longer see any fish, and that is largely due to run-off. As I say, the river is silting up due to run-off and management of the land. It is also the essential flood defence for Exeter. The city is growing rapidly and the management of the river is essential for the appropriate expansion of that city.

To follow up on a matter that the Minister and I debated yesterday, it is essential that we work out a way for the water companies to work really closely with the farming community to enable our urban centres to expand, survive and have healthy, fresh water. I pray in aid the south-west peatland project I mentioned yesterday and this ability of the water companies, as we review the water industry, to work closely with agriculture.

3.56 pm

The Earl of Caithness (Con): My Lords, as we have just experienced the wettest 18 months since records began in 1836, we are all grateful to the right reverend Prelate for raising this matter and giving us the opportunity to debate flooding and farming. Agricultural land in England is increasingly at risk of severe flooding, as the noble Earl, Lord Devon, just told us from personal experience. Currently, 74% of our total flood plain area is agricultural land, including 60% of our best and most versatile land. Last winter, the number of flood warnings on England’s best farmland hit a record high of over 1,000, exceeding the previous record by one-fifth.

Climate change is a significant driver of flooding. It is also responsible for increased and prolonged droughts. It is expected to make UK summers drier and hotter, and winters wetter and warmer. The hottest decade on record concluded in 2023, yet our weather is 12% wetter than the 1961 to 1990 average. So, although flooding is an important subject, we must be aware how interlinked the environment is and be conscious that, in proposing a solution for one thing, we do not adversely affect other problem areas. Currently, it is easy to forget that the south and east of England, where much of the water-intensive horticultural industry is located, is under most pressure from drought. It is predicted that we will use 5 billion more litres of water a day in 25 years’ time than now. Can the Minister confirm that the Floods Resilience Taskforce will also consider droughts, which are more damaging environmentally?

Both flooding and drought represent huge risks for English farmland and are likely to become more regular and severe, increasing the pressure on agricultural land. Both are part of the bigger problem of providing a sustainable drainage and water resources management system in this country. The Government, through ELMS, are supporting farmers, but the Minister will not be surprised that I recommend that more urgent attention should be given to soil, and in particular soil organic matter, which can be part of a solution to both problems. A 1% increase in soil organic matter per hectare adds 200 tonnes of water storage per hectare on average, but of course this will vary by soil

type. This is because organic matter can hold 10 to 20 times its weight in water. This also increases a soil’s resilience to drought by allowing it to hold more water. The Game & Wildlife Conservation Trust’s Allerton Project has estimated that the around 18,000 cubic metres of water storage provided by 27 leaky dams located in optimal locations across 1,100 hectares could equally be achieved by increasing soil organic matter by just 1% across only 80 hectares.

Although arable land presents the greatest capacity for improvement, the value of grassland to flood risk mitigation, carbon sequestration, nutrient cycling and biodiversity should not be overlooked. Grass leys, especially deep-rooted cultivars, introduced into arable rotations can improve soil quality and therefore have the same benefits. They do not need to be grazed, given the associated costs of having livestock on a holding if it is not already present. Indeed, research has suggested there are greater benefits from an ungrazed simple grass and clover ley. Permanent pasture has a higher organic matter content than arable land, which could be optimised in some locations through the adoption of an agroforestry system based on about 80 trees per hectare. It should be noted how important it is to get the stocking rates at the right level, as they are key to avoiding compaction and minimising soil organic matter loss. Research has also suggested that mixed grazing with cattle and sheep can be more beneficial than cattle or sheep alone. Mixed grazing improves sward quality due to diversity of height and species.

If the Government want farmers to help solve drought and flooding problems, the solutions not only need to be balanced with their possible consequences for food production but must pay farmers for storing water on their land, as it is a public good. Furthermore, if policy requires changes in farming practices, it will involve a learning process and planning. The costs and challenges of transitioning to new methods of farming should not be overlooked. If support is insufficient to encourage adoption then farmers will consider alternative ways to survive, such as intensifying production or, as the noble Earl, Lord Devon, said, growing the wrong crops on the wrong land. In most cases, that will result in poor outcomes for the environment.

Given the critical role of finance in funding solutions, can the Minister confirm whether her department will return unspent money to the Treasury? I asked her this previously and got no reply. Does it intend to restore to real-terms levels, and preferably increase, the nature-friendly farming budget? I join others in asking what has happened to the expanded farming recovery fund announced by the Conservative Government. This was supposed to deliver support payments of up to £25,000 to help farmers recover from flooding earlier this year. Who is eligible? When can farmers expect a payment? Dragging their heels, as the Government are on this, does not give farmers any confidence that they have any thought for them or care about them.

4.03 pm

Baroness Bakewell of Hardington Mandeville (LD): My Lords, I congratulate the right reverend Prelate the Bishop of St Albans on securing this extremely

[BARONESS BAKEWELL OF HARDINGTON MANDEVILLE] important debate and on his excellent and informative introduction to the subject, on which he has become something of an expert. I also congratulate the noble Earl, Lord Devon, on his excellent and informative speech. All speakers have spoken in depth about the effects of climate change on the lives of farmers. I am grateful to the NFU, the CLA and the House of Lords Library for their briefings on this subject, which affects many rural and farming communities.

Between October 2022 and March 2024, according to the NFU, the country experienced torrential rain, the most since records started in 1836. Storms Babet, Ciarán and Henk left many farms underwater between October 2023 and April 2024. Farmers were unable to plant crops or graze their stock. The Government's response was to announce the flood recovery framework in May. This was welcomed, but information was difficult to find on who would be eligible and how to apply, and it had a short application timeframe. Many farmers missed the closing deadline or were turned away because their local authority was not aware of the scheme. As we approach autumn and another season of poor weather, can the Minister reassure us that this will not happen again and that there will be better communication in future?

One of the reasons the flood recovery framework was underused was that many believed that the farming recovery fund was only one option. This fund had grants of up to £25,000 towards repair and reinstatement costs for farmers who had suffered exceptional flooding. The noble Earl, Lord Caithness, has referred to this. This scheme now needs urgent expansion. The fund was also for exceptional flooding, but there are areas of the country where devastating flooding is not exceptional but the norm. These farmers are often part of a scheme whereby their land is offered up regularly for flooding, so that towns and villages are protected. The noble Baroness, Lady McIntosh of Pickering, also raised this issue.

Such is the case on the Somerset Levels, where a system of regular flooding of certain moors in rotation occurs to protect the town of Bridgwater and the surrounding villages. The IDBs are a key element for the success of these schemes. On a fine day during the winter, the Somerset Levels can look picturesque, with the whole area underwater and trees loftily rising above the flood-water, with ducks, swans and other fowl floating serenely along, but this does not put bread and butter on the farmers' tables, nor does it enable the farmer to plant crops for the next season or feed their cattle, or allow them to put their cattle or sheep out to graze.

Flood Re recompenses those householders who live in areas prone to severe flooding who cannot get insurance through the normal routes, but Flood Re is not available to businesses, nor to farmers. ELMS is designed to reward those farmers who deliver public good. It really is time that those farmers whose land is used to store flood-water on a continual, year-on-year basis should have some financial recompense for the loss of the use of that land. If protecting homes, villages and towns by preventing them flooding is not a public good then I am not sure what is. I urge the Minister to act to recompense these farmers.

The right reverend Prelate the Bishop of St Albans raised the issue of building new flood defences as well as repairing those which are in a poor state of repair. It is important that those which are already there but crumbling should be repaired, and that is a much more cost-effective option.

As has been said, the qualification for claiming under the flood recovery framework is 50 properties affected in an area. This is helpful for centres of towns and villages but pretty ineffectual in rural areas, where hamlets and households are more widely spread. Meanwhile, the farming recovery fund criteria for claiming was being within 150 metres of the river which was flooding. Again, this was a limited criterion, which left many without access to funding.

In April 2024, the previous Government announced that this scheme would be expanded to more farmers, but as we have already heard, so far nothing has happened. Although this commitment was made in April 2024, no details from either Defra or the Rural Payments Agency have been forthcoming, despite numerous requests from the NFU. Can the Minister say whether the new Government will honour this commitment and, if so, when it is likely to be rolled out? The right reverend Prelate the Bishop of St Albans also raised this. I understand that some announcement may be waiting for the Budget, but that does not fill me with confidence that we will get a positive announcement.

The AHDB reran its cropping early bird survey in March 2024. This indicated that reductions in the following crops were anticipated due to flooding: wheat, down 15% at 1.463 million hectares, which is the biggest reduction since 2020; oilseed rape, down 28% at 280,000 hectares, which is the biggest reduction since the 1980s; and winter barley, down 22% at 355,000 hectares, which is the biggest reduction since 2020. That clearly demonstrates the effects on the farming and food-producing communities of continual rainfall leading to extreme flooding.

My noble friend Lord Russell raised the issue of suicide among farmers. Farming is not an easy way of life. Surely now is the time for the Government to act to ensure that our farming communities do not disappear altogether. I look forward to the Minister's response.

4.10 pm

The Parliamentary Under-Secretary of State, Department for Environment, Food and Rural Affairs (Baroness Hayman of Ullock) (Lab): My Lords, I thank the right reverend Prelate the Bishop of St Albans for securing this debate and welcome the opportunity to respond. This is a really important issue for farmers and rural communities, as well as for flood prevention. The Government recognise the right reverend Prelate's commitment to these issues and to agriculture. He has made a long-standing commitment to supporting farmers, and we appreciate the work he does on that.

The noble Earl, Lord Devon, painted a pretty dramatic picture of what has happened in his locality in Devon because of flooding. I reassure him and other noble Lords that, although I do not have a magic wand and pots of cash, living in rural Cumbria I genuinely understand the devastating impact that floods can have on communities, homes and farmland.

The Government are mindful of the importance of farming to the country. British agriculture is fundamental to all of this Government's missions. As we have heard, British farmers underpin our food and drink sector and support national food security. They create jobs and attract investment to our rural areas. They build economic resilience through nature-based solutions and play a crucial role in tackling biodiversity loss. They improve water and air quality and our resilience to climate change.

The Government also recognise the pressures that so many farmers are under. Climate issues have led to flooding in unprecedented ways, creating a real challenge for many farmers. A number of noble Lords mentioned climate change, particularly the noble Earl, Lord Russell. We are committed to maintaining food production and supporting thriving farm businesses, as well as protecting communities from flooding. As the right reverend Prelate clearly laid out, the impact of wet weather and flooding on farms is devastating and getting worse. It is becoming a real challenge for both farmers and government. Obviously, there were storms last year and this year, with a lot of wet weather—the summer was absolutely dreadful. In September, there was flooding, affecting properties right across the country.

Turning to some of the questions around this, I was asked by a number of noble Lords about the farming recovery fund and payments going forward from last winter and from spring this year. We are acutely aware of the challenges farmers have been facing because of this flooding. All farmers eligible for the initial farm recovery fund set up in April have been offered a payment. Unfortunately, further commitments around spending and the rollout of schemes is down to the spending review. I am sure that noble Lords will hear that an awful lot; I think we will all be very glad when it happens and we know where we stand on everything. I really appreciate the concerns that noble Lords have raised, including the right reverend Prelate, about the fact that this is an urgent issue, and we need to let people know what is what as soon as we can.

A number of noble Lords asked about the maintenance of existing flood defences. We are investing over £1.25 billion to build and maintain flood defences to scale up our national resilience. We will also review the programme with a view to ensure that flood risk management is fit for the challenges that we now face. Again, as part of the Government's spending review we will look at this, but I can say that we have been spending over £200 million on maintenance, with an aim that our existing flood defences are kept in good order.

I want at this point to thank the people who work at the Environment Agency, local responders and many others, who work tirelessly to help communities when these incidents happen. We also sympathise very much with those whose homes and businesses have been damaged and who have faced so much disruption.

We also have to recognise that, as we adapt to climate change, farmers and land managers have an increasingly important role to play, and the Government very much welcome the willingness shown by farming communities to work together to better protect their

local areas. I am aware of the project in Keswick—it is only up the road from me. We need to look at how we work with farmers to achieve these outcomes, because we want to support them to reduce the risk of flooding and coastal erosion through measures such as natural flood management. One way we could do this is through the ELM schemes, to provide payments to farmers to manage land and water in a way that can reduce flood risk to local communities. There are measures that benefit flood risk mitigation in all three components of ELMS: that is, the sustainable farming incentive, countryside stewardship and landscape recovery.

The floods investment programme was also mentioned. Under the current programme, the amount of funding a project can attract will depend on the damages it will avoid and the benefits that it will deliver. However, the impact of a project on agricultural land is included as part of the funding calculator and therefore is eligible for funding.

There are many actions within ELMS that farmers can apply for to protect and enhance the natural environment, and they can get payments for a range of actions to promote particularly flood management and prevention. These include support for water body buffering, soil health, farm woodland and hedgerows—all those things have been mentioned during the debate. The current Countryside Stewardship scheme offers payments, including the creation of small-scale run-off attenuation and storage, slowing flows in small watercourses, streams and on their flood plains, the creation of woodland and planting of hedges to slow flows, and the restoration of rivers and flood plains. We are expecting further flood risk benefits to arise when we roll out the updated higher-tier scheme; I hope that we will be able to provide more information on this fairly soon.

One of the two themes of the first wave of the landscape recovery pilot projects was restoring England's streams and rivers, improving water quality, biodiversity and adapting to climate change. We hope that these will provide flood risk mitigation benefits to support farmers.

The right reverend Prelate mentioned the Minister, Daniel Zeichner, in his speech. It is a challenging time for budgets—it really is. However, I just want to assure noble Lords that the Minister is very serious about supporting farmers and looking to see the best way we can do that within the ELM scheme and other systems. I just wanted to reiterate that.

On the comments of the noble Earl, Lord Devon, on the importance of working together collaboratively, that will be incredibly important as we move forward, because the tighter the budgets, the more we can work together and the more you can actually achieve. We want to optimise the ELM scheme to produce the right outcomes for all farmers, and I thank the right reverend Prelate for his words of support for the work we are trying to do on this.

The noble Baroness, Lady McIntosh, mentioned reservoirs. We of course have a commitment to build new reservoirs—they are very much needed—so we will look very carefully at the suggestions that she made.

[BARONESS HAYMAN OF ULLOCK]

On the flood recovery framework and farming recovery fund that was mentioned, the flood recovery framework is activated only when there is large-scale and widespread flooding—the noble Baroness, Lady Bakewell, mentioned that.

A number of questions were asked about the future of these schemes. I am ever so sorry, but I cannot really say anything until after the spending review. The same applies to the question from the noble Earl, Lord Caithness, around the underspend, as it is all part of spending review discussions.

On the Flood Resilience Taskforce, better communications were mentioned. Part of that is improved co-ordination and communications between central government and the different agencies on the ground that have to deliver schemes. We had a meeting on 12 September and the next one is going to be in January.

The noble Earl, Lord Caithness, asked about droughts. The Flood and Droughts Research Infrastructure was announced on the 31 August 2024. This is going to be a £40 million initiative and it is the first UK-wide network focused on understanding the impact of extreme weather conditions across the country, so there is work taking place on that.

The noble Earl, Lord Devon, mentioned the need for water companies to work closely with farmers on flooding. We need to look at all options as to how we can work collaboratively, and we are doing a lot of work at the moment with water companies so it is something we need to look at.

We recognise the valuable role that farmers serve in this country. We want to do our best to back British farmers. The Minister, Daniel Zeichner, is working very hard to look at how we can make the ELMS work for farmers and for things like flood mitigation and food security. Getting all this right is a difficult balancing act, and we need to look at the best way we can achieve it. We want to do our best to support farmers in flood management and food security but also on prevention of flood. There are many schemes that can help support that, including the one in Keswick, which was mentioned.

I am very pleased that we had this debate. There have been some very interesting suggestions. I am sorry I cannot say more about funding; hopefully, at some point, we will have a much clearer picture and we can look at working together to get our best deal for farmers and flood prevention in the future.

Relations with Europe

Motion to Take Note

4.21 pm

Moved by Baroness Smith of Newnham

That this House takes note of the relations between the United Kingdom and Europe, particularly on issues of culture, diplomacy and security.

Lord Kennedy of Southwark (Lab Co-op): My Lords, I thought it would be helpful to the House to remind all Back-Bench speakers that the advisory time for this

debate is four minutes. This means when the Clock has reached three minutes, noble Lords should start making their closing remarks, and at four minutes their time is up. I have asked the Government Whips to remind all noble Lords of this fact during the debate, if necessary. I thank all noble Lords in advance for their understanding, which will enable everyone to contribute to the debate fairly, in the allotted time.

Baroness Smith of Newnham (LD): My Lords, this debate in my name is on a slightly different topic from the one that we got so used to debating in the last few years: the UK's relations with the EU. It is intended to be a more general, open and inclusive debate, hopefully working with the interests and concerns of everyone in your Lordships' House and people of whatever opinion in the United Kingdom and to help us think much more broadly about how we interact with our neighbours in Europe.

I will start, slightly unusually, with a quotation:

"The UK is not just any third country ... we share deep historical ties and aligned interests ... a stronger partnership is not just beneficial but essential for our security, our economies and our people ... cooperation through dialogue, debate and mutual understanding"

is what is needed. Those words come from Sandro Gozi, whom many noble Lords may not have heard of yet but he is the newly elected chair of the UK-EU Parliamentary Partnership Assembly. When Members of your Lordships' House and the other place have the next delegation with our European parliamentary colleagues, Sandro Gozi will chair those meetings from the EU side.

His words, spoken just last week, are indicative of a new flavour of thinking among our European neighbours. There was a period when discussions between the UK and our European neighbours—whether with the EU 27 as a bloc or bilaterally—had become very difficult. They were tense and scratchy on both sides, yet the importance of working with our European neighbours never disappeared. Whatever you think about the institutional relationship with the European Union, security co-operation with our European neighbours was and remains crucial. That has been especially so since February 2022 and the Russian invasion of eastern Ukraine. Student and youth mobility are also extremely important to cultural co-operation.

I am delighted that this debate has garnered so much interest, and particularly that the noble Baroness, Lady Hodge, will be making her maiden speech. She was a formidable participant in the other place, particularly as chair of the Public Accounts Committee, so we very much look forward to her speech. I am reminded that, almost exactly a decade ago, I made my own maiden speech. In making a maiden speech, one is discouraged from doing or saying anything controversial. It took me a while to find a suitable debate. There was nothing on fly-fishing, painting, pottery or whatever—something that would have looked entirely uncontroversial. But there was one topic on which I thought, "I know something about this". This is where I declare my interest for today: my day job is as professor of European politics at Cambridge, where one of my research projects is on relations with other European countries.

The topic on which the Whips encouraged me to speak—I was a little worried—was a debate in the name of the noble Lord, Lord Liddle. It was a Motion to Take Note of the case for the UK’s membership of the European Union. The Whips at the time did not think that was too controversial, but many of the electorate clearly did not take note of the case that the noble Lord and I tried to make. Afterwards, in the cloakroom, the noble Lord, Lord Pearson of Rannoch, came and said, “Good speech”. Obviously everyone in the Chamber makes laudatory remarks on a maiden speech—I have never heard any negative ones—but, outside the Chamber, it was possible that a passionate Brexiteer might have been a little negative. I said that I was trying not to be too controversial. He said, “No, you were just this side of controversial”.

I hope I have made it easy for everyone not to be too controversial in this debate, because our relations with Europe are necessary. They have to happen; the question is how we improve them. I hope that the rather general title of the debate offers the opportunity for an open discussion. At this stage in the Parliament, it is not intended to be hostile to His Majesty’s Government; in many ways, it is intended to try to empower His Majesty’s Government to carry on with some of the initial attempts that have been undertaken to work with our European partners, both at a European level and particularly through bilateral relations with some of our nearest neighbours, particularly Germany and Ireland so far.

The Lords Library has, as always, produced an extremely good briefing. We should have expected nothing less, but the briefing focuses very much on the last 100 days—the period since the new Labour Government were elected. My remarks will look a little to the past, as well as to the future, because some lessons can be learned about the previous “new Labour” Government. There is a lot of discussion about the new Starmer Government, but the new Labour Government offer some lessons, some of which are positive and some a little more salutary. I hope that, by the end of my contributions, the noble Lord, Lord Coaker, and others will be thinking about some of the things they need to avoid.

In the run-up to the July election, now Foreign Secretary David Lammy was making very positive remarks about strengthening the UK’s security relationship with the EU. That, in many ways, is still an open question. Whereas the withdrawal agreement and the trade and co-operation agreement have been settled, there is still very much an opportunity for strengthening our security relations with the European Union at the institutional level of the UK and the EU. Already, as the Library Note reminds us, the Foreign Secretary had been talking about strengthening relations with Germany, Poland, Ireland and France. Those bilateral relations with our European partners are hugely important because, in many ways, they are the building blocks for strengthening and enhancing our relations with the wider European Union and wider Europe.

It is timely to be thinking about bilateral relations, because the new Government have clearly looked for a reset in our relations. We are also at a point in the European cycle where the European Parliament had its elections in early June and the new Commission is

in the process of being appointed, so there is now an opportunity for four and a half years of deep and serious discussions about security and defence but also cultural co-operation.

It is also important for us to think at a wider level about bilateral relations. In particular, I welcome the Government’s agreement with Germany. Last month I was on an IPU visit to Berlin, where we had many very significant discussions with committees from right across the Bundestag. There was clearly a lot of interest in working with the United Kingdom on a bilateral basis on defence and cultural issues and understanding that it would be desirable to have much closer co-operation not just between Prime Minister and Chancellor but potentially between parliaments. I very much hope that the Minister might be able to say something about that relationship in his winding-up speech and to speak a little more generally about the extent to which the Government are thinking about strengthening inter-parliamentary relations, because a key aspect we need to think about in strengthening bilateral relations is people-to-people contacts at a variety of different levels. In 1997 and 1998, the new Labour Government understood that.

Here is my little bit of history: the new bilateralism was the term used by new Labour—I am not sure, but it may have been invented by the noble Lord, Lord Liddle—and was intended to be a step change in the UK’s relations with our European partners. It was on the basis of strengthening bilateral relations across parliaments: representatives of the Westminster Parliament would talk to their opposite numbers in other national capitals, Ministers would talk to their opposite numbers, and civil servants would strengthen relations. If one really wants strong bilateral relations, the perfect model is the Franco-German couple, which is deeply institutionalised and works even if the Chancellor of Germany and the President of France are not on the same page; the two countries look to work together. That heavily institutionalised relationship was sort of the model for the step change that the UK undertook in the first Blair Government, and it was initially very well received by our European partners.

Thanks to an underspend by the FCO, as it was then, I had some funding for a project at Chatham House looking at the UK’s bilateral relations. I interviewed colleagues in several European capitals, where there was an almost unanimous sense that “The UK understands Europe and how to work with us”—it was very positive. Just a few years later by 2006-07, if one went to European capitals, even in central and eastern Europe where previously they had said, “The UK is fantastic. It’s advocating for us to join the European Union—it’s a real supporter”, the sense was, “You can’t really trust the United Kingdom. It doesn’t understand reciprocity”. The term that had been used for the bilateral relations in the first Blair Government was promiscuous bilateralism—that you picked up a bilateral partner, you worked with them when you wanted something, and when you had what you wanted you did not keep that relationship going. Within a decade there was some disillusion; a sense that the UK maybe did not understand how to work with our European partners and did not understand reciprocity.

[BARONESS SMITH OF NEWNHAM]

Clearly our bilateral relations are now outside the European Union, but the importance of that lesson remains. Therefore, could the Minister reassure the House in his response that, in the new relations we are seeking to build with Germany, France and Ireland, the Government understand the importance not just of the high-level agreements and the rhetoric at the start, but of ongoing relations? They are so important. By that I mean the person-to-person contact—that might be parliament to parliament or within political parties. The Liberal Democrats are still certainly part of the ALDE Party. I believe the Labour Party still has strong relations with the SPD. Whether its links are so strong with the PES I am not sure, but it would be useful to understand that.

Beyond that, will His Majesty's Government think about how we can strengthen our relations more broadly—on defence, which I am sure several noble Lords will speak on having looked at the list of contributors, but also on culture and cultural co-operation? I know that my noble friend Lady Bonham-Carter will speak on that. If the British Council has, as it does, priority countries in Europe—France, Italy, Spain, Poland, Germany—will the Government commit to ensuring that it is sufficiently resourced to be able to do its work effectively?

Finally, one of the key aspects of closer co-operation must surely be understanding among people, particularly the younger generations. Will the Government think again about youth mobility, as the leader of the Liberal Democrats asked the Prime Minister yesterday in the other place?

4.37 pm

Lord Anderson of Swansea (Lab): My Lords, to the noble Baroness I say congratulations. Bilateral relations are important but should be no substitute for a closer relationship with the EU as such. I agree with her in looking forward to the maiden speech of my noble friend Lady Hodge, with whom I have worked internationally as an anti-corruption campaigner.

This is a timely debate because people are, in my judgment, coming to realise that the Brexit vote was a major historic mistake on our part; that the Government now aim to reset relations with the EU as an institution; and that there is the possibility of a Trump victory, which would have major implications for our defence policy. We in the UK now have a new stability at a time of insecurity in a number of EU countries, which gives us the opportunity to promote initiatives.

The EU has changed, and both sides of the old argument must recognise that. We see increasing populism and nationalism in the EU—most notably latterly in those countries close to Russia and Putin: Hungary, Slovakia and possibly, shortly, Austria. On the economic side, the Draghi report shows the current economic disarray in Europe.

The starting point must surely be that the referendum result is a fact and that we cannot now hope for a “big bang” return to the status quo ante but must proceed by incremental steps, where we can, with what the EU agrees is in the common interest.

I take the three points made by the noble Baroness. On diplomatic and political initiatives, I submit that our weight in the world has reduced as a result of Brexit. Our influence with key allies, such as the US, is less, so we must seek ways to build bridges. For example, is there scope to strengthen the EPC with more frequent meetings, a formal treaty and a secretariat?

Culture knows no boundaries. Turing is a poor substitute for Erasmus. I hope that my noble friend will update us on the current position in respect of youth exchanges and comment generally on that issue. One fact of migration is that Iberian baristas and Polish plumbers have been replaced by excellent care workers from the Indian subcontinent and southern Africa who do not stay for a short while, like the baristas, but stay for a long time and bring their families with them.

On the security side, here perhaps is the greatest scope for co-operation, with our excellent military, defence industry and intelligence facilities and a common adversary in Russia. After all, in February 2018, Theresa May proposed a defence security pact. I believe that the appointment of my noble friend Lord Robertson to head the review was inspirational. My only fear is excessive caution on the part of the Government, as if they are walking backwards to Europe with great hesitation.

Our direction of travel so far is right but surely, after the great election victory, we can now be bold and put the Ming vase back in the display cabinet.

4.42 pm

Baroness Goldie (Con): My Lords, I thank the noble Baroness, Lady Smith of Newnham, for securing this debate. Our relations with Europe matter very much indeed, as has already been indicated. I have always described myself as a Euro-realist, not a Eurosceptic. This means being pragmatic, not ideological, and certainly not dogmatic—well, no more than my innate bossy disposition directs.

There are obvious and clear benefits to the United Kingdom in having a positive relationship with Europe, with the caveat that we do not enter into any arrangement that compromises our sovereignty. That stance is neither remarkable nor objectionable. It is particularly relevant where defence is concerned. We should seek strong bilateral relationships with individual European states—we have many of these already—and we should seek an engaged but vigilant approach to the EU.

My party has a solid record on this approach. Under a Conservative Government, the UK entered into defence partnerships with Italy, in the form of the GCAP programme, and with France in the Lancaster House treaties. In 2014, we led the establishment of the Joint Expeditionary Force, a defence partnership between the UK and several other EU and EEA member states.

The UK has been one of the most steadfast supporters of Ukraine, and on this we have closely co-operated with the EU very constructively. Russia's brazen attack on a sovereign European neighbour united us around a common cause and spurred joint action. We have

worked closely with the EU on sanctions, co-ordinating the provision of lethal support and advising on military training.

Along with the UK's continuing role as a leader of NATO, such partnerships and organisations provide a crucial forum for co-operation and engagement on defence and security matters. Co-operation and engagement are the watchwords. This is precisely the point. The unity implicit within co-operation should not be conflated with uniformity, and engagement should not be conflated with a template of homogenous response—in other words, “It is this way or no way”. It is of the utmost importance that any interactions we have with our partners, with Europe and with the EU, must carefully take account of the future operational independence of UK defence. That is sacrosanct.

The Government propose a UK-EU security pact, and the Defence Secretary has spoken of negotiating a “bespoke relationship” that may see the UK joining as a third-party participant in the EU's common security and defence policy. If this proposed security pact risks tying the UK into restrictive arrangements which compromise our operational defence independence or our sovereign national security decision-making, it should be rejected.

Under the current arrangements, we have been able to work alongside our European and EU partners in a highly effective manner. Why seek to fix something which clearly is not broken? Why court risk? I hope that, going forward, the Government will continue our legacy of defence engagement and leadership, but, in seeking a closer relationship with Europe and the EU, I counsel caution. There are opportunities that can be responsibly and productively pursued, but there are also areas of clear risk, which I would advise the Government to avoid.

4.45 pm

Lord Ricketts (CB): My Lords, I declare my interests as a non-executive director of Eurotunnel, chair of the Franco-British Council and president of the British Normandy Memorial—that is probably enough for now. The choice of the noble Baroness, Lady Smith, of the bilateral political relationships was inspired. Like others, I very much look forward to the maiden speech of the noble Baroness, Lady Hodge; having appeared at the PAC under her chairmanship, I am sure it will be powerful and forensic.

I shall start with two special recent moments in the British relationship with European countries. The first is the visits of His Majesty the King and Her Majesty the Queen to Germany and France. The outpouring there of respect and affection for the UK was very moving and a vivid example of how the King exercises real soft power, not least because he is a recognised international leader on climate and environment issues. He is a real national asset. Secondly, I had the great honour of receiving the King and President Macron at the British Normandy Memorial on 6 June to commemorate the 80th anniversary of D-day. We commemorated the fallen among the allied troops but also the thousands of French citizens who were killed then. My point here is that bilateral ties with our European neighbours go far beyond government relations.

The surface waters have been quite choppy in recent years, although they are calming down now, but the depths were largely unstirred.

I welcome the priority that the Government are giving to restoring the damage done to our bilateral relations during the Brexit years. It is great to see Ministers fanning out across Europe, engaging with partners and working on the big issues of the day. The Prime Minister's agreement with Chancellor Scholz of Germany for a UK-Germany bilateral co-operation treaty is a case in point. Germany remains Europe's largest donor to Ukraine and its defence spending is rising, so it is a particularly good time for the defence co-operation agreement that John Healey is pursuing. But commitments to work together are not enough.

If I may, I draw a lesson from the UK-French defence co-operation that we launched at the Lancaster House treaties of 2010. That has led to a step change in co-operation because it was rooted in specific, tangible long-term projects. We are committed for 50 years to use the same facility in Burgundy to virtually test our nuclear warheads. We have a Combined Joint Expeditionary Force, which is capable of fighting together. In the energy field, EDF is building a new generation of nuclear power stations—another 50-year commitment. We need a similar level of ambition for our relations with Germany.

As the noble Baroness, Lady Smith, said, good political relations have to be underpinned by a much broader web of civil society and human links. I am thinking of all the co-operation across Europe in science and research, education, culture and sport, and citizens' opportunities to live and work together. Most of these are beyond the control of Governments; what Governments can do best is to clear away the obstacles to them. In that spirit, if I may, I shall pepper the Minister with three specific points that I hope he might cover in summing up.

First, can the Government work with other European capitals to try to create more momentum for an agreement with the EU on touring artists? That would be of great benefit to both sides and is strongly supported by all sides in the EU-UK Parliamentary Partnership Assembly.

Secondly, will the Minister ask his colleagues to reconsider the rejection of the commission's proposal for a youth mobility scheme? It may be that the scheme is flawed, in which case propose a better one. This has nothing to do with free movement; it would be a visa-based scheme, allowing limited duration stays and the number of visas could, if necessary, be capped.

Thirdly, and rapidly, will the Minister discuss with Treasury colleagues the impact that the imposition of VAT on private schools will have on European schools in this country? These are specialist schools preparing pupils in their own language for exams set in their own country, so pupils whose parents cannot afford the VAT cannot move to the state sector. This is one part of the rich web of relations between countries and it deserves looking at in implementation.

4.50 pm

The Lord Bishop of Lincoln: My Lords, I am grateful to the noble Baroness, Lady Smith, for having made this debate possible and am looking forward to the

[THE LORD BISHOP OF LINCOLN]
speech of the noble Baroness, Lady Hodge, directly after this. Her experience as MP for Barking highlights how important it is that we are alert to the risk that cultural and ethnic diversity in our country can be exploited by extremists, and how important it is for us, as faith communities, not to have our faith and belonging co-opted by extremists in the way that we saw in the summer.

Faith and culture must not be seen as a cause of conflict. Our beliefs and values enrich and inspire us; these are the foundations of both individual and communal strength. Our cultural diversity, moreover, is a source of vitality, creativity and wisdom, but only when we are able to come together in dialogue, study and celebration. Faith remains a key feature of modern society in the UK and across Europe. It is worth remembering that Christianity, Islam and Judaism all have roots in the Middle East and long histories in Europe. It is vital that we build constructive relationships between these significant faith communities as we look towards a more positive future.

Although there are many good stories of community engagement across the UK, it is impossible to address the challenges of our time without working internationally. My good relationship with the Lincoln mosque highlights that the fault lines of contemporary conflicts are rarely limited to national borders. The relationship between the UK and Europe is therefore central to our security, in both the short and longer term.

Diplomatic links are important but we also need to build a web of informal, human relationships which binds communities together in a deeper and more resilient way. These relationships are crucial in times of crisis, when unexpected challenges often drive people further apart. In the diocese of Lincoln, which I lead, we have been developing our links with communities elsewhere in Europe. We have formal partnerships with the Roman Catholic diocese of Brugge in Belgium and the Swedish Lutheran diocese of Härnösand. We find that these relationships enrich us and help us to see the world differently. The long-established Conference of European Churches draws together leaders from all major denominations across Europe, including the Eastern Orthodox, while Archbishops of Canterbury have supported popes from St John Paul II onwards in bringing together the leaders of world religions, focused on Europe, to pray together in Assisi for peace. In a similar and perhaps more modest way, I wonder if we should encourage the renewal of twinning arrangements between towns and cities across Europe, with a real focus on engaging young people in these enterprises.

Higher education also has an important role to play. The noble Lord, Lord Anderson, has already mentioned the Erasmus programme; it seems to me that universities are places where faith communities encounter one another and engage in creative dialogue. Universities lead the way in the study of holy texts and the appreciation of cultural heritage. When we think about the future of higher education, we need to appreciate the value of cultural and theological studies, which build mutual understanding and therefore indirectly increase our security. This is particularly true when it comes to our relationship with Europe, where the movement of students has helped bind generations together in the most extraordinary way.

Communities built around faith or culture play an important role in building a more just, sustainable and secure world, but this is possible only when the relationships between them are good. As we think about our relationship with the European Union, we need to consider how cultural links can be nurtured and developed to serve the common good.

4.54 pm

Baroness Hodge of Barking (Lab) (Maiden Speech): My Lords, it is with humility, pleasure and a little disbelief that I deliver my maiden speech. My heartfelt thanks go to you all for your warm welcome. Your Lordships have confirmed this as an environment rich in civility and kindness, where Members work together to improve legislation based on their knowledge and expertise. I give special thanks to my noble friends Lady Blackstone and Lord Kennedy of Southwark who introduced me, and my thanks to the officers of the House for their help.

I have been privileged to work with many noble Lords down the years, but I still got lost when I arrived as a Member. I could not even find the ladies' toilets. As an immigrant, who came to Britain aged four, escaping the fear of persecution, and whose parents were forced to flee two countries, I never imagined in my wildest dreams that I might become a Member of the House of Lords.

When my elderly and sick Jewish grandfather arrived from Vienna in 1939, he was classified an enemy alien and imprisoned in an internment camp outside Liverpool with no mattress and a straw-filled pillow. Worst of all, he was imprisoned alongside German Nazis. My family arrived in 1949, stateless. Five years later we applied for citizenship. My older brother and sister were away. My mother had died, and my father was at work. An immigration inspector came to tea with me, aged 10, and my sister, aged seven. My father insisted on cucumber sandwiches and dried fruitcake, though I hated both. We were questioned about the books we read, the games we played and the friends we had. We passed the cricket test, but both then and today we still have much to learn about welcoming immigrants and celebrating their contribution.

I chose to speak today because of my determination that we should tackle dirty money, with £350 billion lost each year through economic crime—twice the nation's health budget. Britain has become a jurisdiction of choice for every kleptocrat and criminal. Our secretive overseas territories and Crown dependencies play a central role in facilitating tax avoidance, tax evasion, money laundering and sanctions evasion. Secrecy enables kleptocracy to flourish and kleptocracy breeds conflict. Allowing bad actors to use Britain to launder and hide their stolen wealth is a major security threat.

In 2018, Parliament legislated for public registers of beneficial ownership in our overseas territories. Tragically, the previous Government did not enforce the legislation. The tax havens pray in aid the European Court of Justice's judgment that public registers are unlawful because they undermine fundamental privacy rights. I urge the Minister to raise this issue with our European colleagues, seeking new regulations so that public registers can operate while safeguarding privacy rights.

This really matters for our security; £68 billion flowed from Russia to our overseas territories between 2008 and 2018. Russian kleptocrats, including Usmanov and Abramovich, use secrecy and tax havens to evade sanctions.

The UK and its network of overseas territories and Crown dependencies are responsible for 35% of tax losses suffered across the world. I urge the Government to raise the issue of economic crime and the importance of transparency in Europe, use our legislation to guarantee public registers in British jurisdictions and, please, place economic crime and its threat to security high on our new agenda with our European colleagues.

4.58 pm

Lord Liddle (Lab): My Lords, it is a huge privilege to congratulate my new colleague, the noble Baroness, Lady Hodge, on her wonderful maiden speech. I first became aware of her when she had what I thought the most difficult job in Labour politics: leader of Islington Council in the turbulent 1980s. She next really attracted my attention in the late 2000s when, as Member of Parliament for Barking, she led a most noble and ferocious fight against the British National Party, for which she deserves great credit. Morgan McSweeney, the Prime Minister's new chief of staff, played a helpful role, but it was the noble Baroness's courage and defiance that won back the white working-class vote in Barking. At the same time, it is worthy of note that she was Minister for the Arts.

I also greatly admired the noble Baroness's role on the Public Accounts Committee—even when she took on BBC pay and attacked my wife's pay, but she was right to raise these issues. That role, of course led to her passion for tackling fraud and all the terrible things that she described so ably in her maiden speech.

Most of all, I note that, having seen off the right, the noble Baroness then saw off the far left. She once made the remark—I may be misquoting her—that whereas the rabbis had failed for years to make her a proper, proud Jew, it was Jeremy Corbyn and his acolytes on the anti-Semitic hard left who succeeded. By God, she fought hard. We would never be in this position, in government on this side of the House, if not for the courage of people like her.

I have left myself very little time to say something about Europe, but Margaret Hodge joins the House of Lords only once in her life, and I dare say we shall have many further debates on the European Union. I will make two quick points. Unless this Government build a closer relationship with the EU, Brexit will be a drag anchor on most of our ambitions: for economic growth, given that investment has flatlined since Brexit; for tackling climate change; for migration, where we need European co-operation to tackle the gangs; for defence and European rearmament given the new threats we face, with which my noble friend Lord Coaker is concerned; and for educational and cultural opportunities. A drag anchor—that is what Brexit is.

To overcome that damage, we have to do two things. First, we must start talking frankly about the damage Brexit has done. Secondly, we have to convince our European friends that we are not seeking special arrangements just for ourselves, but that there are

huge benefits on both sides to much stronger mutual co-operation. If we do that, we can begin to change attitudes in this country towards wanting a close relationship with Europe.

5.03 pm

Baroness Helic (Con): My Lords, it is a pleasure to follow the noble Lord, Lord Liddle, and to welcome the noble Baroness, Lady Hodge. As a fellow immigrant, I share in this belief and humility each time I enter the Chamber. So, with less experience than the noble Baroness, I feel exactly how she does.

I welcome this debate and thank the noble Baroness, Lady Smith, for introducing it. I fully support closer educational and cultural ties with the European Union. I encourage the Government to seek bilateral solutions to the post-Brexit problems facing the young in particular, as well as up-and-coming musicians, artists and performers based in the United Kingdom and the European Union.

I am conscious of the time limit today, so I will use my time to focus on security and conflict prevention. The Prime Minister's commitment to closer co-operation with our EU allies, the Foreign Secretary's prioritisation of Europe, and the Defence Secretary's proposed security pact all create new opportunities for promoting peace and security in Europe. This is common sense.

We now know that Russia has emerged as one of the greatest threats to our security and prosperity, with its efforts, as was recently explained, to cause "sustained mayhem on British and European streets".

Yet the United Kingdom's co-operation with the EU is today weaker than that of any other non-EU NATO country, such as Canada, the United States or Norway. Russian operations are interconnected and intentional, including in the western Balkans, where the Kremlin has exploited our perceived weaknesses, particularly our relative lack of attention to the region in recent years, as well as local tensions, energy dependence and endemic corruption.

As in Georgia, Moldova and Ukraine, Russia seeks to stoke unrest and reverse the progress made on the EU and NATO paths. It is using the same playbook, such as hybrid threats, disinformation campaigns, intelligence operations and energy blackmail via its proxies. Genuine engagement with the EU on defence presents an opportunity to help course-correct and counter these threats. In practical terms, since the withdrawal agreement between the United Kingdom and the European Union did not specify any provisions on the common foreign and security policy, the UK ended its contribution to Operation Althea in Bosnia and British personnel left the mission. Current force levels are not adequate to deter secessionists or external meddling, and I urge the Government to look again at the policy they inherited. What consideration has been given to the United Kingdom rejoining Operation Althea and pushing the EU to increase resources and manpower for the mission?

Secondly, the Security Council meets each year in November to extend the authorisation of the mandate of Operation Althea, as set out in Resolution 2183. Each year, the mandate is weakened and compromises are made under Russia's pressure. The possibility of a

[BARONESS HELIC]

Russian veto cannot be excluded, and further compromises are not tenable. Can the Minister tell the House what consideration has been given to engaging EU and NATO Governments at the ministerial level to agree on a plan of action to maintain an executive military presence as long as is necessary, as per Annexe 1A, in the event of a Russian veto? Citizens of Bosnia need reassurance that the terms of the Dayton peace agreements will be enforced with the existing executive instruments unless and until the Dayton framework is replaced by popular consent.

We need security and peace in the region. As Ukraine has shown, European peace and security can no longer be taken for granted, and investing in deterrence and long-term stability is far cheaper than dealing with the consequences of conflict.

5.07 pm

Lord Jay of Ewelme (CB): My Lords, it is an excellent subject for debate today, chosen by the noble Baroness, Lady Smith of Newnham. We have heard what I know will be the first of many excellent speeches by the noble Baroness, Lady Hodge.

I should perhaps declare an interest, as I was ambassador in Paris in October 1997, the last time a Labour Government were working hard to establish themselves—but things were not, of course, quite the same then. With Britain inside the European Union, other EU member states were beating a path to our door, wanting to know and understand the British Government's view on EU and other matters. Now, with Britain outside the European Union, we are knocking on its door, when much of its attention is understandably elsewhere; but, of course, it is the right thing to do.

The EU and its member states remain an important trading partner, and we have huge and urgent foreign policy issues in common. Uncertainty over the future direction of US foreign policy strengthens the case for European co-operation, so I welcome the Prime Minister's and Foreign Secretary's recent visits to EU capitals and the Prime Minister's recent meeting with Ursula von der Leyen. A closer and more constructive relationship is needed with the EU and its member states, although there will be difficult and no doubt fraught moments along the route. With EU negotiations, that is always the case.

I have two specific points to make. The first—and I am not the first to say this—is on youth mobility and student exchanges. Understanding others' cultures and, indeed, speaking their languages is, or certainly should be, a key part of our culture. However, the Government seem to have turned their face against the Erasmus scheme. The Turing arrangements are a lot better than nothing, but a lot less good than Erasmus. I know that money is scarce, but can the Minister assure us that the Government recognise the value of student exchanges and that rejoining is not off the table?

The second subject is security and defence co-operation. The bedrock of our security is of course NATO, but EU security and defence co-operation is strengthening. Our interests and those of most—alas, not all—EU countries are similar, in particular over Ukraine and

the threat from Russia. We need a close relationship on defence and security with the EU and its member states. The EU being the EU, there are various security and defence structures that we can aspire to join. My only advice is that it is the substance not the form of that relationship that matters, and that it is urgent.

5.11 pm

Baroness Bonham-Carter of Yarnbury (LD): My Lords, I join in congratulating the noble Baroness, Lady Hodge, on her maiden speech. I am so pleased that we have another person in the House who understands the importance of culture and the arts, having been a Minister for the Arts.

On that note, I thank my noble friend not just for instigating this debate but for including “culture” in the title. It is too often overlooked. Sadly, this Government did so in the King's Speech debates—sadly and surprisingly, because the new Secretary of State, Lisa Nandy, recently made two excellent speeches which made it clear that she understands the central importance of creativity and culture in our education system to the citizen, to our communities and their cohesion, to our economy and to our place in the world. In both these speeches, however, there was something missing: the effect of Brexit on our creative sector and the need to revisit the terrible deal brokered by the noble Lord, Lord Frost. I am sorry to be controversial, but I note that he is not taking part in this debate.

The consequences of Brexit have been calamitous across the creative sector. Red tape surrounding visas and work permits, complicated paperwork and trade restrictions have damaged our ability to access the continent of Europe, our closest and largest creative market. Spiralling, punishing costs have led to cancellation of tours, gigs, performances, fashion shows and exhibitions—it is not just music. Think of the effect on the workforce, particularly those at the start of their careers. My noble friend Lady Smith mentioned people-to-people contact. What is more important than that in the cultural sector?

The creative superpower that is the UK—in multiple artistic fields—is being held back by a deal that is not fit for purpose. Creatives from across the sector have launched a campaign: Cut the Red Tape. I hope that the Government will support this and engage with the EU to make it easier for our creatives to tour and work in Europe. We are asking for incremental steps, among them being reducing the cost of carnets, negotiating visa waivers for creative workers and getting rid of the 90-day restriction. Things will only get worse in November, when new biometric checks are being introduced which will further tighten this rule. Will the Minister consider negotiating a visa waiver agreement with the EU? It would not involve reopening the trade agreement but simply adding a joint declaration. Can he also provide an update on progress so far on bilateral agreements with EU states on work permits?

Our young people are being cut off from European culture, and vice versa, yet the relatively narrow youth mobility scheme suggested by the EU, which so many have mentioned tonight, has been rejected by the Prime Minister. Given that it is time limited and age

limited, can the Minister explain why? Does he not also agree with so many here that we should negotiate a return to Erasmus? The Labour manifesto promised “to improve the UK’s trade and investment relationship with the EU, by tearing down unnecessary barriers”.

What more worthy sector than the creative industries? With this in mind, will the Minister confirm that they will be part of renegotiations with Europe, and that the restoration of full participation in Creative Europe will be included?

It was heartening to see the Prime Minister’s positive visit to Brussels and the joint statement of intent, but intentions are not enough; we need negotiations.

5.15 pm

Lord Hannan of Kingsclere (Con): My Lords, I am very grateful to the noble Baroness, Lady Smith, for introducing the debate and I add my voice to those congratulating the noble Baroness, Lady Hodge. Her great experience in local and national government and in the private sector, as well as that extra dimension and perspective that comes from seeing this country from the outside as well as the inside, will surely continue to elevate and enrich your Lordships’ counsels.

This is going to be unpopular, but there are two fundamental misunderstandings when we talk about our relationship with the EU. The first is that the EU is behaving as a rational economic actor interested in maximising the benefits for its citizens. Of course there are people in the European Commission who think that way, and there are many in the national capitals who do so, but there are also many who are still resentful about the referendum result, whose judgment is clouded by emotion, who see Brexit as a sin that needs excommunication and who look on this country rather as China does on Taiwan: as a kind of renegade province that needs to be brought to heel.

That leads to the second misunderstanding, which is the implication that has run through a number of the speeches today: that somehow the remaining blockages and shortfalls in the TCA were all a result of Tory standoffishness. I just do not think you can look at the story of the negotiations and credibly claim that. Where we have imbalances—for example, the way in which EU nationals can use our eGates but not the other way around, or the way in which we grant equivalence to financial services companies from Europe without any reciprocity—the blockages were not on our side. On the issue that the noble Baroness, Lady Bonham-Carter, just raised, the United Kingdom does give visa-free access to touring artists, for a long time if they are on expenses and for a slightly shorter time if they are being paid, but the blockage, again, is not on our side.

I am afraid there are some people in this House who will always blame Britain, never Brussels, regardless of where the problem lies, but it is not the UK Government who can fix this. I think that this Government will learn what the last one did, which is that the EU is conditioned to say, “No cherry picking; you cannot have your cake and eat it”, whatever we come up with, even if we are coming to it with precisely what it has just been asking for. We found this during the talks. In September 2018 at Salzburg, Theresa May came to the EU with the kind

of deal that it should have bitten our arm off for, promising to follow all the rules and pay for the privilege—but it replied, “No cherry picking. You’re a third country, you’re going to have to be treated like a third country; take a Canada-type deal”. A year later, Boris Johnson said, “Okay, fine”, and it replied, “Oh, no, you can’t have a Canada-type deal because you have to regulate”. I am afraid that there is a certain conditioning that is not prepared to engage in productive bilateral talks. We need to understand that.

I can understand how the new Government came in, as many previous ones have done, and said, “We’re going to reset by offering all these things that the EU has been asking for: a new deal on energy, a new deal on chemicals and a new deal on defence”. But again, instead of pocketing those concessions or saying, “That’s great; quick, grab those things before the Brits change their minds”, the EU came back with a list of counterdemands, as though we were not offering concessions but rather making demands. Actually, who is the bigger beneficiary of these things? Yes, both sides would gain from an energy deal, but particularly those countries that we kept warm during the last winter when their Russian gas supplies ended. Yes, a mutual deal on the recognition of qualifications would help both sides, but there are many more EU professionals here than the other way around. On defence, I have to say, frankly, that there is not a scenario where we will be menaced by a Russian army from across the channel. We are not the *demandeurs* here.

The worst possible attitude with which to enter negotiations is some kind of need, or perceived need, to atone for the referendum result. The sooner we look at our actual, practical national interests, the better for both sides.

5.19 pm

Lord Berkeley of Knighton (CB): My Lords, I am delighted to follow the noble Lord, Lord Hannan; he always speaks with articulate conviction, which makes my disability always to agree with him the more striking. I ask him one question: if what he says is correct, why did the noble Lord, Lord Frost, admit in the papers that we got the negotiations wrong on touring artists? Sadly, we do not have time to debate it now—perhaps we can do so another time.

I thank the noble Baroness, Lady Smith, for this very important debate and welcome with great open arms the noble Baroness, Lady Hodge. Were my noble friend Lord Clancarty here, I know that he would want to talk about the fashion industry and the visual arts. I mention them for him, but I will talk mainly about music.

His Majesty the King is passionate about music. He plays the cello. Our Prime Minister loves music. He plays the flute. A vast proportion of our children are not as privileged as they and I were, because the rich can afford to pay for music while the poor cannot. We have to change that. Why is that relevant to this debate? It is about aspiration and ambition; if our next generation of children are to become musicians, they need to be able to look forward to a career. I should declare an interest as a composer who has many fewer performances in Europe than I used to. Therein lies the problem.

[LORD BERKELEY OF KNIGHTON]

The Labour Government have said that they will look at the touring question. I would love the Minister to tell us, if he can, what they will try to change. If he would like a cue sheet, the noble Baroness, Lady Bonham-Carter, has given us some important pointers: visas, fees, paperwork and cabotage. Can noble Lords believe that, if you are trying to do a tour in Europe, you need a new truck after every two venues? This is just insane and punitive. We need to look at these things so that we can allow the creative arts industry, which has brought so much to our country both economically—billions of pounds—and in culture and sensitivity. Art is about curiosity linked to intelligence. To have curiosity, you have to be exposed to other people's ideas. Europe has to be exposed to ours.

I was very lucky last night to go to a concert given by that wonderful guitarist David Gilmour, and today I was in a conversation with Bryan Ferry of Roxy Music. They and the LSO can tour because they have the backing, but when the chief executive of the LSO came to talk to an APPG about classical music, she said “Yes, we can pull it off, but God help a string quartet or young pop group—managing the paperwork, the colossal expense, the time”. There is a lot that a new Government can do. I beseech them to do it.

5.23 pm

Lord Bruce of Bennachie (LD): I am very glad to agree with the noble Lord, Lord Berkeley; it is a very strong theme. I welcome this debate and congratulate the noble Baroness, Lady Hodge. I look forward to hearing more from her. However, I disagree with the contribution before last. In my view, Brexit has been a reputational, political and economic disaster for the UK. It was ill thought out—perhaps they never expected to win—and characterised by fantasy, rudeness and arrogance, and there was no consideration for the impact on our friends and allies. The UK is now seen as a disrupter and there is no immediate prospect of a return to any of the old relationships.

Nevertheless, there is a need and a desire both in the UK and in the EU for a reset—a new relationship. We need to do this bilaterally and collectively, with member states and with the EU itself, but it cannot be a pick and mix solution or cherry picking.

I was shocked when Keir Starmer said that the UK would never rejoin any part of the EU in his lifetime. That is not his decision to make. Then Yvette Cooper said that the UK voted for Brexit, that there was no going back and that the Government would not entertain the EU's proposed youth mobility scheme. That is alienating great swathes of aspirational young people and, I suggest, is not actually a vote winner for the Labour Party.

It is difficult to see how we can secure a closer relationship with the EU without some accommodation—on both sides, I agree—but ruling out ever rejoining the single market or the customs union rather limits the room for progress. Improving bilateral relationships is absolutely right and desirable, but we should recognise the limit. The EU will not look kindly on attempts to detach members from community-wide agreements.

It is all very well to claim we have the freedom to diverge from EU single market rules because of Brexit, but it is quite hard to see where that takes us. For small and medium-sized enterprises, participation in the single market gave free access to the EU market. Now, the cost and bureaucracy of proving conformity often makes the exercise unprofitable, so exporting is often abandoned or the business is relocated inside the EU.

I live in Scotland and represented a Scottish constituency for 32 years. The EU referendum, following the Scottish independence referendum, divided SNP supporters. SNP voters provided the largest number of Brexit supporters because they did not want Scotland to be in any form of union, yet the SNP argues that the only way for Scotland to rejoin the EU is to leave the UK and then apply. But the European Commission has made it absolutely clear many times that there is no quick and easy route for Scotland back into Europe. Scotland is not a sovereign state and has unsustainable debt, no central bank with a serious track record and no sovereign currency. Scotland would be at the back of the queue and would face the need to secure a unanimous vote—no easy task for a disruptive spin-off of a disruptive former member. The country would spend years in no man's land outside the UK and the EU, with no timescale for any resolution.

In any case, independence is off the agenda for the foreseeable future. If you ask whether Scotland should remain in the UK or leave, the answer is overwhelmingly in favour of remain. A different question gets a different answer, but the fantasy that separation offers a quick way back into the EU does not fly. The best prospect for Scotland re-entering the EU rests with the UK, where the Liberal Democrats are leading the way for a step-by-step re-engagement, recognising that we need to move towards the single market by negotiated steps, by agreeing with many of the things that people are asking for, and really pleading with the Government to deliver.

5.27 pm

Lord Hannay of Chiswick (CB): My Lords, a triple congratulations is surely in order for this debate: first, to the noble Baroness, Lady Smith, who has obtained a topical and substantive issue for us to cover; secondly, to the Government, for having set out so clearly in the gracious Speech the twin objectives of their European policy, a new security pact with the rest of Europe and a reset of the post-Brexit relationship with the EU; and, thirdly, to the European Affairs Committee of your Lordships' House, whose chair, the noble Lord, Lord Ricketts, spoke earlier in this debate, and whose previous chair, the noble Earl, Lord Kinnoull, set out in April 2023 a very clear agenda of what needs to find its place in such a reset.

We can now see, more unmistakably than ever, just how bad the Brexit deal that the Johnson Government “got done” in 2019 really was. It was bad for Britain's trade and economy, bad for our relationship with the rest of Europe and bad for our influence around the world when we need it most in troubled times. Such mitigation as came with the Windsor Framework and rejoining the Horizon research programme has not altered the case for the substantial reset that the Government are now contemplating.

But we should have no illusions. Such a reset will need to be one that brings mutual benefit to both parties—otherwise, there will just be a lot of talk about cherry picking. That does not mean that every item of the reset has to be perfectly balanced; that would be to fall into the trap that Brussels has rightly criticised as the “*juste retour*”. But there will need to be an overall balance—otherwise, a better deal will not be struck. The Government are surely right to give priority in timing to the new security pact. That will be needed whoever wins the US election. It will need to cover security issues in the widest sense, including not only defence issues but law enforcement and the vexed issues relating to migration, which are showing so many signs of destabilising the domestic politics of too many European countries.

In responding to the debate, I hope that the Minister, who not only is responsible for defence but has experience with migration, will be able to say something about the objectives the Government are pursuing in the security pact. Are we thinking of joining more PESCO projects? Are we planning to establish a link with the European Defence Agency, such as the US has? Are we making a larger contribution to peacekeeping in the western Balkans, as the noble Baroness, Lady Helic, called for? As to the wider reset on cultural, economic and trade issues, the agenda of 2023 remains as valid as when it was put forward.

All this will take time to achieve. There will be setbacks along the way. The issues are complex and sensitive. We are asking the EU to contemplate a deeper relationship with a third country than it has ever had before. It will need to be underpinned, I suggest, by a structured framework of foreign policy co-operation, from which the previous Government shied away when the European Affairs Committee proposed it. I hope the Minister will reverse that shying away, because we will need to work closely with our European partners on a whole range of issues: Ukraine, obviously; relations with China; restoring our eroding links with what is called the global South; and handling the global challenges of climate change and pandemic diseases. We will have to do that if we are not to fall far short of what we could achieve working together collectively.

I conclude with a fourth congratulations to the noble Baroness, Lady Hodge, on her very moving maiden speech.

5.32 pm

Lord Howell of Guildford (Con): My Lords, I join with others in welcoming the presence of the noble Baroness, Lady Hodge, and her wisdom and authority, which are well known and will greatly reinforce our counsels.

Following the noble Lord, Lord Ricketts, when I look across Europe on matters of stronger ties in culture, diplomacy and security, which I greatly welcome, I find I come not to solutions—because Europe is an organisation of constant bargaining; it never reaches settled places in any of these areas—but to the European Political Community, which has not had much mention in the debate so far. President Macron described the political community as a new space for co-operation

on politics, security, energy, investment, migration and the evolving economic situation, with all its revolutionary qualities. My view is that we should do much more to be creative with the European Political Community, and I would like to know from the Minister how it is seen in government. Is this something that we will really work at, produce more plans for and build on? There was a very good atmosphere in the last two or three community meetings, and we should develop that. It has 45 attendees and is much bigger than the European Union, and it is addressing the modern issues of order and survival in an acutely dangerous world in a way that, one sometimes feels, Brussels has not quite grasped yet—but it needs to do so.

Then we come to the central issue: Germany. At the moment, Germany is closing down Schengen—that is what is happening. The free movement throughout Europe has been closed for the time being, and it will be interesting to see when it opens again. Not only that but the German economy has been really badly hit by China and the prospect of its whole motor industry being undermined—as well as ours. It is a deeply divided nation at the moment, in a way that it has not been, as a model of industrial power and strength, for the last 70 years or so.

Germany is ceasing to dominate the EU. That is the important point that I do not think all noble Lords and honourable Members have quite grasped, let alone the press. So, with that question of a new power source bringing together the interests of Europe, and it no longer being just the old Franco-German alliance running everything, this is a time for new ideas. We have a fund of new ideas in this country for developing and strengthening Europe in a totally changed international order, and I hope that we will pour that fund into working in the EPC and creating the conditions in which all these issues can be tackled and some of the obstacles we find day by day overcome.

It is a Europe of constant bargaining, as our wise experts point out, so I am afraid that those who are looking for the future of Europe to be settled are going to be disappointed. I say that to the noble Baroness who brilliantly opened the debate. There is not an immediate settlement. There is, however, the possibility of a great many new ideas, driven and shaped, particularly by technology, being poured into the assessment and creation of a changing Europe, and it is in the forum of the EPC that that can be usefully shaped and decided. I would like to hear a lot more from the Minister on that matter.

5.36 pm

Baroness Brinton (LD): My Lords, I congratulate the noble Baroness, Lady Smith, on securing this key and very interesting debate, and congratulate the noble Baroness, Lady Hodge, on her maiden speech. Economic crime knows no borders and is a threat to us all, and I think we are grateful to her and look forward to hearing more from her as she makes her way around the Chamber.

I always find it interesting to follow the noble Lord, Lord Howell. He has decided to look at the European Political Community; I am also particularly interested in relationships, not just at a governmental level, and I

[BARONESS BRINTON]

want to focus on how political party relations across Europe can also make an important contribution to building relationships.

As a Lib Dem, I am one of the elected vice-presidents of the Alliance of Liberals and Democrats for Europe, or ALDE. I was first elected in December 2019—an interesting time. Over the last five years, I have seen the importance of Europe-wide party bodies to enable working together locally and nationally, building those relationships, especially for us Lib Dems.

Only ALDE—founded in 1976 as the ELDR—and the Greens alliance, have European membership beyond the EU. ALDE, with 52 MEPs, sits in the Renew group, and the Greens are with the European Free Alliance, including the Pirate parties, and they have 53 MEPs. However, all the other groups, including the EPP and the S&Ds, do not permit such a formal arrangement. ALDE's role in bringing together sister parties across Europe has strengthened relationships. Using links in CoR, in the Council of Europe and within ALDE, we are able to develop projects together.

For me, the most interesting group in ALDE recently has been the non-EU bloc. The Motion for debate talks about Europe, not about the EU, but when you are a non-EU party working with a predominantly EU organisation, one's view becomes somewhat different. We all have different relationships with the EU. There are the non-EU countries in south-eastern Europe, some of which have been waiting for accession since 1993, which live and trade side by side with EU countries, and then we compare them with the EFTA countries, which are contented with their trade agreements and their style. Then there are the countries such as Ukraine, Moldova and Georgia, which are all facing real threats from Russia. Then there is the UK.

The Lib Dems and the Alliance Party in Northern Ireland are active members, but no one understands why we left the EU, and most of our sister parties think that we were contented with that lot. I should say that is what they thought in 2019; they do not think it now. I say to the noble Lord, Lord Hannan, that Brexit broke that trust with our EU partners, and that is why as yet there is no route back, not least because of that lack of trust from our EU sister parties about the way the UK behaved. So, when we ask for special treatment, it is not surprising that we are told the EU will not bear that.

Most of my time is spent rebuilding trust at sister-party level that attitudes in the UK are changing, listening to them but also working with them on matters of common interest, including security, especially where UK forces are embedded in Europe, following Putin's invasion of Ukraine. I work also with sister parties in Ukraine on their non-security needs—for example, we have put visiting Ukrainian MPs together with groups of Ukrainian refugees. Our young Liberal groups work very closely together to encourage Ministers across the EU and UK to look at youth mobility movements.

Bilateral and multilateral relations at this level enrich our parties and countries, and I hope will lay the groundwork for a stronger formal relationship once trust has been developed and all countries want to take the next steps.

5.40 pm

Lord Russell of Liverpool (CB): My Lords, I will focus my speech on the Council of Europe. I suspect I am preaching to the converted because the Minister and I actually met as joint members of the Parliamentary Assembly for the Council of Europe in 2018. Since then, I have had the privilege of being the lone Cross-Bench non-political member of the parliamentary assembly.

I would describe the last six and a half years as witnessing a state of not particularly benign neglect by previous Governments, and I think that there is now a chance for a real reset. We were a founding member of the Council of Europe in 1949. We are one of the four “grand payeurs”, those who pay the most money into the organisation, together with France, Germany and Italy. We have an excellent track record in front of the European Court of Human Rights, despite whatever at least one of the contenders for the leadership of His Majesty's loyal Opposition appears to believe.

However, we have had a very limited focus and attention from previous Governments on our membership. There has been what I would describe as a somewhat indiscriminate choice of members. In the case of the noble Lord, Lord Coaker, and others, at the time I joined most of them were chosen because they were not supporters of the then leader of the Labour Party, and it was a convenient way of getting them out of Westminster for certain weeks during the year. In my experience, the majority of MPs who are on the parliamentary assembly, from whichever party, have little interest and rarely even bother to come or participate. If they do wish to do so, it is particularly disappointing when, in my experience, the Whips in another place do not give people slips to go and do their duty in the parliamentary assembly.

The Council of Europe gives us a real opportunity to exercise a high degree of soft power rather effectively. Most of the key elements are not well known. The European Court of Human Rights is well known, as is perhaps the council's support for Ukraine, but it is also the repository of about 200 or more conventions on a whole variety of areas, excluding defence. These include cybercrime and anti-money laundering—I suspect these are subjects close to the heart of the noble Baroness, Lady Hodge, and she would be a very welcome member of the parliamentary assembly if she was chosen by her party. It covers artificial intelligence, anti-doping in sport, anti-corruption, prevention of torture, data protection, criminal law co-operation, the quality of medicines and avoiding counterfeit medicines, the environment, the protection of wildlife and habitats, human rights and, of course, the Istanbul convention.

My plea to the new Government is: for goodness' sake, please take the Council of Europe seriously. We should be extremely proud of having been a founder and we really should take it more seriously. I appeal to the Minister to tell the Chief Whips in both Houses—Sir Alan Campbell in another place and the noble Lord, Lord Kennedy, in this House—the Minister for Europe, Stephen Doughty, the Lord Chancellor, Shabana Mahmood, and the Attorney-General, the noble and learned Lord, Lord Hermer, who is in this House, that

we need a complete and utter reset. We need quality people on the parliamentary assembly and, from the party in office, really strong leadership, not dissimilar to the leadership Sir Roger Gale gave very effectively prior to 2019.

I end with a tribute to those in Strasbourg, our ambassador Sandy Moss and his outstanding team, who support and give the United Kingdom a voice probably beyond the degree of input that we give it. I also pay tribute to Nick Wright and his team here in Whitehall, who enable us to take part so effectively.

5.44 pm

Lord Griffiths of Burry Port (Lab): My Lords, it is a great pleasure to follow that speech, because in my remarks I also want to communicate my affection for and commitment to the Council of Europe—but not before I pay tribute to our new arrival, who is going to impose some of her strict, applied and disciplined thinking here, as she has done so well in many other places. My long association with both Barking and Islington has made me not unaware of the noble Baroness's presence and influence, so it is brilliant to have her here.

A week ago, the noble Lord, Lord Russell, and I were in Strasbourg for the deliberations of the Council of Europe. This is the 75th anniversary of its foundation and, because of the election that we have just been through, it has been impossible to organise an appropriate event in our Parliament to remember and make something of the work of the Council of Europe. It will happen now in the spring.

The British people have a safe space in Europe, where we can make contact—informal and humane, as well as that focused on items of business, some of which are very lofty—and establish relationships with other parliamentarians, from 46 different nations. At a personal level, representatives from Kosovo come to see us all the time; they can never get over what we helped them with all those years ago. We could be talking to both Azerbaijanis and Armenians about the dispute that was at the heart of some violent thinking there. We might hear points of view from Greece and Turkey about northern Cyprus, for example. We may just make friendships and feel that we can constitute a presence and contribute something of a very human kind.

I spoke twice last week. The noble Lord, Lord Russell, actually presented a report, but he humbly did not mention that. I suffer from no such feelings myself and will talk about what I did last week. I spoke about freedom of information, which was part of looking at one of the conventions, and then about the metaverse and the way that we safeguard our countries across borders, with the rise of the technology that we are so preoccupied with at the moment.

In addition, I worked in a focused way on its migration committee. It was galling to be a member of that committee during a period when our Government was ramrodding through Parliament three Acts that many of us felt were in violation of international law and that were being argued across the Floor of the House in so cruel and hard-hearted a way. In a council that was founded with lots of energy from the United

Kingdom, all the way back, the situation in which we found ourselves was met with incredulity by fellow members of the migration committee—and not a single member of the Conservative Party sitting on the committee to defend the Government.

I have nothing but praise for having a safe space where we can pursue matters of such interest in a person-to-person way. If that is not culture, I do not know what is. I am very grateful for this debate being brought to us today.

5.48 pm

Lord Wallace of Saltaire (LD): My Lords, I was puzzled by the assumption in the speech of the noble Lord, Lord Hannan, that while the European Union's negotiators have not been entirely rational in their approach to bilateral relations with us, the British negotiators since Brexit—David Davis, Boris Johnson, the noble Lord, Lord Frost, and others—have been entirely rational actors. That is perhaps something that the noble Lord will cover in a future *Telegraph* column.

I want to talk about the situation that we are in now. We are in a very dangerous situation for British foreign policy. For the last 60 to 70 years, we have assumed that our closest and most mutually trusting relationship is with the United States. In four weeks' time, there will be a presidential election, which will give us either a second Trump presidency—it is highly unclear what that will mean for transatlantic relations, as he pays little attention to Britain except for his golf courses—or a Harris presidency, which will arrive contested, with law suits and quite possibly disorder, and will also distract the United States. We will have lost American leadership. In this situation, we need to go as far as we can to develop the closest possible relations and better mutual understanding with our neighbours in Europe, because those are the most trustful and important partners we have. If we are going to build closer mutual understanding, it has to include a range of relations, formal and informal, at all levels.

That is why so many of us think that youth exchanges are very important. When I first started studying the European Union, I remember discovering how much effort the French and the Germans had made to rebuild relations between their countries by encouraging student and youth exchanges and putting money into them. When we joined the European Community, as it then was, the then pro-European Conservative Government tried to do something similar, and in 1973 suggested a range of those models. Of course, in 1974, the then anti-European Labour Government cancelled those, and we have never put enough effort into it since. I say to the Minister that the argument against going back into Erasmus is that more students come to Britain than British students go there and it therefore costs us more money; the argument for going back to Erasmus ought to be that we need more British young people to travel abroad and more British students to study at European universities and learn the language. That is a matter of sufficient importance for the future of British society and British foreign policy to make going back into Erasmus worthwhile.

[LORD WALLACE OF SALTAIRE]

Furthermore, we need to have exchanges not just between parties and parliamentarians, which has already been discussed, but between police. We have lost that through leaving Europol. There is no organised crime that is purely national these days. Cross-border contacts and understanding between police forces are very important, as they are between officials at all levels. We have lost our European cadre in the Foreign Office, and the European Union works the way it does precisely because there are intense and regular contacts between officials from different countries, bilaterally and multilaterally. That is what we need to regain and what this Government need to begin to build. At that point, we will have again the mutual understanding that we need.

These are our neighbours. We need to understand each other, to work together and to negotiate with each other. For that, we need to change the way that we behave in our relationships.

5.52 pm

Lord Bilimoria (CB): My Lords, referendum is the most undemocratic method. It is a snapshot of a point in time; it is finite. Democracy needs to be dynamic so that every four or five years people have the opportunity to change their minds. For the last year or so, at every opportunity, in every speech, at the opportune moment, I have boldly asked the audience—domestic, international, at universities, even schoolchildren—whether they think Brexit was a huge mistake and an act of self-harm for the United Kingdom. I am not exaggerating when I say that 99% of the hands go up—it happened just today.

I thank the noble Baroness, Lady Smith, for initiating this debate, and I congratulate the noble Baroness, Lady Hodge, on her excellent maiden speech. We first met two decades ago, when we were on “Any Questions?” on the BBC together.

The Government have said clearly and unequivocally that they are interested in re-establishing our relationship in Europe since it weakened post-Brexit. This includes a new UK-EU security pact, improving bilateral relationships and the Joint Expeditionary Force—I do not think anyone has mentioned that so far.

It is a complex geopolitical environment, increasingly so, but here is a fact: in 2023, 52% of our imports and 42% of our exports were with the European Union. We got a huge trade deficit with the European Union, and these levels of exports are 11% below the pre-pandemic and pre-Brexit levels. The TCA has arrangements that are very restricted. The Government have said that they want to improve the relationship but do not want to rejoin the single market. Come on—why cannot we be bold? Why cannot we join the single market? Why cannot we then move towards the EEA Norway-type model and eventually move towards rejoining the European Union?

The war in Ukraine has led to increased co-operation between the UK and EU with regard to sanctions, intelligence sharing and military training, and with the challenges we face in defence procurement. Will the Minister admit that we have problems when it comes to defence procurement because we are no longer in the EU?

One of the most senior police officers in this country—I will not name the individual—said during the Brexit debate, “If people knew the security arrangements we have with the EU, they would vote to remain just because of that one issue alone”.

Regarding the youth mobility scheme, why can we not have a scheme where 18 to 30 year-olds can study and work in the UK and Europe? That has been proposed by the EU—we have rejected it. On the security partnership that we have, can the Government make their ambitions more concrete? The Erasmus programme is way better than Turing. Turing is one-way; Erasmus is both ways. We are losing out, our children are losing out, European children are losing out. We have heard from the noble Lord, Lord Berkeley, how the music sector is losing out due to complex visa rules, cabotage restrictions, carnets, and musical instrument certificates. This is ridiculous. We do not need this. In 2018, 10,100 UK students participated in Erasmus. School trips have dropped hugely since Brexit. Some 47% of musicians report reduced EU work.

The noble Lord, Lord Hannan, spoke about cherry-picking. Well, I was president of the CBI, I sat on BusinessEurope. Do you know what its people used to say to me? “Why did you leave? We really respected you. You were different, but we envied you because you had the best of both worlds. You had your own currency; you could set your own interest rates.” Today we have the worst of both worlds.

5.56 pm

Lord Purvis of Tweed (LD): My Lords, it is a pleasure to follow the noble Lord, Lord Bilimoria, particularly because I agree with him. The speaking order at the close of this debate is like the old days, with the noble Lord, Lord Coaker, following straight after me. However, this is the kind of debate in which I will ask him questions rather than generally agreeing with him, as in many of the debates that we have had. I look forward to, I hope, a characteristically positive reply from him to this debate.

I join others in welcoming the noble Baroness, Lady Hodge, to this House, and her moving maiden speech. It had powerful messages, and gave an indication of the issues she will raise with characteristic determination in this House. She is now in a parliamentary Chamber with many colleagues who were senior civil servants that she skewered on the committee, so I am looking forward to seeing the peace offerings of cups of tea in the tearoom.

My noble friend Lady Smith ensured the breadth of the topic of this debate. War in the east of the European continent, the conflict in the near neighbourhood of the eastern Mediterranean, the climate emergency, a terrible humanitarian crisis in Africa that might automatically lead to migration challenges in our continent—all these aspects are worthy of debate. It has also been recognised throughout the debate that the European Union is the key political body in the continent that is tasked with the policy responses to many of those challenges.

The underlying aspect is whether the UK is better out than it would have been if we had stayed in. Some argued during the process that the UK leaving the bloc

would automatically mean that the bloc would be weakened. Some almost saw that as an ambition. However, we have not seen that—in many respects the bloc has been strengthened. Indeed, Putin’s calculation that his actions would see a fundamental undermining of the European Union has not come about, notwithstanding the challenges among some of its members. Therefore, from these Benches, we want the Government to be successful in their reset, but we also want to reconnect in many areas. The Minister will not be surprised to hear us wanting the Government to go further.

On Monday, a Minister—the noble Baroness, Lady Twycross—told the House:

“This Government want to and will make Brexit work”.—[*Official Report*, 7/10/24; col. 1818.]

That presupposes that by “work” they mean that the UK can be better off across business, people-to-people relations, energy, sustainability, security and culture outside the European Union—inevitably influenced by it, but not part of shaping it. We respectfully disagree. Making Brexit work is a bit like getting Brexit done: two falsehoods do not make a truth.

From the Opposition, the noble Baroness, Lady Goldie, eschewed dogma and heralded pragmatism. All those debates dominated by that dogma must seem so many long years ago, but the very dogma that was at the fore handed us the hardest of exits. So the debate today is significant, especially since we now know that getting Brexit done is almost an impossibility and making it work is incredibly difficult. We have seen UK border checks with the European Union delayed again under this new Government, and the Windsor Framework is not yet operable.

We have seen, as we heard in this debate from the noble Lord, Lord Bilimoria, the impact on trade in goods. UK goods exports to the EU have not recovered to pre-Brexit levels. We were told that this would not happen, that it would be a boon for exports of goods, and that if there were any reductions, they would be more than offset by the riches of non-EU exports facilitated by new trade agreements. Goods exports to non-EU countries also remain below pre-Brexit levels, because the damaging impact of our harder trade with the European Union is that we have made it harder to trade with non-European Union countries as well.

Goods imports from the European Union have fallen, but they have been offset by imports from China, contributing to the UK having the biggest trade deficit in our history with only one country and the biggest deficit with one country of any advanced economy, making us strategically vulnerable. For our geopolitical security, making Brexit work will risk the UK being less resilient and secure, and more dependent on China. In opposition, Labour called for a strategic audit of our relationship with China. I will be interested in whether that is on the agenda when the Foreign Secretary visits Beijing. However, the Chancellor has called for more trade with China—that is, more imports from China.

As we heard from the noble Lord, Lord Jay, and the noble Baroness, Lady Helic, in a very powerful message, we now enjoy a less deep relationship with our colleagues in the European Union on security status and military involvement than Canada and Norway. That cannot

be in our strategic interests, given what Russia is seeking to do in the western Balkans. If we are to be pragmatic, as the noble Baroness, Lady Goldie, asked us to be, then it is in our interests to dust off the draft text of the security agreement, use that as a starting point and have it as the basis of many of the talks because clearly, some work had previously been done and we should start from that basis. Indeed, we should make it as cross-party as possible. Let us have some pragmatism here.

Where we need pragmatism most now is for young people. Therefore, it was disappointing that the Government said that free movement for young people was a red line, somehow claiming that the European Commission had argued that it would be equating free movement with mobility. Mobility is not free movement: a mobility agreement is not a free movement agreement. That is why a European Commission spokesperson replied to the Prime Minister’s statement:

“A red line is as if the EU was asking for something. We are not asking for anything”.

As the EU put it,

“the youth mobility proposal on the table is a ‘reaction to the UK request to some of our member states’”.

It is welcome that the Government are seeking bilateral agreements on mobility with member states, but let us ensure that the talks with the Commission progress well for an overall mobility agreement—that is vital. As part of it, we should have regard to student participation. Applicants from the EU to UK universities have dropped by 43%, according to UCAS. That compares with 29,000 applications from China, a number that has more than doubled. What is the Government’s strategic aim when it comes to European students learning in the UK?

We also heard in the debate that red tape on the UK-EU border has prevented children taking part in overseas educational trips, resulting in a 30% reduction. The noble Baroness, Lady Twycross, said this week that any consideration of school trips facilitation would have to be seen in the context of the immigration system. It is as though 13 year-olds will somehow be so enamoured by seeing Buckingham Palace that they will seek to overstay their time in the youth hostels. Surely we can get school trips agreed; I look forward to the Minister’s positive reply on that.

My noble friend Lady Bonham-Carter spoke with real passion about the benefit of supporting culture for culture’s sake but also about the need to support the UK as a superpower for the creative industries and the economy. It is in our economic interest—for not just London but Cardiff, Belfast, Edinburgh and the north-western regions of England. Listening to the noble Lord, Lord Hannan, I felt as though I would not be able to respond to him properly and eloquently, so I am glad that the noble Lord, Lord Berkeley, did so, and so well. If I may paraphrase his words, I think his message to the Government was: it is just not good enough to change the mood music in our relationship if it is difficult to get the musicians to travel to play the music in the first place.

To conclude, my noble friends Lord Bruce and Lord Wallace asked us not to look back but to look ahead for the young people who will have to face the

[LORD PURVIS OF TWEED]

challenges of an increasingly complex world and will have to live with Brexit. Just over 2,000 children were born on 23 June 2016, and at the end of this Government's term they will be 13 year-olds. They will be living with the consequences of Brexit, but they will have to face the challenges of this difficult world. We need to ensure that they face fewer barriers and burdens and more opportunities. That must be our task, and I hope that the Government see that as their task, too.

6.07 pm

The Minister of State, Ministry of Defence (Lord Coaker) (Lab): My Lords, I welcome the many positive and challenging contributions on this topic, all said in a way that seeks to improve public policy to do what it can with respect to the UK-Europe relationship. People come from different perspectives, but we all want the best for our own country.

I will endeavour to answer many of the points; whether I attribute them to the right noble Lord remains to be seen, and I apologise if I get it wrong. If I miss something that was directly asked of me, I will write to noble Lords and place a copy in the Library. A number of points were made relating to numerous government departments. I accept that I am answering for the Government, so I will go through *Hansard* and make sure that the various points made to different government departments are sent to the relevant Government Ministers so that they can take the appropriate action.

I congratulate the noble Baroness, Lady Smith, on an excellent topic for debate, and the way in which it has contributed towards encouraging numerous noble Lords to stay through a Thursday afternoon into the early evening. That shows the importance of this debate. I also thank her for the way in which she introduced the debate and raised many of the important issues, some of which I will deal with as I respond to the debate. It is a particularly appropriate time for us to debate this.

I will spend a little while congratulating my noble friend Lady Hodge on her wonderful maiden speech. I will not go into all the years that we have known each other, and the various ups and downs now and again—mainly ups. On a personal note, I think all of us have found her an inspiration in the way that she has dealt with some of the difficulties she has faced with respect to anti-Semitism. One of the great tributes to her as a person is that she has never become cynical or negative about that. She has seen anti-Semitism as the issue and fought it but recognised that, for the vast majority of people in this country, anti-Semitism is as abhorrent as she feels it is. We are very pleased that she is with us.

I also say to my noble friend that economic crime, which I know has been close to her heart, is really important. Dirty money is something that all of us in this Chamber have debated through many Bills. The noble Lord, Lord Purvis, has been with me on various committees where we certainly pressurised the then Government. We should continue to say to our own Government that, from our perspective, we need to do as much as we can to tackle Russian dirty money. Indeed, we should see any economic crime as the priority that it is. I make that point to her.

It is really important to see the context within which this debate takes place. There will be disagreements with and disappointments about individual policies that the Government may pursue and the ways in which they will pursue some of the challenges that they face; I will come to one or two of those. But have no doubt about it: there is now a Government in this country who seek a positive relationship with Europe in its widest sense, and want to establish better relationships with EU Governments and wider European Governments, at the collective level and at an individual bilateral level.

We will work to reset the relationship with our European friends, to strengthen ties, to secure a broad-based security pact and to tackle barriers to trade. We will build stronger and wider co-operation in a whole range of areas. We will look forward, not backwards, by improving our trade and investment relationship with the EU and Europe more generally, while recognising that there will be no return to the single market, the customs union or freedom of movement. This is about turning the page, reinvigorating alliances and forging new partnerships with our European friends, rather than reopening the divisions of the past.

We will work to improve the UK's trade and investment relationship with the EU, tearing down unnecessary barriers to trade and strengthening co-operation to keep our people safe. This should not come as a surprise, as the previous Government frequently acknowledged that there was still much work to do to improve UK-EU and UK-European relations. There is more we can do to minimise friction with our major trading partners, by reducing barriers for professionals to do business across the channel, as well as strengthening co-operation on the security threats that we face.

As I say, this is not about renegotiating or relitigating Brexit but about looking forward and realising the potential of the UK-Europe relationship. We have been clear that these trading relationships can be improved, including through the mutual recognition of professional qualifications and in areas such as helping touring artists. This is about not just the EU, as I say, but Europe as a whole. A new era for these relationships is what we seek to achieve, culturally and diplomatically, and from a defence and security point as well—bilaterally and collectively too.

Your Lordships will recall that the Prime Minister, as the noble Lord, Lord Howell, pointed out, hosted 46 leaders from across Europe, including President Zelensky, at Blenheim Palace just before the Summer Recess. Others will recall the marked increase in engagements in the past few months, not only by the Prime Minister but by the Foreign Secretary, the Defence Secretary and many other Ministers, with their respective counterparts.

These relationships are not only at a political level. As many noble Lords have made clear in this debate, they include but are not limited to improving our relationship with the European Union. Many noble Lords have spoken about the people-to-people relationships. We are aware of the British support for the Paris Olympic and Paralympic Games. There is the upcoming co-hosting of the UEFA championships with Ireland in 2028. There are also renewed commitments

to the UK-France Lancaster House treaties and His Majesty's Government's ongoing work to develop a friendship treaty with Germany. We are doing all we can to reset the relationship and improve it.

That is the context in which this debate takes place. We have no hesitation as a new Government in saying that we want to have a better relationship with Europe, and we want to establish it. I say this to noble Lords: in the discussions I have had with Ministers from across the European Union and beyond, I felt that they too believe that there is a reset and that we now have a Government who do not see Europe somehow as almost the enemy of this country. It is an important step forward to have that trust and that relationship. The ability to recognise that we now work from a position of mutual respect and trust is really important.

The noble Baroness, Lady Smith, spoke about the bilateral strengthening of our security relationship and mentioned Poland. I was in Poland recently at the Warsaw Security Forum. The UK is seen as a valuable partner there—not just an add-on, but right at the centre of the demands of Poland, the Baltic states, Romania and all the countries there, as well as the more traditional European countries. They want us at the heart of things, working with them on a new EU security pact, our commitment to NATO, and their defence against the Russian threat. We have been talking to Germany and have a new agreement. We are refreshing the Lancaster House agreement, and we are talking to Ireland as well. As I have said, many visits have been made.

The noble Baroness, Lady Goldie, pointed out the importance of NATO, which will remain the foremost military alliance we have, but the UK-EU security pact gives us the opportunity to reflect on where there are other things we can do. As the noble Lord, Lord Hannay, pointed out, we may use that relationship or that vehicle on migration and some other matters involving security while NATO remains the fundamental part of our military alliance.

I look forward to meeting the noble Baroness, Lady Helic, before I go to Bosnia in a couple of weeks' time and hearing her experience and knowledge. I say to her, and to the noble Lords, Lord Hannay and Lord Howell, that we understand the difficulties in the west Balkans and we will look at what more we can do to support the work that has been going on there. To be fair, some of that was under the previous Government, but we will look to see whether there is more that we can do. We understand the deepening concerns in that area, which is one of the reasons why I am going to go there—to see what more we can do.

The noble Lords, Lord Jay and Lord Bilimoria, pointed out the importance within the EU of the Joint Expeditionary Force. Again, we will look to see what we can do and work with our neighbours. We know the importance of the High North, the change that climate change is bringing to that area, and the increasing problems and threats we have there.

The noble Lord, Lord Hannay, mentioned the PESCO arrangements and what we should do with permanent structural organisations in which we try to work together. We will not make a general statement that we will join all of them but look at them on a case-by-case basis.

The noble Lord, Lord Howell, mentioned the European Political Community. We see that as an important addition. It is an informal arrangement as it stands, but it has brought people together in a forum that no other European multilateral institution offers, even with respect to the Council of Europe.

The noble Lord, Lord Russell, mentioned the Council of Europe. The noble Lord, Lord Anderson, was another significant member of the Council of Europe over the years. I also mention my noble friend Lord Griffiths in this respect. Forgive me if other people in this Chamber have been members of the Council of Europe—I notice the noble Lord, Lord Bruce, and I beg his pardon. There are people who have been members right across this Chamber. It is a fundamentally important place where countries come together. The noble Lord, Lord Russell, was right to point out the importance of the Council of Europe, of our membership and of all Governments taking it particularly seriously going forward.

The noble Lords, Lord Ricketts, Lord Bruce, Lord Liddle, Lord Hannay, Lord Wallace and Lord Jay, and others mentioned the importance of delivering the forthcoming EU-UK security pact and of diplomacy and bilateral relationships. This Government's fundamental point is that we are not afraid of saying that we need international co-operation and relationships to deal with the problems we face. We talked about that in this House at great length when we spoke about the need to tackle migration. We said that by working together we can overcome these problems. We have to come together to do that. On security, migration and climate, we will seek to work together.

I say to the noble Lords, Lord Anderson, Lord Wallace, Lord Jay and Lord Ricketts, that we work closely with the higher education sector, but we do not have any plans to rejoin the Erasmus scheme. However, I say to the noble Lord, Lord Jay, that we recognise the importance of student exchanges and are looking to see whether there are other ways of delivering the same desired outcome of Erasmus.

There was some scepticism about the value of Turing. This year, 2024-25, £105 million is available to send 43,000 students abroad, both school students and those in higher education, and 23,000 of those are from disadvantaged backgrounds. I appreciate that some noble Lords may be sceptical about the Turing scheme, but I just point that out as something for us to consider in our deliberations. On the point from the noble Lord, Lord Jay, of course student exchanges are important. The Government seek a better way to deliver the same things within the context we are in.

On culture, I say to the noble Lords, Lord Ricketts and Lord Purvis, that we have no plans to look at an EU-wide youth mobility scheme. However, I take the point about trying to deliver the same thing through bilateral relationships—no doubt the noble Lord, Lord Purvis, will look at whether we have been able to succeed and deliver that. I will ensure that the remarks of the noble Lord, Lord Ricketts, on VAT on education—with respect to schools run by other European countries in the UK—are looked at by the relevant department.

On touring artists, we are committed to working collaboratively across departments to address musicians, performing artists and their support staff being able to

[LORD COAKER]

tour across the EU. We recognise that that is a very live issue. The noble Lords, Lord Berkeley and Lord Ricketts, the noble Baronesses, Lady Bonham-Carter and Lady Helic, and a number of others made that point. We accept that there is a real issue and we are trying to ensure that our touring artists are not in any way disadvantaged. We are looking at how we can do that. We will also look at how we engage with the European Commission and EU member states and explore how best to improve arrangements for touring across Europe.

I can tell the noble Baroness, Lady Bonham-Carter, that there are no plans to rejoin Creative Europe, but we are working with the creative and cultural sectors to ensure that those world-leading sectors can continue to promote growth and enrich lives at home and abroad.

The noble Lord, Lord Ricketts, as well as the noble Lord, Lord Hannan, I think—I will check—were right to say, on inward mobility for artists, that the UK domestic rules allow musicians, entertainers, artists and their technical staff from non-visa national countries, such as EU and EEA nationals, to perform in the UK without requiring a visa. If I have got that wrong, I will write and put a copy of the letter in the Library, but I think that that is the situation at the moment.

The noble Lord, Lord Purvis, rightly challenged us on making Brexit work. There is no doubt that we will come back to the situation in a year or two. What we mean by making Brexit work is all the things that I have gone through—looking at whether we can deliver some of the outcomes that we would have been able to achieve within the EU from without it, and at whether we can generate that new EU security pact.

On China, the Government's policy is one of co-operating, competing and challenging; again, we will see whether we can get the balance right between all those.

I will finish where I started by saying this to noble Lords, and to the noble Baroness, Lady Smith, who proposed this important Motion: there will be individual

debates and discussions between us about some of the challenges that noble Lords have raised, and I understand that people will be disappointed with some of the answers I have given with respect to mobility, and people will think that the Government have got it wrong, but let there be no doubt that we are now in a changed context and changed environment. We are now in a situation where we have a Government who are determined to rebuild our relationships with the EU and with Europe, and to co-operate, because we believe that that is in the best interests of our country to overcome common problems and challenges. By doing that, we will have a more prosperous future for our country, as well as benefitting Europe.

I finish by congratulating the noble Baroness, Lady Smith, on the Motion that she has introduced, which has allowed an important debate to take place. I wish my own Government well in resetting that relationship; it is crucial.

6.27 pm

Baroness Smith of Newnham (LD): My Lords, the speakers' list suggests that I can speak for a few moments but I am aware that I am detaining the House—and, as the Minister pointed out, it is late on a Thursday.

I think that the Minister has just summed it up for all of us. We wish his Government well and hope that relations with Europe can be strengthened as far as possible. We will continue to hold His Majesty's Government to account. I heard little voices behind me saying, "Not enough", and, "Too little, too slowly", and so on, but I think that the Minister and other members of the Government Benches have heard our views. We very much hope that, in the coming months and years, we will be able to strengthen relations and that youth mobility in particular will be reinstated.

Motion agreed.

House adjourned at 6.28 pm.

