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PARLIAMENTARY DEBATES
(HANSARD)

HOUSE OF LORDS
OFFICIAL REPORT

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

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

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THE
PARLIAMENTARY DEBATES

(HANSARD)

IN THE FIRST SESSION OF THE FIFTY-NINTH PARLIAMENT OF THE
UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
COMMENCING ON THE NINETEENTH DAY OF JULY IN THE
SECOND YEAR OF THE REIGN OF

HIS MAJESTY KING CHARLES III

FIFTH SERIES

VOLUME DCCCXLIV

SIXTH VOLUME OF SESSION 2024-25

House of Lords

Monday 3 March 2025

2.30 pm

Prayers—read by the Lord Bishop of Norwich.

**Introduction: Baroness Maclean
of Redditch**

2.39 pm

Rachel Helen Maclean, having been created Baroness Maclean of Redditch, of Hanbury in the County of Worcestershire, was introduced and took the oath, supported by Baroness Jenkin of Kennington and Lord Johnson of Lainston, and signed an undertaking to abide by the Code of Conduct.

Introduction: Baroness Rafferty

2.44 pm

Dame Anne Marie Rafferty, DBE, having been created Baroness Rafferty, of Kirkcaldy in the County of Fife, was introduced and took the oath, supported by Baroness Smith of Basildon and Baroness Watkins of Tavistock, and signed an undertaking to abide by the Code of Conduct.

**Retirement of a Member: Baroness Smith
of Gilmorehill**

Announcement

2.49 pm

The Lord Speaker (Lord McFall of Alcluth): My Lords, I should like to notify the House of the retirement, with effect from 28 February, of the noble Baroness, Lady Smith of Gilmorehill, pursuant to Section 1 of the House of Lords Reform Act 2014. On behalf of the House, I thank the noble Baroness for her much-valued service to the House.

UK Airports: British Passport Holders

Question

2.50 pm

Asked by Baroness Hoey

To ask His Majesty's Government what plans they have to ensure that UK airports have dedicated lines for British passport holders.

The Minister of State, Home Office (Lord Hanson of Flint) (Lab): The Home Office has previously reviewed the potential for the introduction of UK-only queues, most recently during the period when the UK left the EU. Analysis conducted has found that it would have a negative impact on border fluidity. However, we keep our border systems under review.

Baroness Hoey (Non-Afl): I thank the Minister for that. It might be helpful if we could all see how that assessment was done; perhaps that could be put into the Library. I wonder if he agrees that it is not really about length of queues and waiting times; it is a principle about people coming back into their own country, just as happens all over world. Will he look again at this? UK citizens coming in should be given their own British entry point, unlike what is happening at the moment.

Lord Hanson of Flint (Lab): As I said to the noble Baroness, it would lead to longer queues. Perhaps that is symptomatic of the impact of Brexit as a whole. The noble Baroness needs to recognise that British and Irish citizens, citizens of the Commonwealth and citizens of reciprocal countries can use border gates and border entry accordingly. In doing so, they are helping to reduce queues. If we had a British-only queue, we would have longer queues for British citizens. That is not what I want to see.

Baroness Hamwee (LD): My Lords, as the Minister has said, the converse of the proposal is that other lines would get longer. Does he agree that growth for this country requires us to be welcoming to both businesspeople and tourists? Is it not about capacity and organisation?

Lord Hanson of Flint (Lab): One of the Government's key objectives is growth. We will look again with European nations and others at how we can ensure that Britain remains a welcoming place to individuals to come and do business and tourism. Some 55% of the people who come through any of the points of entry into the United Kingdom are UK citizens. The proposal from the noble Baroness would mean that that 55% had a longer queue if there were specifically British-only lines.

Lord Foulkes of Cumnock (Lab Co-op): My Lords, since the noble Baroness who raised this Question was one of the principal advocates of Brexit, does the Minister not agree that she has got a bit of a brass neck raising this Question? She is appropriately wearing the right jewellery to show it.

Noble Lords: Oh!

Lord Hanson of Flint (Lab): I know that my noble friend will reflect on his comments and understand that the politics that may divide us do not go down to what individuals wear in the Chamber. I hope that he can accept that. The noble Baroness took a principled stand on Brexit. It is a stand that I disagreed with. I voted and campaigned for remain, but she took that stand and won. There are consequences to that Brexit agreement that the Government are currently looking at. There are issues to do with how we can reset the relationship nine years after the referendum on things such as security and on the issues mentioned by the noble Baroness, Lady Hamwee, around growth, but there are still fundamentals of that Brexit settlement that we have to maintain and that is what the Government will try to do to ensure that we get the best for Britain, as we have always done. The differences between the noble Baroness and me are stark, but I hope we can deal with them in a civilised manner.

Lord Davies of Gower (Con): My Lords, leading on from the Question from the noble Baroness, Lady Hoey, can the Government confirm that they will seek to renegotiate arrangements with EU airports to ensure reciprocal fast-track access for UK citizens similar to that provided for EU travellers? Can the Minister outline what investment is being made in staffing and technology at UK Border Force to reduce waiting times for British citizens at peak travel periods?

Lord Hanson of Flint (Lab): The answer to the noble Lord is yes. We will continue to look at how we can get reciprocal arrangements with our European partner nations. We do that on an individual basis, and it is a matter for each nation as to whether it wishes to have that reciprocal arrangement. We will continue to work to achieve that in the interests of co-operation.

This Government are investing significant amounts of resource in border security, and that includes access gates and other things at airports such as Heathrow

and Gatwick and around the country. That resource being invested in extra border security is money that we have saved from the wasteful Rwanda scheme that the noble Lord supported. We are going to put that resource into protecting our borders. I will certainly come back to him in due course with specific numbers and amounts of investment in respect of the particular issues that he has raised.

Lord Bilimoria (CB): My Lords, the noble Baroness asked about people coming into this country. We are one of the few countries that do not have exit checks; in most other countries, you scan your passport when you leave the country as well. Would that not be a good idea from a security point of view in having control over our borders and immigration and, for example, students coming in and out? It would help us to be on top of the figures.

Lord Hanson of Flint (Lab): That is an extremely sensible suggestion and one that I advocated 15 years ago when we were in government in 2009-10 and looking at that issue. I see my noble friend Lord West nodding; he was in the Home Office with me at that time. It is important that we know who comes in and goes out. One of our current migration challenges is people overstaying, so a main focus for the Government is how we can reduce that impact and make sure that people are in the UK legally at all times.

Lord Dubs (Lab): My Lords, can my noble friend comment on the proposed new arrangements governing travel between the UK and the EU? Can he say a bit more about when those arrangements will come into force? Are we ready to meet the bureaucratic and other difficulties that will follow from introducing them?

Lord Hanson of Flint (Lab): The European Union, as is its right, is introducing an ETA for non-European Union members. One of the consequences of Brexit is that we are a non-EU member, so citizens of the United Kingdom will have to face that challenge in due course. As of now, there is no specific date for the introduction of the European transit arrangements, but that is coming downstream, so we need to examine it and take cognisance of it and its impact on a range of issues in relation to the United Kingdom.

Lord Moylan (Con): My Lords, the noble Baroness's Question had very little to do with Brexit and a great deal more to do with the Schengen arrangements, of which we were never actually a member. However, I have my own question, which is this: when I fly from an Irish airport into Heathrow, I do not get asked to present my passport on arrival, in compliance with the common travel area arrangements of which we are a member. However, when I take a direct flight from a British airport to an Irish airport, I am required to queue up and show my passport. Has the Minister recently had discussions with the Irish Government about whether they are fulfilling their obligations under the common travel area in a fully reciprocal way?

Lord Hanson of Flint (Lab): My understanding is that for movement between Ireland and the UK there is currently no border control. I know as a former

Northern Ireland Minister—but it also relates to the settlement that the noble Lord’s previous Government made—that that is part of what was established to make sure that we meet our obligations under the Good Friday agreement. If he wishes to give me outside this Chamber an example of where the Irish Government have checked passports, I will certainly look at that, investigate it and report back to him and, if need be, to the House in due course.

Baroness Winterton of Doncaster (Lab): My Lords, before any decisions can be made about dedicated passport routes, it will be necessary for Doncaster Sheffield Airport to reopen. Can my noble friend the Minister, when he is next in discussion with Transport Ministers, raise the issue of Doncaster Sheffield Airport and emphasise how important it is for growth and tourism, as he mentioned earlier?

Lord Hanson of Flint (Lab): I know that my noble friend has made the case for the airport in Doncaster and Sheffield—and other places which I forget—on a regular basis. It was once called Robin Hood Airport—whether there is still a discussion around that is important. I assure her that I will discuss it with Transport Ministers but that, however and whenever that airport develops, it will have strong borders along with every other airport in this United Kingdom to ensure that we control our borders firmly and effectively.

Viscount Thurso (LD): My Lords, as a former chairman of VisitScotland and ex officio member of the British Tourist Authority, I regularly saw research which showed that tourist visas to this country were both very expensive and complicated to obtain. Various Governments have made various promises about trying to do something about that. What progress have the Government made in looking at both the complexity and the cost of visas for tourists to this country, who provide so much wealth for us?

Lord Hanson of Flint (Lab): I say to the noble Viscount that the figures I have given to the House today show that 55% of passport usage through gates in the United Kingdom is from British citizens. That self-evidently means that 45% is not, and that 45% is a significant number of people. There are 130.9 million arrivals in the United Kingdom, so 45% of 130.9 million is around 65 million arrivals. That is an important growth element for business and tourism and one that we should encourage. I certainly want to make sure that we have integrity on our borders but also that we are welcoming and open to business, tourism and the spend, and the international support that gives when people return from this United Kingdom to their own country and extol the virtues of this country that we are so proud of.

UK Defence: Hypersonic Missiles *Question*

3.01 pm

Asked by Lord Farmer

To ask His Majesty’s Government how they plan to defend the United Kingdom against hypersonic missiles.

The Minister of State, Ministry of Defence (Lord Coaker) (Lab): My Lords, the Ministry of Defence, in collaboration with NATO allies, through AUKUS pillar 2 and with other international partners, is working on hypersonic and counter-hypersonic weapons programmes. Central to this is the work of the UK’s Missile Defence Centre, which funds research to develop new capabilities, to sustain existing ones and to better integrate into the UK-wide science and technology sector. Further IAMD capabilities are being considered through the strategic defence review.

Lord Farmer (Con): My Lords, I thank the Minister for his reply. Since 2020, when Sky Sabre replaced Rapier missiles, missile warfare has evolved in front of our eyes in the two major war zones of Ukraine and the Middle East. Last month the IISS reported that integrated air and missile defence is an “ambition” but “not the reality” in Europe and that

“the UK does not have the capability” to defend against a concentrated intercontinental ballistic missile attack. The report of this House’s International Relations and Defence Committee, *Ukraine: a Wake-up Call*, published last autumn, heard that overreliance on NATO partners means our defences are “negligible” and we urgently need to increase investment in integrated air and missile defence. In light of this, will the Government be prioritising the need for defence beyond Sky Sabre, given this concerning appraisal and the developments in long-range drones and hypersonic missile systems that I mentioned earlier?

Lord Coaker (Lab): The noble Lord raises very important points, but some of them will have to wait for the outcome of the defence review. He mentioned Sky Sabre. We are increasing the number of Sky Sabre units to nine, which is a significant increase, so we are not waiting for the outcome of the defence review. We are upgrading all the Type 45 destroyer Sea Viper missiles to make them more capable of dealing with ballistic missile attack. Again, we are not waiting for the outcome of the defence review.

We have a European project, the Diamond Project, where information is shared between missile defence systems across Europe. Again, we not waiting for the outcome of the defence review. The Sky Shield defence initiative looks at information sharing and capability. Again, we are not waiting for the defence review. But the noble Lord is absolutely right to say that air defence is being looked at by the Government and being looked at by all of our eyes, because it is becoming increasingly important not just with respect to defence on the battlefield but with respect to homeland defence as well. Clearly, all of us are going to have to look more carefully at that.

Lord Spellar (Lab): Does the Minister accept, notwithstanding the importance of upgrading our air defence, that our fundamental response to intercontinental ballistic missiles with nuclear capabilities will still be our nuclear deterrent capacity?

Lord Coaker (Lab): My noble friend knows that this Government, like the previous Government, fully support the nuclear deterrent as an important way of deterring our adversaries at the most serious and

[LORD COAKER]

strategic level. We are currently developing the successor programme to upgrade and renew that nuclear capability. This Government and previous Governments have consistently said that the nuclear deterrent is right at the heart of our defence posture and will remain so.

Baroness Smith of Newnham (LD): My Lords, the noble Lord, Lord Farmer, mentioned the need for relying on other allies, perhaps not just the United States. In his initial Answer, the Minister referred to AUKUS. When His Majesty's Government took office last year, they very quickly reaffirmed their support for AUKUS. Does the Minister believe that the United States is equally committed? If not, what should we be doing?

Lord Coaker (Lab): I do believe that the United States—let us say again, we have a special relationship with the United States—is a really important ally for this country, if not the most important. We should state that now and we should state that as we go forward. In terms of AUKUS, we remain totally confident with respect to both pillar 1 and pillar 2, along with Australia. Australia, the UK and the US will develop AUKUS and that too, in terms of hypersonic capability in pillar 2, remains an important part of the work we are doing to defend our country and our freedoms, and democracy across the world.

Lord Stirrup (CB): My Lords, space-based surveillance plays a key role in hypersonic missile defence of the future. Can the Minister assure the House that this case has been made with sufficient vigour to those conducting the strategic defence review, not least because of the potential of leveraging the excellent satellite manufacture and delivery capacity in Scotland?

Lord Coaker (Lab): The noble and gallant Lord makes an important point on the importance of space and satellites. That case has been made with vigour to the defence review and we await the outcome of that. On the second part of the noble and gallant Lord's question and his point about Scotland, of course it is important. Part of what we are saying with the growth in defence spending is that we need to ensure that there is an emphasis on UK manufacturing and on the regions and every nation of the UK, so that they too can benefit from that. It informs and helps develop the Government's growth agenda.

Baroness Goldie (Con): My Lords, there is already in place a framework to develop a sovereign UK hypersonic missile, with £1 billion identified over a period of seven years. Given recent events, can the Minister say whether he agrees that the enhanced global security obligation now falling on the UK requires us to consider accelerating that programme? It will require more money. In that case, can the Minister reassure this House that, if the Chagos deal goes ahead, not one penny of the defence budget will be required to pay for that?

Lord Coaker (Lab): We will await the outcome of what happens on the Chagos deal. No deal has been made at the present time. On the £1 billion the noble

Baroness referred to, this is in respect of the Missile Defence Centre which, as she knows, was established some 20 years ago and has been supported consistently by different Governments. The Missile Defence Centre looks at the capabilities that we have and will need. It was initially set up to deal with ballistic threats but has since had its remit extended to look at the threat we will have from hypersonic missiles as well. As such, I think it is important. And let me just say that, in terms of accelerating, I think we are going to have to accelerate a lot of our defence capability.

Lord Kerr of Kinlochard (CB): Does the Minister agree that the best defence against hypersonic missile attack, or indeed any form of attack, is to maintain the integrity of the North Atlantic Alliance and to show that we stand by our friends? Will he pass on our congratulations to his colleagues in government on the way they have done so in recent days?

Lord Coaker (Lab): I thank the noble Lord for his comments on the work that the Prime Minister and many others have done to bring us to this point. NATO remains the cornerstone of our defence; the North Atlantic Treaty Organization is fundamental to all of that, and he has heard what the Prime Minister has said about it. We regard the United States as our most important ally and we hope to act as a bridge. It is really important that we continue to reiterate the importance of the relationship between this country and the US, and therefore the importance of the NATO alliance.

Lord West of Spithead (Lab): My Lords—

Lord Howell of Guildford (Con): My Lords—

Captain of the Honourable Corps of Gentlemen-at-Arms and Chief Whip (Lord Kennedy of Southwark) (Lab Co-op): My Lords, we will hear from my noble friend Lord West next, and then the noble Lord, Lord Howell.

Lord West of Spithead (Lab): Should the Chagos deal be signed—which I hope it will not be, because I think it is a mistake—we know that President Trump likes good deals, so will we negotiate with him that he will pay the £18 billion for the cost of hiring an airfield on one of our islands which we have given to Mauritius?

Lord Coaker (Lab): Whatever the rights and wrongs of the Chagos deal that my noble friend seeks me to address, let me just say this: the fundamental point from our point of view is that the Diego Garcia military base remains in the hands of the Americans through the lease arrangement that we have got, should the Chagos deal go through. That is the most important part of that deal.

Lord Howell of Guildford (Con): Would the Minister agree that these hypersonic missiles are really the great-great grandchildren of the original V-2 after the Second World War—although obviously with far greater range and far more accuracy? Would he also agree that, judging by current Russian strategy, the targets they will probably go for first are the power stations? Destroy the utilities and you bring about social and

political collapse—that is their doctrine. Would he therefore give us an assurance that we are thinking about much better defence for our power station and utility facilities, and that we are thinking about things like a sort of Iron Dome-plus-plus, which again will require American support, in order to ensure that we are not destroyed by these missiles before we have the right defences in place?

Lord Coaker (Lab): I am not sure an Iron Dome-type arrangement is the best way in which to defend our cities. The noble Lord is absolutely right to point out that, given the wake-up call we have had from Ukraine and the way that warfare is developing, the defence of critical national infrastructure will be absolutely essential for us as we go forward.

The homeland defence of this country is something that we have not thought about—whatever the rights and wrongs of that—for a number of years. We are going to have to consider homeland defence, whether that threat comes from drones, hypersonic missiles or through threats to underwater cables. The development of that homeland defence will play a crucial part in the way that we defend our country and our ability to work with our allies to defend not only Europe but other places across the world. So, the noble Lord is absolutely right to point that out about critical national infrastructure.

As the noble Lord, Lord Farmer, pointed out, this has been a wake-up call to us all. Who would have expected two, three, five or 10 years ago that in this Chamber we would be talking about how this country defends itself against a potential attack on our critical national infrastructure? But that is where we are and that is what this Government will do. We take that seriously and the defence review will address it. It is certainly important for all of us to defend that, and the British public should know it.

Climate Change Question

3.13 pm

Asked by **Baroness Sheehan**

To ask His Majesty's Government what steps they are taking to promote action against climate change internationally following reports that 2024 was the warmest year on record globally.

The Minister of State, Department for Energy Security and Net Zero (Lord Hunt of Kings Heath) (Lab): My Lords, the Government are committed to driving forward action on climate change. At COP 29 we announced an ambitious target to reduce emissions by at least 81% by 2035, and we will continue to urge other countries to be as ambitious.

Baroness Sheehan (LD): My Lords, last December the Environment and Climate Change Committee, which I chair, published its report on methane, a greenhouse gas 80 times more powerful than carbon dioxide in its first decade. It is quite extraordinary that fully one-third of the global warming seen to date is due to methane, but methane is short-lived and its potency reduces rapidly, so we could slow near-term

warming by cutting global methane emissions. Under UK leadership at COP 26 in Glasgow, the global methane pledge was signed, thanks in no small measure to the leadership of the noble Lord, Lord Sharma, who I am pleased to see in his place.

A noble Lord: Question!

Baroness Sheehan (LD): It is coming. It committed us to work with others to reduce global methane emissions by 30% by 2030. So can the Minister justify why, in their response to the *Methane: Keep Up the Momentum* report, the Government ruled out publishing a methane action plan for the UK, a key requisite for global climate leadership?

Lord Hunt of Kings Heath (Lab): My Lords, the noble Baroness will know that we welcomed the report of her committee. We have provided a full written government response, including how we will support internal action to deliver on the global methane pledge. She will also know that we have included methane policies in our delivery plan for carbon budgets and will contribute towards the global methane pledge. I think that shows decisive action, and we are going to take strong international leadership to deliver against that pledge.

Lord Sharma (Con): My Lords, decarbonising energy systems is a key way for countries to cut their emissions. The UK, alongside other developed nations, has supported developing countries, such as South Africa and Vietnam, to set up just energy transition partnerships to mobilise public and private finance to help those nations have cleaner energy. Will the Minister confirm that the UK will continue to support those partnerships? Will he tell the House how much UK climate finance has been deployed to support them?

Lord Hunt of Kings Heath (Lab): My Lords, I pay tribute to the noble Lord for his work in this very important area. Of course, we are committed to international climate finance and to the £11.6 billion in the current spending review. By implication, I think he is asking the question he asked my noble friend the Leader last week about the impact of the reduction in the overseas aid budget. It is too early to be able to respond to him, and clearly we also have the forthcoming SR discussions, but the Prime Minister, in announcing the decision to the House last week in relation to the defence budget, said that the UK

“will continue to play a key humanitarian role in Sudan, Ukraine and Gaza, tackling climate change”.—[*Official Report, Commons, 25/2/25; col. 633.*]

The Earl of Devon (CB): My Lords, I watched the play “Kyoto” last week, which tells the story of the birth of the climate change strategies that we currently adopt, and particularly the role of the oil and gas companies in resisting those developments. I noted that on the following day, BP announced that it is reversing its strategy to support renewable energy and refocusing on oil and gas. What steps will the Government be taking to discuss this matter with BP and to get our national flagship energy company to reverse that decision?

Lord Hunt of Kings Heath (Lab): My Lords, clearly, these are matters for individual companies to decide, but I say to the noble Earl that notwithstanding individual decisions made by such companies, overall, we are seeing a massive expansion in renewable and low-carbon energy throughout the world. Of course, the Paris Agreement and the nationally determined contributions that countries are making towards it will spearhead the move towards a low-carbon, low-emission economy. Whatever setbacks there may be, we must continue to work on that basis.

Baroness Jones of Moulsecoomb (GP): My Lords, do the Government agree with Bermuda and countries that are suggesting a tax on kerosene jet fuel? It is a pollutant that is currently untaxed, and the idea is that the money from that tax should go into a fund that poorer countries can access in order to set up their own renewable energy systems.

Lord Hunt of Kings Heath (Lab): No, my Lords, I am not aware that the Government are looking at that suggestion favourably. However, the offer we made at COP 29 for an 81% emission reduction by 2035 is a very substantive offer indeed. We need to work towards that. We also have to work towards the seventh carbon budget. We received the advice on how we will do that from the Climate Change Committee only last week, and that is where we should focus our efforts.

The Lord Bishop of Norwich: My Lords, on this World Wildlife Day, the day that the United Nations marks the adoption of the CITES—the Convention on International Trade in Endangered Species—and given that climate change is having an impact on rare and endangered species and the habitats that support them, making them rarer and more endangered, even extinct, and driving up their illegal value, will the Minister allow us to hear a little bit more about how His Majesty's Government are working to ensure that their obligations under the CITES are met?

Lord Hunt of Kings Heath (Lab): The right reverend Prelate is absolutely right to identify those issues. It is worth making the point that the World Meteorological Organization has recently confirmed 2024 as the warmest year on record. I also refer the right reverend Prelate to the UN biodiversity summit in Rome on 25-27 February, where key decisions were agreed on resource mobilisation, monitoring and review of the global diversity framework. On his specific question, I will follow up with a letter.

Lord Offord of Garvel (Con): My Lords, China is top of the league table for global CO₂ emissions, accounting for roughly a third of the total. In contrast, the UK's share is a paltry less than 1%. In the last year alone, China had more coal capacity in construction than at any point in the last decade and, as a result, China's industrial energy prices are seven times cheaper than the UK's. Today, respected economics professor Gordon Hughes has said that the UK Government's drive for net zero at any cost will add £900 to annual household costs. While we play the good little boy scout on net zero, does the Minister believe that this is an equitable trade-off for the British public?

Lord Hunt of Kings Heath (Lab): There clearly is, my Lords, because the way to get away from the volatility of the international gas market, which has had such an impact on energy prices in this country, is to move towards homegrown energy security. That is what we are designing to do with clean power. NESO has confirmed that this is the best way for us to invest our resources in energy. In relation to the global situation, global investment in renewables in 2024 reached \$2 trillion, as against \$1 trillion in fossil fuels. We have to combat and react to climate change, and the only way we can do this is to decarbonise as soon as we possibly can. I am proud that the UK is a global leader.

Earl Russell (LD): My Lords, in light of Trump's denial of climate change, it is vital that the UK continues to provide international leadership and, in particular, support for international climate science at this time. What work are the Government undertaking to support international climate science, and particularly American scientists?

Lord Hunt of Kings Heath (Lab): My Lords, from what I have already said, the UK is a global leader. We are working with many other countries. In relation to climate science, obviously I understand the point the noble Earl is raising. Clearly, we need to ensure that the integrity and power of climate science continue. These are matters that we will be considering over the next few months. We need to set out policies in relation to delivery of the fourth, fifth and sixth carbon budgets, and we have to respond to the advice from the Climate Change Committee in relation to the seventh carbon budget. Clearly, the whole context in which we do this is having very good climate science.

War in Sudan

Question

3.23 pm

Asked by **Lord Browne of Ladyton**

To ask His Majesty's Government what assessment they have made of recent advances by the Sudanese Armed Forces in Khartoum and elsewhere in Sudan.

The Parliamentary Under-Secretary of State, Foreign, Commonwealth and Development Office (Lord Collins of Highbury) (Lab): My Lords, the conflict in Sudan has created the worst humanitarian situation in the world. Both sides are responsible for inflicting terrible suffering on civilians. The Foreign Secretary discussed the latest developments with colleagues at the G20 last week, and in April he will host a Foreign Ministers conference to establish international consensus on the next steps. The Sudanese people deserve a peaceful Sudan led by a fully representative civilian Government.

Lord Browne of Ladyton (Lab): My Lords, only weeks ago Amnesty International came into possession of a list of civilian activists, human rights defenders, medics and humanitarian workers whom the Sudanese Armed Forces planned to target for reprisals once it gained sufficient ascendancy over Khartoum. The RSF has also repeatedly targeted civilians who it believes

have co-operated with the SAF. As it stands, whether the SAF or the RSF win a skirmish, the civilian population always loses. What can we do, in partnership with allies, to put pressure on both sides to stop this grim pattern of reprisal attacks against the very groups that will be essential in building a lasting peace once conflict has abated?

Lord Collins of Highbury (Lab): My noble friend is absolutely right to point out that both sides have committed horrendous atrocities, despite the commitments they made in the Jeddah declaration to limit the impact on civilians. UK leadership has been critical of that through its continued scrutiny of Sudan. In October at the Human Rights Council, a UK-led Sudan Core Group resolution was adopted to renew the mandate of the fact-finding mission to ensure that such atrocities are exposed and that we can properly scrutinise the credible allegations of human rights violations. Last week at the Human Rights Council in Geneva, I met Mona Rishmawi, who leads the fact-finding mission, and I assured her of our continued support to do proper scrutiny and to hold the people who commit such crimes to account.

Baroness Coussins (CB): My Lords, what can the UK Government do to leverage their role as penholder at the Security Council for Sudan to help bring an end to the violence in that country?

Lord Collins of Highbury (Lab): As the noble Baroness knows, we have continued to raise the question at the Security Council. Last November, we tabled a resolution with Sierra Leone focusing on what the Secretary-General called for in relation to the protection of civilians. Sadly, that resolution was opposed by the Russians with their veto, but that did not stop us continuing to raise this question. The Foreign Secretary's call for a conference event in April is intended to coalesce the international community to look at not only the humanitarian support that is so desperately needed but the longer-term solutions that will engage all civil society in a dialogue that will see a future for Sudan led by a civilian Government.

Lord Callanan (Con): My Lords, as we approach the second anniversary of this terrible, brutal conflict, and with so many other matters occupying our attention, it is important that we do not lose our focus on it and that we continue to do all we can to end it. First, on sanctions, can the Minister say whether the Government intend to go further, perhaps following the lead of the recent spate of US sanctions? Secondly, beyond sanctions, are the Government working to identify any other hard-hitting ways to put pressure on the leadership of the RSF and the SAF and on the countries supporting their war machines?

Lord Collins of Highbury (Lab): As I think the noble Lord knows, I will not discuss future possible sanctions, but we have already made a number of sanctions against both sides and against individuals and companies involved. However, the future must be about how we build an international coalition for peace and humanitarian support. That is why the April conference is so important; it will bring together

Foreign Ministers, including not just our international allies but all regional players, to ensure that they understand that there must be a better way forward. There is no military solution to this conflict, and the only people suffering are the civilians. The so-called representatives of the two warring factions have no interest in defending their civilian population, so we have to change that attitude and get the international community working together to ensure that we put people first.

Lord Purvis of Tweed (LD): My Lords, I declare significant interest in supporting the pro-democracy civilian groups in the dialogue within the conflict. Given the recent decisions by USAID, I welcome the fact that the Government will be protecting their support for the crisis. I welcome the ministerial conference that is coming up. One of the particular aspects which needs to be commended for the civilians is the provision of community kitchens and emergency rooms. In many areas—whether in RSF or SAF controlled areas—the only functioning services for providing food and medicine for civilians are through other civilians themselves. A lot of that has been funded through diaspora communities, and that has been drying up. Can the Minister update us as to what additional support there is—notwithstanding that there is no UN resolution for the protection of civilians—for the community kitchens and the emergency rooms, which are a lifeline for so many civilians, including women and children?

Lord Collins of Highbury (Lab): The noble Lord is absolutely right. One of the things we have been concerned about—which we have raised with both parties—is access to humanitarian aid. While one side says you can have that access, it does not cross the warring parties, so we cannot get to the people who desperately need it. He is absolutely right that we have to look at all means to ensure that we get help in. In terms of the April conference, we are engaging with civil society and the Taqaddum leadership—now called Somoud, where there has been a slight breakaway—and we are concerned to ensure that we have an inclusive dialogue. I met the chargé d'affaires for Sudan last week, and I made clear that we demand humanitarian access. We have committed additional funds, but we want proper access to all parts of Sudan so that nobody suffers.

Lord Alton of Liverpool (CB): My Lords, with 24 million people in Sudan, half the population in acute need of food, including 1.5 million on the edge of famine, how does the Minister respond to Annaliese Dodds's statement that it would be "impossible" to deliver the proposed further cuts to aid without hitting programmes in Sudan, with women and children being principal victims? Can he also say where he believes the Sudanese Armed Forces are obtaining their weaponry, particularly in regard to the repositioning of Russian assets from Syria to Sudan via Libya?

Lord Collins of Highbury (Lab): The noble Lord had two questions; I will answer the latter first. We are totally aware of a number of parties supplying arms, including Russian elements, which end up supporting not only the SAF but the other party too—they seem

[LORD COLLINS OF HIGHBURY]
to have a continued interest in ensuring that the war carries on. To come back on his other question, as the Prime Minister made very clear, we are in unique circumstances at the moment with a generational change, and it is absolutely vital that this country is able to defend itself fully and to defend all the values that we hold so dear. He is absolutely committed, and he made that very clear at the weekend. But he also made clear that we are determined to support—as the noble Lord, Lord Purvis, said—humanitarian aid in Sudan. As a consequence of the reduction, we will make a detailed analysis of how that spending will be allocated through the spending review process that has already started, so I am not going to predetermine that. But I believe that the Prime Minister is absolutely committed to ensuring that humanitarian aid gets into this worst humanitarian situation in Sudan.

Lord Anderson of Swansea (Lab): My Lords, I think the whole House will wish to congratulate my noble friend the Minister on his personal commitment and outstanding leadership in this awful conflict. My question is simple: many resolutions have been passed and conferences are occurring; is there any evidence at all that the belligerents pay any attention to outside pressure?

Lord Collins of Highbury (Lab): I suppose the answer so far to my noble friend is that, sadly, no, they have not paid much attention. This comes back to the question that the noble Lord, Lord Alton, raised. People are funding and supplying arms to this conflict, and they have paid very little attention to the needs of the civilians, which is why the Foreign Secretary's conference in April is so critical. We will be pulling all those regional players into that event to talk not just about how we get humanitarian aid in immediately but, in the longer term, how we establish that dialogue for peace and ensure that Sudan can be led by a civilian Government in the future.

Safeguarding Vulnerable Groups Act 2006 (Amendment) (Provision of Information) Order 2025

Immigration and Nationality (Fees) (Amendment) Order 2025

Motions to Approve

3.36 pm

Moved by Lord Hanson of Flint

That the draft Orders laid before the House on 9 and 21 January be approved.

Relevant documents: 14th Report from the Secondary Legislation Scrutiny Committee (special attention drawn to the instrument) and the 16th Report from the Secondary Legislation Scrutiny Committee. Considered in Grand Committee on 25 February.

Motions agreed.

House of Lords (Hereditary Peers) Bill Committee (1st Day)

Relevant document: 5th Report from the Constitution Committee

3.37 pm

Amendment 1

Moved by Lord True

1: Before Clause 1, insert the following new Clause—

“Purpose

The purpose of this Act is to end the connection between the possession of a hereditary peerage and obtaining membership of the House of Lords.”

Lord True (Con): My Lords, the effect of Amendment 1 is to underline the purpose of this Bill as ending entry here by the hereditary principle, but which does not endorse the wholesale removal of colleagues who are already here. There thus falls to me the lamentable duty to open Committee on this Bill, whose purpose is, as my amendment has just declared, to end the hereditary principle as a route of entry to Parliament. Some will find that regrettable; others will rejoice, rejoice. But most of us, however, will have feelings in which the elements are very mixed—where the wish the Bill might be stopped is checked by a proper understanding of the conventions; and, on the other hand, where partisan zeal is leavened with the personal respect owed to familiar and valued colleagues.

I submit that this great House draws its strength from that mixing of elements: from an ancestral, indeed very British, wisdom that does not view every question as black or white or insist that every victory must be total. That moderation is symbolised by the presence of those Cross Benchers, untainted by party. In what sense will culling and cutting those independent ranks ever benefit our House?

It is a paradox little understood outside that most of the myriad improvements we make to Bills are won not in the Division Lobby but through discussion and shared reflection. Our Chamber is unique in the world in conducting its business in order and courtesy without anyone to discipline us. That is possible only because we are a House of consensus, courtesy and compromise, of decency and humanity. I trust those qualities will inform us on this Bill in the weeks ahead, including in how we treat fellow Members.

We will hear that this is a simple Bill that brooks no amendment. Indeed, we are told no amendment will be allowed. Since when did this revising Chamber accept such an instruction from any Executive? It is in fact a Bill of the greatest constitutional significance. It says that a passing political Executive may scoop their hand into your Lordships' House and chuck out any group of us that is not to the taste or political convenience of the Government of the day. I spoke of this at Second Reading as a very dangerous precedent, and I will address it again on Amendment 9. Once used, it will inevitably—inevitably—be copied.

The Bill is also of the greatest constitutional significance for what it does not say. It launches, without any checks on executive power or the number and nature of appointments, an all-appointed temporal House

stocked at the direction of the Prime Minister of the day, of whatever party. Had that model for a legislature arrived in some capsule brought back from Mars by Elon Musk, we might well look askance at it.

The Government, in my submission, have a duty to set out in detail their plans for this all-appointed House. After all, in 1999, hundreds of hereditary Peers agreed to leave this place on the understanding, said then by Labour to be binding in honour, that 92 would remain until a final reform was agreed. Now it is said that that was some funny old deal of which we now know nothing, past its sell-by date, ready to be tossed aside like some embarrassing piece of mouldy cheese we find at the back of the fridge. It is even said that honour is some old-fashioned, even risible, concept of centuries past. I beg to differ, but I do recognise the raw realities of power. I see this new world around us where the strong may browbeat the weak, but that does not dispense with the constitutional duty of a Government to set out their plans and, as is normal in constitutional reform, seek some consensus across parties and beyond.

No such consensus has been sought. There have been no cross-party discussions, as led by Jack Straw in 2006 and 2007; no draft Bill, as in 2011; no Joint Committee of the Houses, as in 2002, 2003 or 2011; no royal commission, as under my noble friend Lord Wakeham in 1999; not even a White Paper, as in 2001, 2007, 2008 and 2011. At present, your Lordships have as clear a sense of what direction is planned for us beyond this Bill by Labour as Vikings on a longship becalmed in a mid-Atlantic fog without a lodestone.

That is no way to treat a House of Parliament. I ask the noble Baroness the Leader of the House, who always has the interests of this House at heart, whether she will share with us at some point during Committee—it need not be today—when we will see a White Paper on the Government's future plans beyond this Bill. It should really come before Report. Your Lordships have a right in considering this Bill to ask how the all-appointed House will work and how it will be safeguarded. There have been many thoughtful amendments laid—and some I am perhaps not so fond of—but I look forward to all the discussions. Let no one say that they are filibustering or shenanigans. As I said at Second Reading, who will care for the future of this House if we do not?

Let me turn from what is left out of the Bill, which we must explore in Committee, to the narrow purpose within it, which is addressed in this amendment. Much has been said around this House about what I think and what my party thinks. Let me spell it out again. There are four elements of a sensible settlement that I believe could avert unnecessary conflict and damage to our House. The first is for all of us on this side to accept that the Government have a mandate to end the hereditary principle as a route of entry here. That is recognised in my amendment. This House should not block this Bill, though amend it it may.

The second is to address the danger of unilateral political expulsions of Members from this House by an Executive, with the attendant increase in power of prime ministerial patronage. When the Labour

Government closed the gate to the Law Lords into 2009, they gave grandfather rights—acquired rights—to those already here, the same right that we all have: to stay for life. That showed due respect to those valued fellow Members and was of great benefit to the House. The Government say that is impossible in this case. It is not; it is perfectly possible. It is a political choice and a choice for this House, of whether to expel all existing Members of our House in scope of this Bill or treat them more generously. Were the Leader of the House to act generously, as I know is her normal instinct, and sign my Amendment 9 in its present form, or some mutually agreed modified form at a later stage, then all manner of resentment and difficulty would at once fall away.

3.45 pm

The third element is the question of numbers. That is not conclusive. The Attlee Government changed Britain while outnumbered here by 10:1. You cannot build a majority here by appointments alone, as the last Parliament showed. My colleagues in another place never seem to understand this basic point. I suspect that the Lord Privy Seal may have the same problem.

However, I recognise the Government's concern on this, so I can tell the House today that if the Government were to meet us on the second part of this package and permit existing former hereditary Peers in some numbers to continue their service here, consultations with my colleagues suggest that we could come forward with a significant number of voluntary retirements to address concern about numbers. I cannot speak for the Cross Benches, but it may be possible there too. On numbers, we will also consider what might be done on whipping arrangements and look with interest on other amendments tabled on this Bill, including those on participation. Surely, if we are to exclude anyone it should be those who do not take part, not those who do. Many on all sides would agree with that.

The fourth element is the crucial question of the conventions in this House and those between this House and the other place. These were considered by the noble Lord, Lord Cunningham of Felling, in a brilliant report in 2006, but experience of the last Parliament suggests that these need to be polished up. The fundamental principle of our constitution is that the King's Government must be carried on. Of course, this House should observe the Salisbury convention, though most Governments are wise enough not to die for every last dot and comma of a manifesto.

With respect and good will, I believe that we could go further on conventions. There is too much ping-pong and it goes on too long. We should check its growth. Attempts to seize control of the agenda of the House are undesirable. We could revisit agreements that were reached when Lord Williams of Mostyn was Leader of the House and temper efforts to overload the Order Paper or to force late sittings of the House, which no-one on either side enjoys. We are ready to talk on that. Reinforcing conventions with full protection of the freedoms of the House would do more for business progress, frankly, than the expulsion of 88 Peers and the appointment of many more, however much we welcome our new colleagues. Without consent and convention, this House cannot be managed.

[LORD TRUE]

The Government coming clean on the timing and nature of their future plans for the House after this Bill is a necessary component of confidence building. But it is not, as I presently see it, a prior requirement to agree a package along the lines that I propose: acceptance of the ending of the hereditary principle as a route into Parliament; a stay to the enforced expulsion of a whole group of our colleagues; some voluntary retirements, and potentially other measures, to address concern about numbers; and reinforcement of conventions by agreed undertakings given at these Dispatch Boxes on the Floor of the House, to give every Government confidence that their measures will not be unreasonably delayed. This is a package which could bring peace and benefit to your Lordships' House, and avoid rancour which would last far beyond this Session. I have my party's authority to negotiate this and to deliver it, and we should seek to do so before Report, at the very least to dispel the doubts in the minds of colleagues facing expulsion. That is the human thing to do.

I am ready to continue the cordial discussions I have been having with the noble Baroness the Lord Privy Seal, whose pragmatism and good sense have been proved over nine years. I appreciated her support when I was Leader, and I support her in other constructive initiatives she has in mind for the House. Indeed, I am ready to meet her or anyone else she suggests, in a bilateral or with an independent mediator, assuming they have the same authority as I have to settle.

Speaking as your Lordships' former Leader, I firmly believe that these proposals, which would comprise concessions by and advantages for both sides, are in the interests of the Government and the House. We have seen in recent days—

Lord Hain (Lab): My Lords—

Lord True (Con): If I may: this is Committee. The noble Lord can come in. I am concluding my remarks, but I will answer him later. We have seen in recent days the nature of negotiation with a big stick. That is not the House of Lords way, nor is it the way in which the noble Baroness leads us. I urge her not to reject these proposals or any part of them when she responds, but to agree to take them away. Let the Government block entry of new hereditary Peers, as my amendment accepts and as the House should accept, but otherwise let us together pursue the path of peace with expedition, and with honour and justice. I beg to move.

Lord Howard of Lympne (Con): My Lords, in considering the purposes of this Bill, it is necessary to remind ourselves of the circumstances in which our hereditary colleagues continue to sit in your Lordships' House. They are here because of an agreement which was reached in 1999 that they would continue to sit in your Lordships' House until stage 2 of the projected reform had taken place. The late Lord Irvine said that that agreement was binding in honour; he said it was a guarantee. He gave those undertakings as—

The Lord Privy Seal (Baroness Smith of Basildon) (Lab): I am sorry to interrupt the noble Lord, but I think he said “the late Lord Irvine”; I remind him that the noble and learned Lord is not late.

Lord Howard of Lympne (Con): I apologise, both to the Committee and to the noble and learned Lord. I am delighted to hear that he is still with us. I am most grateful to the Leader.

The noble and learned Lord, Lord Irvine, gave those undertakings as Lord Chancellor—an office which then occupied a rather higher position in our firmament of distinction than it has since. “Binding in honour”: those were the words he used. Honour is not, to our collective regret, a characteristic much associated these days with politicians, or even with legislators who do not regard themselves as politicians, so it behoves those of us who regret this lamentable state of affairs to do what we can to remedy it. That means honouring commitments, such as those given by the noble and learned Lord, Lord Irvine. This Bill dishonours those solemn assurances, so the conclusion is inescapable, as my noble friend Lord Hannan said at Second Reading, that this is a dishonourable Bill.

Some of your Lordships may argue that those assurances were given more than a quarter of a century ago and we cannot therefore continue to be bound by them. But honour is not time limited. Indeed, the noble and learned Lord, Lord Irvine, could have said, had that been his intention, that his assurances were not intended to last for more than a quarter of a century. He could have said it, but he did not. Some of your Lordships may argue that those assurances are trumped—I use the word advisedly—by commitments in an election manifesto. If that had been his intention then the noble and learned Lord could have said so, but he did not.

There is, as I have said, no escaping the fact that this is a dishonourable Bill, and any votes cast for it are dishonourable votes. I suggest that your Lordships bear these facts in mind when assessing the purposes of the Bill.

Lord Forsyth of Drumlean (Con): My Lords, I do not know if I am alone in having a sense of fear and anxiety about the state of the world at the present time. The fact that we are debating ourselves when, at the other end of the Corridor, they are considering the issues of security that are so central to our country's future and the future of our alliances, makes me wonder whether perhaps we have got our priorities wrong in this place that we should be talking about ourselves and that we should be so divided when we can easily be united, as my noble friend Lord True has so clearly set out. He has offered us an opportunity to avoid any further conflict and dislocation of the great work that this House does.

In recent days, the conduct by the Prime Minister of our affairs as a nation has been exemplary. He has shown great courage in dealing with very difficult circumstances. He has said that he wants to be a bridge between our closest ally, the United States, and Europe. I ask him and the Leader of the House: could they not be a bridge between us and the House of Commons? The Commons is filled with a large number of Labour MPs who won the election fair and square on a clear manifesto commitment to end the process by which hereditary Peers could come to this House and take part in legislation. That is accepted, as my noble friend said in moving this amendment.

I mean no disrespect to any of my colleagues, but I look at these not quite hundreds but dozens of amendments, some of which are a little on the absurd side, and I ask whether this the way in which this House should carry out constitutional reform, in this kind of manner. Constitutional reform should be done, as my noble friend has said, on the basis of consensus. It should be carefully considered, and the consequences and the unintended consequences of one thing relative to another should be taken account of. This is no way to deal with this proud and important House, which plays an increasingly crucial part as the Commons has increasingly used timetable Motions to avoid doing the work carried out in this place.

I ask the Leader of the House, whom I have always held in the highest regard, is there not a better way? Can we not accept that the hereditary principle is dead? Can we not recognise that among the hereditaries in this House are some of the most talented and able people? That may sound like a partisan comment because quite a lot of them are, of course, Tories, but are we really going to say goodbye to the Convener of the Cross Benches? Forgive me for naming individuals. Are we going to say goodbye to the noble Lord, Lord Vaux, who serves on my Financial Services Regulation Committee, has great expertise and knowledge, and has done great work on the equally intractable problem of the restoration and renewal of these buildings? Are we going to throw out my noble friend Lord Moynihan, an Olympian, with his great experience and knowledge of sport? Are we really going to dispense of the services of my noble friend Lord Howe, who can take any issue, no matter how controversial and divided, and make us all think, “Why did we not think of that in the first place?” Are we going to throw out people like my noble friend Lord Strathclyde, who led this House with such distinction?

As he demonstrated earlier today, sometimes the noble Lord, Lord Foulkes, gets a bit carried away with himself. We have a duty to try to work together. There has been some criticism of some of the appointments that have been made by the Prime Minister. I understand why the Prime Minister wants to have a reasonable number of Labour Peers in this House. There have been some people who have said, “Why are we getting all these trade unionists? Why are we getting all these Labour MPs?” Some people have even put down amendments suggesting that there should be a quota on the number of MPs in this House. Speaking as a former MP, I think that is the most ridiculous thing I have ever heard. The response to that is that they are being rewarded for their duty in public service—and quite right too.

4 pm

Some of my noble friends who are hereditaries, if not all of them, deserve to be recognised for the duty and public service they have given. So I just ask: is it not possible for the Front Benches and the leaders of the Cross Benches to get together and work out a deal that will provide what the Government want—the end of the hereditary principle—but will enable those people who have made such a contribution and have so much to offer to this House the ability to continue to make a contribution by offering them life peerages? Then we

get into the numbers game. As far as I can see, it is from zero to 88. I am no great negotiator, but I can see that 88 is not going to be a realistic proposal, and I can see that zero is going to create a great deal of rancour, so it would be somewhere in between, looking at the talents and abilities that are needed in this House in order to do our duty. Our duty is to hold the Government to account—that includes all Benches; I certainly did when I was on the other Benches with the previous Government, much to the irritation of some of my noble friends. We have a duty to do that.

I plead with the House. I think this is probably the only amendment that I will speak on. The amendment by my noble friend Lord True, the shadow Leader of the House, and his speech offer a way forward that could end this wrangle and enable us to apply our minds to the important issues facing our country, and my goodness me, in all of our lifetimes—well, perhaps not all of our lifetimes, but certainly in my lifetime—I cannot remember greater challenges on the economy, our security and our future as a nation. So let us get down to business, reach an agreement on this and move forward with due speed.

Lord Newby (LD): My Lords, it is a great pleasure to follow the noble Lord, Lord Forsyth, because I agree with his starting point, which is that we find ourselves as a nation in a more perilous position, arguably, than we have been in in my lifetime and, in those circumstances, the prospect of your Lordships’ House spending days and days discussing ourselves is immensely unappealing in every possible way.

However, I disagree with the noble Lord, Lord Forsyth, about the extent to which any measure of House of Lords reform can be dealt with by consensus. I sat through all the debates on the original proposals that led to the removal of the majority of hereditaries and have sat through most debates in your Lordships’ House in the intervening period dealing with proposals for reform. Consensus there has been none. There will not be consensus, and the sooner we accept that, the better.

The noble Lord, Lord True, said that this Bill is of the greatest constitutional significance. I beg to differ. I do not believe this Bill is of the greatest constitutional significance. I think that it deals with an issue that should have been dealt with originally. It is a freestanding Bill. It is a simple Bill, and it should proceed.

There is, as the noble Lord, Lord True, alluded to, a whole range of issues that need addressing as well. We need to deal with the retirement age, we need to deal with participation levels, and there will be consequences for the Bishops. There is a whole raft of other things relating to the way in which your Lordships’ House is constituted and operates which need to change. However, we will not change anything if we seek to change everything at once. That is one of the lessons of reform in your Lordships’ House. My view is that to change something at this point is better than running the risk of changing nothing.

Where I agree with the noble Lord, Lord True, is that the Government have manifesto commitments that go beyond this Bill, not least around the retirement age and participation levels. It would be to the benefit of the Committee to know how the Government intend

[LORD NEWBY]

to proceed on those things. The Government say that they are very clear in wanting these things to happen, but, as we are about to discover as we debate them, there are a lot of wrinkles and complications. The sooner we get round to the consultation on those other things—which will lead to a definitive proposal—the better. I cannot see why the Government cannot just tell us what is in their mind; that would be extremely helpful.

Beyond that, at this stage in the nation's affairs, I think we should deal with this Bill expeditiously. Frankly, having 46 groups of amendments to this Bill is ridiculous. Having spent nine days on the football regulator Bill, the prospect of a repeat of that sort of pettifogging argument, going on for days and days, at this point in the nation's fortunes, seems to me completely unacceptable. I hope that all noble Lords will adopt that position as they approach these debates. Certainly, let us hear from the Government on what they want to do next, but, as far as this Bill is concerned, let us simply get on with it.

The Earl of Kinnoull (CB): My Lords, it is a pleasure to follow the noble Lord. As ever, he spoke with a lot of logic, and I agree with so much of what he said—not quite everything—as I have with so many other people.

I want to comment on only one or two issues that arose from the speech of the noble Lord, Lord True. Clearly, the genesis of this Bill goes to the very heart of the noble Lord's amendment, but I would not want the amendment itself, which is quite narrowly drafted, to prevent the House from discussing the Bill in the round. I said at Second Reading that I thought it was important for the House to have this opportunity; House of Lords reform Bills come so rarely—as I pointed out, it is 10 years since the last one—and we need to discuss all the issues in the round. I am aware of the external pressures on the use of our time, and I would certainly like us to handle this expeditiously as we go through Committee. I will not detain noble Lords now or elsewhere in Committee.

I think the other discussions referred to by the noble Lord, Lord True, are incredibly important. It is important for the House to be able to settle its own reform package, with due regard to the Executive and to the most important document: the Government's manifesto. I would very much like these discussions to come forward rapidly. I have been describing this as the thorn in the paw, because it is causing difficulties in all our work at the moment, and in the spirit in which we go about that work. I think everyone here would like that thorn to be drawn rapidly from the paw.

Before I move on from that topic to two final ones, I want to go on the record as citing just how open the Leader's door has been. I have been watching it and I know how many people—over 40 at the last count—the Leader has engaged with, and the courtesy that there has been during this process. I value that a lot; it has been very helpful. Drawing the thorn from the paw is important.

The first of my two final topics relates to the propensity for Cross-Bench colleagues to retire. I thought that I should think about that, and I have had many

conversations over the last two years with many Cross-Benchers. I feel it would be possible for a package of reform to set up an environment where quite a number of Cross-Benchers might want to retire. I say that knowing that our average age is 73, which is rather older than that of the House, and therefore we have quite a lot of people who are over 80 and who would, I believe, consider retiring.

The second relates to the Cross-Bench view—remember that we are sole traders—on reinforcing the conventions and dealing with the trend in ping-pong where more balls and longer rallies are being played. I have not yet met a Cross-Bencher who does not believe that reaffirming these conventions is in the interest of the Cross Bench and of the House. I think it goes to dealing with the ping-pong issue as well.

Lord Strathclyde (Con): My Lords, I much enjoyed the speech of my noble friend Lord Forsyth, particularly when my name was mentioned and the noble Lord, Lord Foulkes, started murmuring on his Back Benches. What is less well known is that the noble Lord, Lord Foulkes, used to represent an important part of Strathclyde. Indeed, for many years he was my MP—some people thought it too long, but I thought it was just about right. It was a pleasure when he joined this House of Lords and long may he continue.

Less pleasurable was the speech of the noble Lord, Lord Newby, where he said there could be no consensus and no cross-party agreement. Yet I look back to 1958, when there was a consensus, and even in 1998 there was cross-party agreement to a Bill to remove nearly 90% of hereditary Peers. In 2012, in the Conservative and Liberal Democrat coalition, there was agreement on a Bill that was brought before the House of Commons. Unfortunately, that was kiboshed by the Labour Party, but there was otherwise broad cross-party agreement, as there was again in 2014 on retirement from the House of Lords—and there could be again in 2025. I say to the noble Lord, Lord Newby, that there is plenty of room for consensus and cross-party agreement on this Bill, as there has been on so many others. Nobody is trying to change everything in your Lordships' House; we want incremental change.

I have said before that I do not much like this Bill, and I do not, but I understand the political dynamics and the motivation that brings it before us. For that reason, I repeat what my noble friends Lord Forsyth and Lord True have said, in that I accept the end of heredity as being a means of entering the House of Lords. After 800 years of hereditary Peers in this House, that era is now over and it will not return. This Bill is therefore the creation of a wholly appointed House, with those appointments in the hands of the Prime Minister, which is in itself an odd concept for a Government seeking to look modern and dispassionate. As we wave goodbye to those who were not brought here by patronage, we should spare a thought for this small part of the British constitution—around 10% of the House today—which existed through a combination of heredity and election.

The Government have a choice in bringing this Bill forward: to engage constructively with the House to find an equitable and unifying way forward or to put their heads down, listen to no one and carry on. The

noble Earl, Lord Kinnoull, explained how gracious and generous the noble Baroness the Leader of the House has been in taking advice and trying to reach a consensus. We will now see what happens over the next few weeks; how the noble Baroness the Leader of the House responds will tell us how she means this debate to continue.

There is a difficult route to get the Bill onto the statute book—but there is also an easy one, with full co-operation from all parts of the House. I urge the noble Baroness to choose the latter. It will pay dividends for the reputation of this House and for all of us in the future.

My noble friend Lord True has put forward an extremely thoughtful range of suggestions on the way forward. It accepts the end of heredity. What it does not accept is the removal of some 45 Conservatives and 33 Cross-Benchers, many of whom have had years of service in this House and to numerous Governments. I suspect I am not alone when I say I find it extraordinary that the Convenor of the Cross Benches himself, chosen by the Cross-Benchers for his intelligence and calmness to represent them in the House and beyond, has not even been told or signalled, formally or informally, officially or unofficially, that he might be able to stay on. Should he lay down his burden as Convenor now or simply wait for the executioner's blow? It seems a cruel way for the Government to carry on their business and it leaves everyone affected with a deep sense of unease and uncertainty.

4.15 pm

Nor, again as my noble friend Lord True said, is it in keeping with precedent. Look at 1922—when Ireland left the United Kingdom, the Irish Peers were allowed to stay behind—or earlier on this century with the Law Lords. Even in 1998, an agreement was reached between the various parties. Of course, there are going to be retirements from my noble friends the hereditary Peers, some of whom have held back from doing so while they wait to see what the Government's plans are.

Over many years, the noble Lord, Lord Grocott, introduced Bills to abolish the by-elections. Having spent a lifetime being elected, he wanted to spare the rest of us from being so. Fair enough, but the real reason so many of us objected to his Bills was in fact, as my noble friend Lord Howard explained so well, to preserve the Labour Party's integrity when it came to the agreement struck, in 1998, of honour. However, 25 years has passed and we have a very blank sheet of paper when it comes to seeing what the future holds for this House—no ideas and no White Paper or anything else.

Grandfather rights are a well-understood concept, not just in the commercial world but in the public sector. The noble Baroness will need to be very clear as to why she wants to fling out me and my colleagues, many of whom represent a most active part of the House, when there are so many Members who hardly bother attending at all.

My noble friend Lord Forsyth made a plea, not just to the noble Baroness but to the whole House, that collectively there must be a better way forward. My

noble friend Lord True has laid out a carefully thought-through plan for how that could be achieved. I hope that the noble Baroness the Leader of the House will take particular care to reply in a positive manner to the suggestions that have been made, so that we can move on in a constructive way and on a cross-party basis.

The Earl of Devon (CB): My Lords, I rise somewhat reluctantly to speak as an elected hereditary who defends the hereditary principle—but we will debate that in response to my Amendment 3, not now. However, I also accept that, if our time is up and we are to leave this House, as I said at Second Reading, we should do so with our heads held high. We should not be horse trading or otherwise frustrating the Government's legislative programme.

Those who want to continue to serve in your Lordships' House can lobby for a seat or can apply to become an angel of HOLAC in the normal manner, just like everybody else who is not an hereditary Peer. The privilege of our hereditary positions should not be sullied in a party-political or petty political way. I believe we should accept our abolition, or our execution, with honour.

Lord Mancroft (Con): My Lords, I must admit that the thought of the noble Lord, Lord Foulkes, representing my noble friend Lord Strathclyde has slightly set me aside for a moment. I was wondering which particular bit he represented. Was it the bit from the neck up, from the waist down or everything in the middle? I am sure we will learn that over time.

The Government explain this Bill on the basis that it fulfils their manifesto commitment to end the right of Peers to sit and vote in this House by dint of an hereditary peerage. That commitment is apparently sacrosanct. In truth, that measure is already clearly set out in Section 1 of the 1999 Act. The principle was accepted then and is accepted now. This Bill neither affects nor improves on it—but is selective. The Labour Party manifesto also included a commitment to implement a retirement age of 80, but the Government have, at least temporarily, resiled from that part of their commitment, because they have quite rightly concluded that most turkeys, particularly those on their own Back Benches, will not vote for Christmas. It seems, therefore, that the manifesto is not sacrosanct after all.

The Bill breaches, as we have heard, the commitment made in honour that my noble friend Lord Howard talked about and the noble and learned Lord, Lord Irvine of Lairg, made with Lord Cranborne in the 1999 Act. It is argued that, with the passage of time, this agreement has become obsolete and, furthermore, that no Parliament can bind its successors. But no agreement of this kind does fall away simply by the passage of time. I am afraid things just simply are as not as easy as that. Nor did it and nor does it bind a future Parliament. It was an agreement willingly entered into by both parties and it still stands, so, without the agreement of both parties, it cannot be changed—although, of course, one party can breach it and thus demonstrate its dishonour, as my noble friend Lord Howard suggested. That is the Government's choice.

[LORD MANCROFT]

I accept that the obvious solution to the Government's dilemma is not easy, but nor is it that complicated either. The condition of that agreement was that Labour would embark on a full second-stage reform of this House, as we have heard. But, despite 14 years in opposition and now seven months in government, Labour does not appear to be able to do that. Although in opposition Sir Keir Starmer seemed to favour an elected second Chamber, in government he has clearly moved in the opposite direction.

We will debate that in the next amendment, in the name of my noble friend Lord Caithness, and later after Clause 1 in the amendment in the names of the noble Lords, Lord Newby and Lord Wallace of Saltaire, and my noble friend Lord Strathclyde. I will be supporting that, although I am very much looking forward to the Liberal Democrats explaining exactly how supporting a Bill that establishes an appointed House is the best route to achieving an elected House.

If the Government wish to explain what plans they have for the future of this House and even to start to implement those plans, it would be difficult to object to this Bill. But they have not. An alternative, and the simplest way to achieve the Government's objective, would be, as has been suggested, to enact the measure contained in the various Private Members' Bills from the noble Lord, Grocott, which, again, the House will examine later in this Committee. Suffice to say that, regardless of the merits or otherwise of that proposal, for some obscure reason the Government believe that the proposal from the noble Lord, Lord Grocott, has passed its sell-by date and can no longer be enacted, although I have been unable to find anyone who can explain exactly why this is so. I rather think it merely suits the Government's purpose to advance that theory, but it is clearly not the case.

It is also worth pointing out that, although the Bill from the noble Lord, Lord Grocott, may be familiar to some of us, it was last debated in this House some four years ago and only got beyond Second Reading six years ago. Subsequently, over 160 new Members have joined this House who will never have had the chance to debate, discuss or understand that Bill. Perhaps it might help the House if they were able to do so now.

This Bill seeks to achieve an object that has already been achieved. It is currently divisive, unpleasant and wholly unnecessary, but that could all be avoided. Like my noble friend Lord True, I hope that, rather than spending a long time arguing every point, the Lord Privy Seal and my noble friend might find a way upon which the whole House could agree.

Baroness Smith of Basildon (Lab): My Lords, I am grateful for the comments that have been made and for the different tone from the noble Lord, Lord True, which I welcome. I will just say one thing. The noble Lord spoke about a passing political Executive. He will know, as I do, that that is actually known as the Government, in all cases. I think it was beneath him to make a comment such as that and I am sorry he did. His other comments were welcome, and I am grateful to him for making them.

The noble Lord's amendment, as he said, seeks to provide a description of the purpose of the Bill. He will know, as I know, that a similar amendment was debated in the other place. It was rejected by a majority of 277 because it is an unnecessary amendment, as we have seen.

We have heard a couple of repeats of Second Reading speeches. The noble Lord, Lord Mancroft, repeated some of his comments from Second Reading, as did the noble Lord, Lord Strathclyde. I am not going to go into another Second Reading speech, but I will comment on what they have said. I will, of course, clarify the purpose of this legislation, which I think will be helpful.

I spoke at Second Reading—and we have heard from noble Lords opposite—about the agreements put in place by the House of Lords Act 1999, which were then expected to be temporary arrangements for 90 remaining hereditary Peers, with a system of by-elections. There would be 92 in total but by-elections for the 90, with the exceptions being the Earl Marshal and Lord Great Chamberlain. Those arrangements were never expected to still be here a quarter of a century later, but they are.

I looked at the amendments and listened to the comments made by noble Lords. I expect my noble friend Lord Grocott will be possibly delighted but also somewhat dismayed by the sudden conversion of so many noble Lords to a Bill he tried so many times to bring forward. There were numerous debates on those Bills and noble Lords who sat through them will recall them well. In those Bills, my noble friend said that he wanted to bring an end to the system of by-elections but would allow those hereditary Peers among us, particularly those who have contributed to this House, to remain in the House for life as life Peers.

For some reason that I do not understand, those who now say that that was a good Bill and ask why we cannot go back to it put so much effort into destroying that Bill that it never got on to the statute book. Had that Bill been agreed then, we would not be here now. What we would be doing is having the discussions the noble Lord and I have had on other occasions about the other issues in our manifesto and finding a way forward that would benefit the House. However, there was a small number of noble Lords who frustrated the passage of that Bill and got us to this point, and I regret that.

The principle that we should not do anything until we do everything—and, in effect, do nothing—is not an acceptable position to hold. That time has gone. I remind noble Lords that this was a manifesto commitment, but I also say, as noble Lords have heard me say time and again, there is nothing at all that is a barrier to those in your Lordships' House who are here as hereditary Peers to having life peerages. I have said that time and again. I appreciate that the route for that is different for the Cross-Benchers from how it is for the political parties. I am sorry that has come up again, but I have to make the point that there is no barrier to them returning as life Peers. Therefore, the purpose in the amendment proposed by the noble Lord, Lord True, is not necessary in the Bill.

4.30 pm

To return to some of the other points that were made and to the issues that the noble Lord, Lord True, wants to debate, he knows that my door is always open; we have had many discussions. But I have also said to him that the basis for that discussion has to be a guarantee that the Government will get their business through. He will know how disappointed I have been at some of the tactics deployed by the party opposite. I called them procedural shenanigans—I know he was offended by that comment, but I think it is the case.

When the list of amendments for this Bill was published there were 18 groups of amendments. There are probably about nine or 10 different themes that Members will want to discuss on the Bill. When I came in this morning, there were 43 groups of amendments. I do not know why Members chose to degroup their amendments, but it does imply that a longer debate was required. Good faith has to go both ways, and any discussions have to be in good faith. We currently have six groups of amendments—three of them of just one amendment—on the commencement procedures of the Bill. That is not a very sensible way to proceed. If the noble Lord is suggesting that there are more sensible ways to proceed, I am happy to have those discussions. I would welcome them, and I am grateful for the tone he set.

The noble Lord, Lord Newby, did not say that consensus was not possible, but was rather disillusioned about the attempts to get to consensus. I would have liked to have consensus; we tried that with the Grocott Bill. I am open to discussions with noble Lords, but the backdrop to that has to be a guarantee that this House behaves in a sensible and proper way when dealing with legislation and respects the existing conventions of this House, which are all-important. I say to the noble Lord, Lord Strathclyde, that he would have one advantage if he was not a Member of your Lordships' House: he would be able to vote in elections and could vote for or against the successor of the noble Lord, Lord Foulkes, but I appreciate that he does not want to take that opportunity.

The noble Lord, Lord Strathclyde, also spoke about this being a House appointed wholly by the Prime Minister. He knows as well as I do that appointments go through the Prime Minister. I think we showed good faith on this side of the House when, in the last round of appointments, a number of appointments were given to the party opposite—and I spoke to the noble Lord about this. We were not playing games on numbers, as we have seen from the party opposite over the last 10 years, excepting under the noble Baroness, Lady May, who behaved with integrity at all times in her appointments. It would be a bit cheeky, I suppose, to say to the noble Lord that those who have hereditary peerages are themselves recipients of a form of patronage from the Prime Minister or the monarch of the time. It is just a question of when they were awarded.

The noble Lord talks about a deal; I am more inclined to talk about a way forward. If he is saying that his party will behave in a different way and will not degroup amendments, and that it wants to have a proper discussion about the Bill, my door is and will remain open. I will continue those discussions during the passage of the Bill, but for the time being I

urge the noble Lord to withdraw his amendment. We will continue to have those further discussions going forward.

Lord Moynihan (Con): My Lords, noble Lords with long memories will recall that my arrival in this House was somewhat unusual and speaks directly to both parts of my noble friend's amendment. As the then Minister for Energy, I was taking a Bill through a Commons Committee shortly before the 1992 general election when I was summoned by the Chief Whip. We had both learned from the Foreign Office that Tony Moynihan, my somewhat wayward and much older half-brother, had died in Manila. At the time, Tony was the holder of the Moynihan peerage, first awarded to my grandfather—the leading surgeon of his day—and thereafter put to good use by my father as treasurer of the Liberal Party in this House.

In his young days, Tony, who sat on the Liberal Benches, was a colourful character. On his last day in this country he went to Berkeley Square, ordered a Bentley at Jack Barclay, demanded changes to be made by the afternoon, came to this House to make an impromptu speech from the Liberal Benches that Gibraltar should belong to the Spanish, returned to Berkeley Square, presented a forged cheque for the car and, accompanied by his third wife, Shirin—an Indian belly dancer for whom he used to play the bongos in nightclubs—evaded Scotland Yard and drove to Madrid, where he befriended a young Juan Carlos, later to become King. He never legally returned to these shores.

I finally arrived following five long years of legal proceedings. The case reached its denouement in the Moses Room in 1997, when a memorable and rare sitting of the Committee for Privileges finally resolved this most protracted of peerage cases. Two notable hereditary Peers, Lord Cranborne and my noble friend Lord Strathclyde, asked me to take on the responsibility of senior foreign affairs spokesman, when I had the privilege of shadowing the outstanding Minister, the noble Baroness, Lady Symons of Vernham Dean. So began the honour of serving in your Lordships' House.

Few Peers have arrived here with as complicated and colourful a backstory as mine. The best and the worst of the hereditary principle can be found in my family, and if anything gives my words weight, this should. I am clear that reform of this House is not only long overdue but essential. Indeed, I go further: the former Foreign Secretary and Secretary-General of NATO, the sixth Baron Carrington, advocated for an entirely elected House and I personally fully agree with him, although I would seek a means to offer the finest minds in this country—presidents of the royal colleges, recently retired senior ambassadors, and our most eminent scientists and artists, for example—the opportunity to contribute to our proceedings.

My chief criticism of the Bill is the piecemeal and disruptive approach chosen by the Government. Let me be clear: to me the Bill is a short-term political numbers game. It is certainly long overdue, but it should be about the future role and function of this House, to ensure that it is fit for the 21st century. It should be about this House's structure and—

Baroness Smith of Basildon (Lab): I am sorry to interrupt the noble Lord—I always enjoy listening to his entertaining contributions—but we are discussing a specific amendment at the moment. He is making comments on things we will come to later in considering other amendments. This seems to be a Second Reading speech. I do not want to be discourteous, but I see that he has a lot of notes and I wonder whether he wants to address the amendment, rather than giving a wider speech.

Lord Moynihan (Con): I am doing precisely that by talking about the hereditary principle and the removal of the hereditaries. Both are central to what I am speaking about. I gave my experience from the point of view of a hereditary, and I am now addressing the key point about the Bill being very narrow with regard to the future of the hereditaries. My argument is simple and clear: it should be wider. My view is that by narrowing it as much as we have, it becomes a political numbers game Bill. I am much more in favour of looking at how best this House can fully scrutinise, shape and improve legislation for the Government of the day, and challenge them to think again when necessary.

The point has been made already that this House operates best through consensus, yet the much-heralded usual channels have regrettably become frayed and fractious of late. There must be a way for the leaders of the four main groupings in your Lordships' House—the Government, the Opposition, the Liberal Democrats and, critically, the Cross-Benchers—to consider how the Government's objective of numerical majority, for example, over His Majesty's Opposition, with which I largely agree, can be achieved. For there is a better way to achieve the outcome that is sought in this Bill. There are many Peers, as has been mentioned, who have announced either their intention or willingness to retire, or who would do so if approached on the basis that if they remained, they would henceforth be required to participate actively in this House. The latter could be judged by criteria in a Bill which addressed minimum levels of attendance and contribution. This would also remove the sitting rights of those many life Peers who, at the time of their elevation, promised their respective leaders that they would be active in this Chamber and these Committee Rooms, but who all too soon became notable only by their absence.

So, it is possible to achieve the outcome by combining the end of the sitting rights of the hereditary peerage with the implementation of a decision to reduce the size of this House and still leave the Government with a majority over the Opposition. This solution, based on the principle of self-determination, is surely better than one which vests in the Prime Minister of the day the authority to approve each and every Member of this House, creating the worst of all worlds: a second Chamber without democratic legitimacy, built on short-term, present-day political patronage but shorn of the independence, the reputation and the authority that it currently enjoys. That is why I support this amendment.

Lord Strathclyde (Con): My Lords, I think it is a little bit much for the noble Baroness to give my noble friend Lord Moynihan a hard time for making what she said was a Second Reading speech. The fact is that

we had Second Reading nearly three months ago—there is no reason for the delay. Why were we not dealing with this Bill in January and February? Why has it taken so much time? I began to think that the Government had forgotten about this Bill or had changed their minds and were not taking it forward.

The noble Baroness in her reply—also a reply to a Second Reading speech—did not really look at the merits of the amendment itself, which concerns the “connection between the possession of a hereditary peerage and obtaining membership of the House of Lords”.

When the noble Baroness said that she is happy for discussions to take place, she said discussions with conditions, and that this Bill has to be passed and agreed to in all aspects before there can be a discussion. That is not a sensible or equitable way to have a discussion—

Baroness Smith of Basildon (Lab): I hate to intervene on noble Lords, but I do so because I do not like to be misrepresented by the noble Lord, or any other noble Lord in this House. I did not say that noble Lords have to pass the Bill before any discussions take place. I said that I was happy to have ongoing discussions, but that I did not want to see any procedural shenanigans. I need to see some good faith on the part of the Opposition, as well. I say to the noble Lords, Lord Strathclyde and Lord True, that I did answer the amendment. I said that it was unnecessary—it is actually pretty much contained in the Long Title anyway—but if he is going to describe what I have said, he should at least get it right.

Lord Strathclyde (Con): I am more than happy to agree with the noble Baroness on procedural shenanigans, which I must say I do not recognise at all over the course of the last few months. I am not doing any procedural shenanigans; I am actually replying to the noble Baroness, but I have made the point I wish to make. Are there no procedural shenanigans from anybody in the Labour Party actually engaging in the debate just started by my noble friend Lord True? I certainly give way to the noble Lord, Lord Grocott.

Lord Grocott (Lab): Has the noble Lord finished his remarks, because I do not want to encourage him to go on at length? I wish to respond to the point about why Labour Members have not spoken, but is he wishing to get up again? I do not want to intervene on him, I just want to—

Lord Strathclyde (Con): Feel free.

Lord Grocott (Lab): Well, I have been waiting to say this for a long time, but I have managed to keep quiet. It was nine years ago that I first brought in a Bill to end the system of by-elections, which, had it been enacted, would have substantially solved the problem—and I think it is a problem—of people coming to this House by means of heredity.

I find it deeply ironic that the now apparently passionate advocates of my Bill include the noble Lords, Lord True and Lord Strathclyde, both of whom were among those who did all within their power to block it; that is not to mention the noble Lord, Lord Mancroft, of course. When I brought the Bill in,

the majority of hereditary Peers, as far as I could judge, were in favour of it. However, time and again a small group of people, four of five of whom—probably more—are here today, managed to filibuster in ways incredibly similar to those going on today: degrouping amendments, and putting down amendments at the last minute when there is barely time to respond to them. I would just like to know at what point in their political development this Damascene conversion occurred: from doing all within their power to block my Bill—satisfactorily, of course—to now thinking that it is the golden solution to finding consensus between the two sides of the House.

Perhaps, at some stage, the noble Lords could take this opportunity not only to explain why they have completely changed their mind but to apologise to the hereditary Peers who will be removed as a result of this—in the full knowledge that, if they had listened to my earlier Bill and not filibustered it, this debate would not be happening on anything like the scale that we have at the moment.

As we are taking a slight trip down memory lane, I could go even further if I wanted to, but I will stick to just nine years—mind you, I am tempted to go back 31 years, when I first introduced to the House of Commons a Bill to end the right of hereditary Peers to sit and vote in the House of Lords. One of its sponsors was my good and noble friend Lord Foulkes, alongside my noble friend Lord Rooker—we have stayed together over many years—but of course that was not successful either, so there is a certain satisfaction with where we are now.

4.45 pm

However, can we please not repeat arguments that we have heard ad nauseam, including the idea that it is a breathtakingly revolutionary and new proposal that perhaps the hereditary principle was not the right basis on which to be in the House of Lords? The noble Lords, Lord True and Lord Forsyth, went through the arguments that, somehow or other, there were more important things to do. The former's amendment—which I will speak to, in case I get in trouble with my Leader—states, quite simply, that the purpose of this Bill is to end the link between hereditary Peers and membership of the House of Lords. I agree with him that that is the purpose of the Bill; that is why it is called the House of Lords (Hereditary Peers) Bill. I ask him, not necessarily now but at some stage, to reply to the following question: if that is the sole purpose, does he agree with me about amendments that go down all sorts of alleyways and byways? Can someone explain to me what the House of Lords (Hereditary Peers) Bill has to do with the rights or otherwise of Bishops to sit in the House of Lords? It seems that almost any amendment to this Bill is possible and will no doubt be debated at length. Many of them are worthy amendments—although I shall vote against them all, in case there should be any doubt—but they do not come under the title of the Bill. I am staggered that we are able to debate this in the way that we are.

I want to lay to rest one final idea—I have said it so many times in the past; it is trouble when you start getting bored of your own speeches: that there was some wondrous, unprecedented, novel occurrence at

the time of the 1999 Bill when honourable people got together and gave an undertaking, and that dishonourable people such as me are not prepared to live by it 25 years later. That idea omits the central fact of that agreement: that it was made under duress. I am happy to say that it was an agreement that Viscount Cranborne made and that he has said since—I do not carry his sayings around with me, but, my word, they ring in my ears—that he “threatened” the Government “with the Somme and Passchendaele”.

I do not regard that as a particularly tasteful way of describing it, but he was illustrating how he planned to wreck the whole of the Labour Government's legislative programme—his words, not mine—a Government who had the same huge majority as we have now, which was of no consequence to him. There are many lawyers here. Is an agreement on the basis of which huge threats were being made to one party to it an honourable one? Would that be an agreement in law? I do not know the answer to those questions, but I can pretty well guess them, because it is true—

Lord Howard of Lympne (Con): If the noble Lord is correct, why did the noble and learned Lord, Lord Irvine, use the words “binding in honour”?

Lord Grocott (Lab): I cannot possibly interpret at this juncture the views of the noble and learned Lord, Lord Irvine—I know that the noble Lord, Lord Howard, has resurrected him during this debate. I really do not know precisely why he used the wording, but I know the context in which that “agreement” took place. I was working in No. 10 at the time. We were told by the then Chief Whip, my predecessor, that he feared for the whole legislative programme if we did not concede to the 92 hereditary Peers remaining. I do not feel in any way guilty or dishonourable by regarding that as an agreement that is not valid.

Lord Northbrook (Con): I am grateful for the noble Lord giving way. Does he recognise Alastair Campbell's book when he said that he was very astonished that Viscount Cranborne did the deal and that it was only going to end in tears for him?

Lord Grocott (Lab): One person asked me to answer for Viscount Cranborne and I am now expected to answer for Alastair Campbell. The noble Lord needs to ask my good friend Alastair Campbell about that, but I know the facts are precisely as I described. Please do not take my word for it; take it from Viscount Cranborne. We are going to have a long debate, and I know that I have gone on far too long, but I hope that no one will again use that tired, dishonourable excuse that somehow a crucial agreement was reached which was binding to all subsequent Governments, when it was reached under duress.

Lord Forsyth of Drumlean (Con): I totally understand why the noble Lord cannot be expected to answer for the noble and learned Lord, Lord Irvine, or anyone else, but perhaps he could answer for himself. He is quite right—magnanimity in victory—that he has got what he was asking for. If he thought that it was in the interests of this House when he introduced his Bill—well known as the Grocott Bill—to end the hereditary

[LORD FORSYTH OF DRUMLEAN]
principle but to allow the Peers to remain in this House, what has changed? Why has he changed his view?

Lord Grocott (Lab): What has changed is that there was a general election, and this was a manifesto commitment. Broadly speaking, it is a good idea to obey manifesto commitments. The longer answer to the noble Lord's question is that I was not the first to introduce such a Bill; Eric Lubbock was the first Member of this House to propose that there should be no more by-elections. Had it been agreed at the time that the Lubbock Bill, which I will call it, was introduced, there would be only about 25 hereditary Peers left. Due to the constant refusal of people to accept the end of the by-elections, a whole new generation of hereditary Peers has arrived, so that, for the objective of ending the hereditary principle in this House to be concluded, it would take another 40 or 50 years. It is spilt milk. I respect noble Lord, Lord Forsyth: he occasionally made the odd favourable comment towards my Bill, for which I am very grateful; it was an all-party Bill supported by all parties and in huge numbers. But times have changed. It is the time for apologies from Messrs True, Mancroft and Strathclyde to their colleagues for blocking the Bill in the way that they did. Along with the noble Earl, Lord Caithness, who we will have the pleasure of hearing from in the next amendment, they are the ones who have the explaining to do, not me.

Lord Swire (Con): Does the noble Lord, who should be a little more cheerful having achieved what he set out to do, not accept that there were many of us who were not in this House and therefore unable to support his Bill or otherwise?

Lord Harris of Haringey (Lab): Order! I do not think that the noble Lord, Lord Grocott, was giving way; he had sat down. The time had already been exceeded under the rules of the *Companion*. In terms of the *Companion*, is it not time that the noble Lord, Lord True, indicated whether he was pressing his amendment.

Baroness Smith of Basildon (Lab): My Lords, I just want to make a comment. At the moment, the Prime Minister is on his feet at the other end, as the noble Lord, Lord Forsyth, pointed out, talking about issues of national security and the defence of the nation. Our debate does not hold up terribly well against that. The noble Lord opened it in a moderate and helpful way. If noble Lords wish to continue debating the amendment, they are at liberty to do so; I just ask them to reflect on how the world outside sees the debate.

Lord Swire (Con): Hear, hear to that—I could not agree more with the Leader of the House. We should not be debating this at this time at all, and we are in risk of rendering ourselves irrelevant and foolish by debating these matters when things of far greater importance are going on. But I just say to the noble Lord, Lord Grocott, that he must accept that the composition of this House is very different from that of the time when he first introduced his Bill. Many of those who are now in this House would have supported

it at that time. Surely it is only right that we have the ability to debate these matters, for the first time in many cases, now.

The Earl of Caithness (Con): My Lords, the noble Lord, Lord Grocott, made reference to me. I want to put it on the record, because he has said it before, that the amount of time that I spoke during the debates on his Bill in 2018—a Bill which had six hours of debate—was under twice as long as the noble Lord, Lord Grocott, has spoken today. In those six hours of debate, I spoke for 16 minutes; that was all. It was not a prevarication at all.

Lord True (Con): My Lords, I think it is right for me to intervene. I say to the noble Lord, Lord Grocott, who asked me for an apology, that I make no apology for carrying out the policy of my Government when I was a Government Minister. The policy of the Government was that we should not remove the 92 until a stage 2 reform came forward. Our Government, in coalition, in 2011-12, brought forward a Bill which would have led to the removal of hereditary Peers from your Lordships' House. As was said earlier by others, that was frustrated by a group of Conservative Back-Benchers and the Labour Party in the other place. So, the Conservative Party did address that question, and I say to the noble Lord that I will never apologise for carrying out the policy of my Government.

So far as the noble Lord's other remarks are concerned, there is a difference between this Bill and his Bill. We have another amendment on this later, so I do not want to protract this discussion now, but the difference was that his Bill allowed for the continuation of valued Members of this House—indeed, it was commended by a number of people who spoke on his Bill for that reason—while this Bill provides for the total expulsion of Peers who are here under the 1999 Act. There is a profound difference between those two Bills.

In the proposals I put forward to the Leader of the House—I am grateful to her for the manner in which she responded, and I hope we can return to that conduct of affairs—I said that part of the discussions we have will have to address what will be, in this moment when partisan zeal runs fairly high, a wound to the House—many people on the other side may accept what I say. If some of the very skilled, experienced and long-serving hereditary Peers whom we have among us are excluded, that will be a wound to the House, and it is right that the House should address that and consider it collectively. The noble Earl, Lord Devon, draws his own conclusion, but it certainly goes beyond horse-trading between parties as regards what the future of Members of this House should be. It is perfectly legitimate in Committee for us to consider the implications of legislation for the future of the House.

I was grateful for what the noble Lord, Lord Newby, said. I do not agree with the noble Lord that consensus is impossible—indeed, the coalition agreement demonstrates that that is not the case—but I am grateful for his agreement with me that it is important. I think the noble Earl, Lord Kinnoull, and my noble friend Lord Forsyth and others said that it would be helpful as we go forward if we could have some

understanding about the timing and nature of the Government's proposals beyond the Bill, because they are material to the future of the House.

5 pm

I have to say to the noble Lord, Lord Grocott, that the authorities in both Houses consider that the kind of amendments that have been put down—I am not referring to specific amendments, but there are amendments probing issues such as participation, age limits and the prospect of democratisation of the House—are within scope. It would seem to me utterly incredible, having been provided no opportunity to this date, that the House of Lords should not consider some of those things. Who better? If there is no White Paper, no discussion, no royal commission and no Joint Committee, who better than the Members of your Lordships' House to bring our collective experience to bear and assist the Government in their reflections on how the House should go forward?

I agree, of course, with what my noble friend Lord Howard said. I cannot agree that honour can be discarded. I was involved in the discussions, admittedly only at an official level, in 1999. The noble Lord, Lord Grocott, was of course involved as Parliamentary Private Secretary to the Prime Minister at the time, but recollections may vary as to the purport of honour in those discussions.

I agree profoundly with what my noble friend Lord Forsyth of Drumlean said, not least in what he said about the role of the Prime Minister in recent days. There needs to be a way, and I hope that, whether it is by the noble Baroness the Leader of the House herself, or us collectively, we can find a way of bridging the difference between this House and the House of Commons on all these questions—including, I have to say, and we will discuss it later on Amendment 9—on whether some of those here should be allowed to stay.

The fact that the House of Commons has considered the matter before it came here is not something that has ever deterred the House of Lords from addressing a Bill that has come to this place from the House of Commons. The House of Lords is perfectly entitled to take a view on a Bill that is sent from the House of Commons, and the House of Lords is perfectly entitled to ask the House of Commons to think again. That is a perfectly reasonable constitutional principle.

I am grateful to those who welcomed the purport of my remarks. I always tried to be constructive when I had the honour of being Leader, and I enjoyed our constructive partnership when we were in different places. I think that consensus is always possible, and I hope that, in the days and weeks that come, we can get there.

I am grateful for the support from the noble Earl the convenor for some of the propositions I put forward. As I said to the noble Baroness the Leader, I did not expect anybody to respond immediately, and I know that the noble Earl will probably want to reflect on them as well. He made a simple human point that I made. Whether you have the view that “We have won now, and now we can get rid of them”, or whether you think that there is still value in keeping people here, these are human beings. These are our friends and our colleagues, these are great public servants and I think

we owe it to our friends and colleagues to come to a clear decision, a clear approach about their future, and not wait for months and months until this Bill may become law. I hope we can bring greater clarity in a shorter period than some have suggested, and I think that was a very constructive point from the noble Earl.

With those remarks I apologise if I have not referred to everybody who spoke in the debate. My noble friend Lord Moynihan made precisely the point I made that it is perfectly reasonable for the House to look at the wider matters, and we will have a chance to look at them. I again thank the noble Baroness for her constructive remarks, although I disagree with her that we cannot ask the Commons to think again. I certainly repledge myself to work with her to seek some form of consensus.

The noble Baroness always worries that someone is misinterpreting, but I am not. If I have misspoken, I apologise. I think what the noble Baroness said was, “Well, the House of Commons has voted on this, so there is no point in sending it back to them”.

Baroness Smith of Basildon (Lab): It may be pedantic to point out that it was rejected in the other place by 277. I never said that it was not in the ability of this House to send back an amendment if it chose to do so. I pointed out what happened in the House of Commons. The only Front-Bencher whom I have heard say that the House of Lords should not pass an amendment to a Bill from the House of Commons was the noble Lord during the Elections Bill.

Lord True (Con): If I may borrow a phrase from a more prominent person than I, did I really say that? The joys of social media and smartphones are very wonderful. I stand corrected by the noble Baroness, but the point remains that there resides great wisdom in this House and there remains the opportunity to reach an agreement which serves all parties and none, but the House collectively.

If such an approach were agreed, it would be easy for someone as formidable and dedicated as the Lord Privy Seal to persuade her colleagues in Cabinet that a generous and thoughtful approach, which offers advantage to all parties, should be followed. I sincerely hope that is what may happen in the days and weeks ahead. I beg leave to withdraw my amendment.

Amendment 1 withdrawn.

Amendment 2

Moved by The Earl of Caithness

2: Before Clause 1, insert the following new Clause—

“Overview

This Act makes the House of Lords a second chamber whose membership is wholly nominated by the Prime Minister.”

The Earl of Caithness (Con): My Lords, we might think that we know what most of the consequences of this Bill will be for the British constitution, but they are far from clear to anyone who does not take a close interest in these matters, and they are not to be found in the Bill before us. This amendment aims to put into the Bill what at least one consequence will be.

[THE EARL OF CAITHNESS]

The membership of this second Chamber of Parliament is unique in the world in how it is constituted and for how long we serve. It is composed of a relatively small number of hereditary Peers, while the Lords spiritual are nominated and life Peers are appointed on the recommendation of the Prime Minister to the monarch. Except for the bishops, who must retire when aged 70, once one is a Member we have the right to a seat, place and voice here for our lifetimes.

The most similar appointment system is that of the Canadian Senate. Although there are no hereditary members there, all its members are appointed by their Prime Minister. There, the similarities end. There is a fixed size of 105 and a mandatory retirement age of 75. That means that a new senator can be appointed only when a vacancy arises. New appointments must also be made on a regional basis, with each province holding a fixed number of seats. We will come on to whether similar constraints should apply here; I make no further comment on that now.

As in Canada, there is considerable adverse comment in this country on how the appointment system works. However, this Bill is about to make the situation much worse. For the first time ever the Prime Minister, on his or her whim, will have an unprecedented power of control over all the appointments to the membership of this House. That is a very dangerous extension of prime ministerial power. It is such a fundamental change to our constitution that it needs careful consideration and justification. I firmly believe that it must be clearly spelled out in legislation.

Of course, our constitution can evolve to meet this new situation, but it has already been clearly demonstrated that Prime Ministers have a less rigorous appointment process than the House of Lords Appointments Commission, which Prime Ministers can and have overruled. A paper by the London School of Economics in November 2023 tells us:

“Party leaders sometimes appoint experts, but they regularly appoint loyalists”.

It goes on to say that

“about a quarter of appointees over the last decade”

to this House

“have been donors to political parties”.

I cannot but agree with the noble Lord, Lord McFall of Alcluith, our Lord Speaker, when he said in an interview that this House is in danger of becoming “out of sync” with its balance of legislators. He went on to say that this House, too full of politicians and former political aides rather than people with outside experience, risked jeopardising the Chamber’s crucial role in taking a broader view on legislation and wider national policy. Those criticisms should be taken seriously. They were made before this Bill could take effect; it hands the Prime Minister untrammelled power to appoint whom he likes, when he likes. Everyone in the country should know about this. Once us hereditaries are forced out, there will be no screen for the life Peers to hide behind when the criticism comes thick and fast. A system so open to abuse cannot last long.

My amendment has three merits: it is concise, it does not affect the Bill’s wording or intention, and the principle has already been accepted by the Labour

Party. On 23 March 2018, I moved a similar amendment to the Bill from the noble Lord, Lord Grocott, which sought to abolish the hereditary Peer by-elections. The amendment was drafted to be inserted before Clause 1 and read:

“Overview

This Act amends section 2 of the House of Lords Act 1999 to end the process of by-elections for hereditary peers, thereby making the House of Lords a wholly appointed Second Chamber”.

The noble Lord, Lord Grocott, intervened early in the few words that I was going to say and told the House, “I am happy to accept his amendment”.—[*Official Report*, 23/3/18; cols. 547-48.]

It was indeed accepted by the whole House, including the Labour Party’s Front Bench. I hope the noble Baroness the Leader of the House will now do the same. I beg to move.

Baroness Butler-Sloss (CB): My Lords, I read this amendment with some surprise, because the noble Earl says that everybody is going to be nominated by the Prime Minister. I was not nominated by the Prime Minister and there remains, I think, 20% of this House who were not. As far as I know, this Government have no intention of getting rid of the way in which we are appointed. As I understand the noble Earl to have said, the wording of the Bill from the noble Lord, Lord Grocott, was different. Of course we are appointed, but the noble Earl has limited it to the Prime Minister. To that extent, I profoundly disagree and I hope noble Lords will at least support the Cross-Benchers.

I recognise the manifesto and that this Bill must go through. I regret that there are so many amendments to slow it down. There are a large number of issues that need to be dealt with. I am not at all sure that this is the best place for them to be discussed when there is really a single issue occupying the Committee.

I hope that the Government will look at those whom they are removing and compare them with the Members of this House—at least 200—who virtually never come. I can speak as someone who is not a hereditary Peer but has been here for quite a long time. I have observed the enormous work done by hereditary Peers, who have been of invaluable use to the legislation that has been passed. For us to lose them and keep those who do not come and do not work seems profoundly wrong.

The Earl of Erroll (CB): My Lords, I was going to speak to the last amendment. I will say very quickly now that it needed a little bit inserted to say, “Also to remove the power of the Prime Minister to have total control over the membership of this House”.

I remember and was very involved in the whole debate in 1998-99. In fact I and a bunch of Cross-Benchers produced a report on it at the time. The real problem with the whole thing is that it put the Prime Minister in total control of everything. He is the Prime Minister of the Civil Service and therefore the supreme person there. He is the leader of the majority party in the House of Commons and therefore controls that. The judges are also no longer separate and are now a Civil Service department, the Ministry of Justice. There were a lot of promises about independence, but it is no longer a third pillar of our constitution in the way it was.

5.15 pm

The House of Lords had the only writ that was not under prime ministerial control. It was a Privy Council oath from the Front Bench, in this House and in the Commons. The point about a Privy Council oath—yes, they are described as binding in honour—is that, and we were assured of this, it went across Parliaments. Parliament cannot bind a successive Parliament, but we were told that a Privy Council oath would, because all the privy counsellors, and there are quite a lot of them, should be bound by that oath from the Front Bench.

The point is that we were put here as a poison pill to ensure further democratic reform of the Lords, because it was realised that, if this House did not get some democratic legitimacy, it therefore, in many people's eyes, should not have legitimacy to pass or interfere with legislation. Therefore, it was important to inject a proportion of democratic authority to this Chamber, so that it would not then be removed by another place on the grounds that we had no democratic legitimacy. That is what those of us who stayed all signed up to: that a second stage would happen.

Then, as we have just heard, we put forward some proposals. The Commons could not agree because the Commons supremacists wanted to remove all our residual powers. The democrats in the House of Commons would like us to be completely democratically elected. The two cannot agree and, under both propositions, the Prime Minister loses his huge power of influence in the power of patronage, which is one of the powers that was left with King John at the signing of the Magna Carta. When his power of taxation was taken away, they unfortunately left with him the power to make nobles and also to wage war and sign treaties. That has recently been modified, because Parliament felt it was unacceptable. It is very good that that has been modified.

I just wanted to quickly point that out, because the danger of passing the Bill unmodified is that we have no limitation. I would like to see something go in that says that, within a certain amount of time, limiting or removing the powers of the Prime Minister to appoint people to the Lords must go as part of the rump of us going. That was the deal. I promise you that, if you do not really believe that, you are not democratic.

The Earl of Dundee (Con): My Lords, along with others, I share the concerns of my noble friend Lord Caithness, as I also much appreciate the comments of the noble and learned Baroness, Lady Butler-Sloss.

As already indicated, the priority aim for a reformed House of Lords must be its quality of function as a revising Chamber and, therefore, the continuation of its present very high standard of legislative and government scrutiny.

In a later amendment, it is proposed that, within a reformed House of 600 temporal members, the non-political Cross-Benchers should be in the majority with 200 members, while the Government and Opposition have exactly 150 each and the Liberal Democrats, and others, 100. Compared with others, this formula can far better protect our present legislative scrutiny high standard, otherwise threatened and undermined if,

instead, the Government of the day, whoever that might be, were to be the largest group within a reformed House.

Political patronage to create non-parliamentary peerages would continue. However, its current ability to appoint members of this House would be abolished, becoming replaced by two processes: first, as already indicated, by the Appointments Commission appointing 200 non-political temporal Peers and, secondly, by an electoral college representative of all parts of the United Kingdom indirectly electing 400 political temporal Peers.

For the necessary transitional period, as your Lordships are well aware, the noble Lord, Lord Burns, indicates a very good, workable system, which is this: in a given year, the collective total of life Peers who retire or die are replaced at 50%. That means that, in a natural way and over not too many years, the current number of temporal Peers, which is now just under 800, will have come down to about 600.

Obviously, it would come down more quickly if life Peers were coerced to retire at 80 or 85. Yet it would be much wiser not to enforce that. Instead, with the retirement age of 90, the transitional period can be expected to be a bit more than five years, with the advantage of enabling some new Peers in the reformed House when they first begin to serve their 15 years to do so alongside existing life Peers, thereby being all the more able to develop and uphold the skills, usefulness and democratic efficacy of this House as a revising Chamber.

Lord Wallace of Saltaire (LD): My Lords, the noble Earl, Lord Dundee, has just indicated the difficulty of discussing some of the broader issues that this Bill raises when we have so many different groupings. I suggest, in the very constructive spirit of the noble Lord, Lord True, when he opened the debate on the first amendment, that it would be wiser, if we are going to discuss as we go through this Committee stage some of the longer-term issues that it raises, that we should group the large number of amendments we have together, rather than have a constant repetition of broader points from one amendment to another. This certainly this cannot be done today, but I suggest that, before the second day of Committee, the usual channels have a constructive conversation about the number of groupings that we need. I say to the noble Lord, Lord True, that I think that it is the consensus of the House that we would have a more constructive Committee stage if there was a much smaller number of groupings into which the major themes are contained.

Lord Strathclyde (Con): On the question of groupings, I understand that the Opposition put forward some suggestions for groupings to the Government Whips' Office at the end of last week, and they were rejected without even being looked at until the Government had put forward their own proposals. That is my understanding.

I think that the whole question of groupings is important and useful, but we are only on the second amendment of the day and I do not know what the noble Lord, Lord Wallace of Saltaire, was suggesting that this amendment should be grouped with. I am happy to listen to him.

Lord Wallace of Saltaire (LD): The first four separate amendments seem to me to have a very natural linkage, and it would have been much more sensible to debate them in a group, for example.

Lord Strathclyde (Con): My Lords, let me carry on on the groupings that we have and on the speech in introducing his amendment of my noble friend—

Lord Foulkes of Cumnock (Lab Co-op): We are on the second amendment of the day and this is the sixth speech from the noble Lord, Lord Strathclyde. I think we can all draw our own conclusions.

Lord Strathclyde (Con): My Lords, I fancy that, if this Bill dealt with the expulsion of all Peers over 80, the noble Lord, Lord Foulkes, would be a leading light in opposition to that legislation. I am simply carrying out my duty as a Member of this House to hold the Government to account and ask the questions that need to be asked. If the Labour Party choose not to turn up to this debate, that is entirely up to them.

I also point out that this Bill excludes by law 45 members of the Conservative Party. It excludes four members of the Labour Party, who almost certainly will be given life peerages, as precedent has demonstrated in the past. So it is hardly surprising that, as a group and a party in the House of Lords, we take a great deal of interest in what this Bill says and what it is attempting to achieve.

My noble friend Lord Caithness made a good point about what this Bill does. It does not just remove the hereditary Peers but creates a wholly appointed House. Some noble Lords will take exception to that fact. I know that the noble Lords on my left, the Liberal Democrats, would rather see a democratic House, and I have a great deal of sympathy with that, and there are other noble Lords who are very happy to see a wholly appointed House—but that appointment is almost entirely in the hands of the Prime Minister.

It is worth mentioning HOLAC. I know there will be amendments on HOLAC later on, but they are not directly relevant to the amendment before us. HOLAC is itself a creature of the Executive. There is no statute that has created HOLAC. It is there because the Prime Minister has decreed that it should be so. It could be snuffed out immediately. Therefore, it is right when we say that the appointment system is entirely in the hands of the Prime Minister. HOLAC reserves for itself a small number of independent Cross-Benchers. They are a delightful addition to this House. I very much agree with what the noble and learned Baroness, Lady Butler-Sloss, said, particularly in respect of the hereditary Peers.

I therefore support my noble friend's amendment. I have no idea why the noble Lord, Lord Grocott, accepted this amendment some years ago during a debate on his Bill. It may well have been that he got so bored of the debate that he thought he should just accept an amendment to make a difference. I think the noble Lord is trying to get in. I have come to the end of my remarks, so I am happy for him to speak if he wishes to do so.

Lord Grocott (Lab): I can respond in one sentence. The reason that I caved in on that amendment, on that particular day, is that we had already been rambling on for about an hour and a half on the subject and anything to shorten it was to my advantage. That principle could perhaps be applied to the current Bill.

Lord Parkinson of Whitley Bay (Con): My noble friend Lord Caithness is right to point out that the effect of this Bill is to make your Lordships' House a second Chamber almost entirely nominated by the Prime Minister. I say "almost" because his amendment refers only to the Lords temporal; as noble Lords know, the Lords spiritual come here by a different means. As the noble and learned Baroness, Lady Butler-Sloss, has reminded us, a small number of Cross-Bench Peers have come in through nomination by the House of Lords Appointments Commission and what was at one time called the "people's Peers" process.

Having served as a political secretary to a former Prime Minister, my noble friend Lady May of Maidenhead, I know that even those recommendations made by the independent commission are laid before the Prime Minister. It is at a time of the Prime Minister's choosing—not the commission's choosing—when those nominations are made. The rate and regularity with which those nominations can be made is often a cause of some consternation between the commission and the Government.

When the noble Baroness the Lord Privy Seal stands up, she can perhaps say a little bit about that. I think that the noble and learned Baroness, indeed many of us, would be delighted if there were some commitments on codifying that process a bit more formally, or at least a commitment to the number or regularity—

Viscount Hailsham (Con): In view of what my noble friend, Lord Strathclyde, and, indeed, the Minister have said, is there not a case for putting HOLAC on a statutory basis, as relating both to its existence and to its manner of appointment?

Lord Parkinson of Whitley Bay (Con): My noble friend asks a very good question, but that is a question for a different group. The question of the House of Lords Appointments Commission is, rightly, worthy of a debate in a group of its own. If the noble Baroness wants to respond to my noble friend's question when she rises, she can do so, but I will not anticipate the debate that we will have on HOLAC.

The noble and learned Baroness, Lady Butler-Sloss, is of course right in what she pointed out about Amendment 2 from my noble friend Lord Caithness. In broad terms, however, he has done us a useful service by reminding us that what is being proposed in this Bill is out of keeping with the history of our Parliament and almost without precedent among other legislative bodies around the world. My noble friend dealt with the similarities and differences with the Canadian Senate; that is about the only other example—in a much smaller House, with term limits—that one can find of a House of Parliament that is entirely nominated by the head of the Executive.

What is before us today is a Bill that will weaken the legislature and strengthen the Executive, tilting the balance of power away from those who believe that power ought to be held very robustly to account, and it will leave those scales unbalanced for as long as the Government see fit, for there is nothing in this Bill to compel them to set those scales right again or even to fulfil the promises of further reform that they made in their most recent manifesto. What we are debating today is an incomplete job.

At Second Reading the Lord Privy Seal spoke at perhaps surprising length about a full stop in the Government's manifesto. Never has so much constitutional weight been placed on such a small punctuation mark. The same punctuation was used in Labour's 1997 manifesto, on which the noble Baroness was first elected to Parliament. In that instance, it meant a very full stop indeed. The Blair Government fulfilled their commitment that, to quote from their manifesto, "the right of hereditary peers to sit and vote in the House of Lords will be ended by statute".

That sentence, like all sentences in the English language eventually do, ended with a full stop and we did not think very much about it at the time. But, after that full stop, the next sentence in the 1997 manifesto promised:

"This will be the first stage in a process of reform to make the House of Lords more democratic and representative".

For more than a decade later in that Labour Government, however, the legislative pen was stuck on that spherical stumbling block. Stage 2 never followed.

5.30 pm

The noble Baroness will remember this well. I am sure she has a well-thumbed copy of the 1997 manifesto at home. She was a Parliamentary Private Secretary to one of the Prime Ministers in that Labour Government and a Minister at the Cabinet Office, so perhaps she can shed more light than others on why stage 2 was never brought forward. But there are many of us who worry that the full stop that she has encouraged us to mark with a highlighter in the Government's recent manifesto will result in a similarly long hiatus. A quarter of a century after the last Labour Government's reforms ended up stranded on a full stop, it is only right to leave a legislative reminder in this Bill that this Bill represents an unfinished job.

The deal that was done in 1999, "binding in honour", as my noble friend Lord Howard of Lympne reminded us in the previous group, left a small number of hereditary Peers behind so that they could speak up here in your Lordships' House and serve as a living reminder that the Government had not fulfilled their manifesto promises, as the noble Earl, Lord Erroll, pointed out in his contribution. Now, another Labour Government want to rid themselves of that inconvenient reminder and repeat the same trick.

The noble Baroness told us at Second Reading:

"To continue to assert that wider reforms must be implemented alongside this Bill is a wilful misinterpretation of the manifesto".— [*Official Report*, 11/12/24; col. 1722.]

She undoubtedly understands better than most of us what the Labour Party really meant by the words and the punctuation it put in its manifesto, but those who

are interested in its other commitments to introduce a mandatory retirement age, to introduce a new participation requirement, to reform the appointments process and to seek to improve the national and regional balance of the second Chamber do not want to see those plans scuppered by punctuation and inaction once again.

I have to say to the noble Lord, Lord Grocott, that this is the reason why there are so many amendments down to the Bill: because it is entirely silent on all those other promises, not just on the detail of them but the timing of when we might expect them. If we had had a White Paper, a draft Bill or even the consultations that the Labour manifesto promised, we would be able to talk about them, rather than have to try to bring them to the debate now.

Lord Swire (Con): For clarification, the Government pray in aid their manifesto and talk about the grammar of where the full stop falls, but it is worth looking at their latest manifesto. In the same paragraph, where they talks about immediate modernisation and legislation to remove the right of hereditary Peers, they go on to say:

"At the end of the Parliament in which a member reaches 80 years of age, they will be required to retire from the House of Lords".

It is not an add-on; it is the same paragraph.

Lord Parkinson of Whitley Bay (Con): It is indeed. Whether the grammar matters or not, these are clearly linked, and as for those colleagues we are going to lose through this Bill, who were kept here as surety, as a reminder, to make sure that the deal was followed through, surely we owe it to them to answer the question, before they are ushered out of your Lordships' House, of whether the Government intend to fulfil the rest of their manifesto and what their plans for the future of this House are. If we cannot have that dignified and eloquent reminder through the presence of our hereditary colleagues, let us write very clearly in this Bill, in words and punctuation that should act as a perpetual reminder, that the Government are once again giving us a half-baked reform.

The limbo in which it leaves your Lordships' House is unquestionably worse than the status quo. This Bill removes 88 hard-working Members, drawn from all corners of the House but predominantly from outwith the Government's own Benches, and places the sole power to replace them and to appoint the temporal Members of this House in the hands of the Prime Minister. It gives him an unlimited power with no statutory limitations—not even modest guidance of the sort that noble Lords such as the noble Lord, Lord Burns, and others suggested would be helpful when we discussed this at Second Reading.

In this group and later, I hope the noble Baroness will be able to address the questions that are left unanswered through this Bill. Would she be open to an annual cap on the number of nominations that the Prime Minister can make? What does she think of a formula such as that proposed by the noble Lords, Lord Fowler and Lord Burns, in the Lord Speaker's committee? I was very grateful for her generous words about my former boss, my noble friend Lady May,

[LORD PARKINSON OF WHITLEY BAY] who adhered roughly to a two-out, one-in process—I crunched the numbers—as proposed by the Lord Speaker’s committee, but subsequent Prime Ministers have not, not least the present Prime Minister, whom this Bill will make even more powerful.

In 2022, Sir Keir Starmer endorsed proposals from former Labour Prime Minister Gordon Brown to transfer power from Westminster to the British people. He said:

“I think the House of Lords is indefensible”,

and said he wanted to abolish the House of Lords and replace it with an elected chamber with a really strong mission. That reformist zeal is not fully reflected in the Bill before us. The Prime Minister in fact has appointed a more Peers in his first 200 days than three Prime Ministers—my noble friend Lady May of Maidenhead, Boris Johnson and Rishi Sunak—put together. He has appointed more even than Sir Tony Blair, who was not known for his restraint when handing out ermine robes. He has already appointed more Labour Peers than the number of Cross-Benchers that this Bill will purge from your Lordships’ House.

And the people he has put forward, although we welcome them all to this House and do not denigrate the role that they will play, are drawn from a rather narrow cadre. Instead of the knowledge of nuclear engineering held by the noble Lord, Lord Ravensdale, or the professional experience of the noble Earl, Lord Lytton, as a chartered surveyor, or the passionate campaigning for our creative industries that I see from the noble Earl, Lord Clancarty, the noble Viscount, Lord Colville of Culross, and the noble Lords, Lord Aberdare and Lord Freyberg, we have, since the start of this Parliament—

Baroness Hayter of Kentish Town (Lab): It would be useful to know how this actually relates to the wording of the amendment.

Lord Parkinson of Whitley Bay (Con): I think very directly, because this is an amendment to remind your Lordships’ House and future Governments that the Bill gives Prime Ministers greater power than ever before to nominate people to this House, and the present Prime Minister, whom this will empower and embolden, has sent us, since he became Prime Minister, 18 former Labour MPs, his former chief of staff and his director of strategy. He is entitled to do that, and it is no insult to any of them or to the contribution that I know they will make to your Lordships’ House to point out that they are unlikely to give the same breadth of independent scrutiny to legislation as the Cross-Bench Peers whom they outnumber.

Baroness Hayter of Kentish Town (Lab): I promised my Leader I would stop this, but of course the speaker’s own background is exactly the one that he is now criticising others for. He also has forgotten the people that Boris Johnson put in. So could we just have a little humility?

Lord Parkinson of Whitley Bay (Con): I draw the noble Baroness’s attention to my own amendment, which I hope has been brought forward in a spirit of humility, suggesting that there be a cap on the number of special advisers that Prime Ministers can nominate.

The reason I have tabled that amendment, and the one which I see did not find favour from my noble friend Lord Forsyth of Drumlean about former Members of Parliament, is that I worry that a Bill that empowers Prime Ministers to make the sole decision about who scrutinises them and the Government they lead in one of our Houses of Parliament ought not to give such an open-ended power to them.

Lord Cromwell (CB): My Lords, we started the debate today with a conciliatory and constructive tone from the Front Benches, which I found optimistic and encouraging. I fear that things have gone pretty steeply downhill since that time, and they have also gone way off track from the amendments under discussion. I have Amendment 63: I am beginning to wonder whether I will live long enough to ever reach it.

For all the shadow-boxing and enjoyable eloquence that we have had, this really seems to come down to a numbers question. That is the real horse-trading that is needed here. It is a number between 0 and 88, and I really wish we could lock the noble Baroness the Leader of the House, the Front-Bench leaders and our Convenor in a room, adjourn for the afternoon and see whether they can hammer out that number. If they could, I suspect that a lot of these amendments would fall away. If they could not, battle could recommence.

Lord Parkinson of Whitley Bay (Con): I respectfully disagree with the noble Lord. I think this is about more than numbers; it is about a constitutional principle. It is right, as my noble friend Lord Caithness has done, to point out the powers that the Bill will give to the Prime Minister in the interim, and for those of us who remember how long the interim was after the 1999 reforms to caution the House about accepting a promise that ends with a full stop and says no more. However, what the noble Lord says about the spirit of consensus is important and, in that spirit, I shall conclude my remarks there and allow the noble Baroness to respond to the debate.

Baroness Smith of Basildon (Lab): My Lords, I am grateful to the noble Earl for proposing his amendment. I will come back to the comments made in the debate, but basically the noble Earl seeks to put an overview of the Bill in the Bill. I make the same comment that I made to the noble Lord, Lord True: I am happy to provide that overview.

There will probably be some repetition in what I say about this amendment and the previous one, a point made by the noble Lord, Lord Wallace. Yes, the Bill seeks to remove the right of hereditary Peers to sit and vote in the House of Lords. That is why we feel that the amendment is unnecessary, because that is quite clear.

I dispute the noble Earl’s overview, which does not fairly reflect the situation; nor do I accept the comments made on this by the noble Lord, Lord Parkinson. The noble Earl and the noble Lord are right that for the Lords temporal, appointed under the Life Peerages Act 1958, it is for the Prime Minister, as the King’s principal adviser, to make recommendations to the sovereign on life Peers. However, by convention, the

Prime Minister invites those nominations from other parties—although perhaps we saw fewer from some Prime Ministers on the other side than we had done in previous years—and it is party leaders who consider who is best placed to represent their party in the House of Lords, and choose who to nominate.

If we are looking at Prime Ministers' appointments, my noble friend Lord Collins and I were both appointed by the noble Lord, Lord Cameron, because he happened to be Prime Minister at the time. My noble friend Lady Anderson was appointed by Liz Truss, who was a fairly short-lived Prime Minister but still had time to appoint my noble friend. So I do not accept the idea that the Prime Minister of the day has this absolute power that they channel by funnelling hundreds of their own appointments into the House.

In terms of numbers, I remind noble Lords that when the Labour Party left office in 2010, we had, I think, 12 more Peers than the party opposite. When the party opposite left office in 2024, there were over 100 more Conservative Peers than Labour ones. In that respect, the point made by the noble Earl has some merit: although most Prime Ministers have behaved and treated the system with the dignity and honour that it deserves, that cannot be said for all of them.

The Prime Minister also invites the House of Lords Appointments Commission to make nominations to the Cross Benches. The noble and learned Baroness, Lady Butler-Sloss, made the point that just over 20% are Cross-Benchers, and she is right; I think it is slightly more at the moment, 23% or so. I have always said I think that is a fair figure, and that would not change. The commission then accepts those applications from across the UK and nominates individuals that it believes bring depth and merit to the House of Lords.

I take issue with some of the comments made by the noble Lord, Lord Parkinson, I think, about the background of Members and who should come into the House. It is not just about what people have done in the past; it is what they are prepared to do when they are here that really matters. We all want those noble Lords who are appointed to this place to play a full and proper role.

5.45 pm

The noble Lord's comments appeared to make the point that hereditary Peers contribute far more and better than life Peers. I have never, in anything I have said—and I challenge noble Lords who have said otherwise—denigrated any noble Lord in this House, by whichever route they have come to this House. However, if we are trying to make a case, as some have done, that somehow it is a better route because they are more independent and more active, the average time of speaking contributions, in days, by Peer type are as follows: life Peers 70, hereditary Peers 48. As a proportion of days attended, the figures are: life Peers 18%, hereditary Peers 14%, judicial 14%. Those figures are for the 2019-24 Parliament. So there is really little difference; it is not much to crow about, and it is probably disingenuous to stress it.

There are many hard-working hereditary Peers. There are also those who we do not see very often, although we might be seeing them a bit more at the moment,

but my point is that there is not a great deal of difference. There is a marginal difference in speaking days. I have not looked at the voting record, so perhaps I should look at that as well. Life Peers ask more Questions than hereditary Peers. So there are different ways that we can look at this. The point is that I am not going to accept that life Peers are not as good as their colleagues or playing as active a role, or that without the hereditary Peers the House could not continue its work. I do not think that is the case. I am not going to denigrate the work of any Peer whatever the route by which they came.

There are a number of amendments about appointments to the House but I do not want to go into all of them now; we will deal with them as we go forward. However, there is no need for this amendment, and it is not entirely accurate, as others have pointed out.

I turn to other points that were made in the debate. There is a point that the noble Lord, Lord Strathclyde, who I am sure we will hear from further during the passage of the Bill, has not addressed in his contributions: every Member of this House has somehow come here by appointment. In the case of hereditary Peers, it may have been an ancestor of theirs and it may have been many generations ago, but all peerages started with appointments. The current system of by-elections means that there is a very small number of families across the country who have a fast-tracked route to a small number of seats, and the noble Earl would be wise to recognise that.

The noble Earl is also at odds with some of the other comments from his party. The noble Lord, Lord True, was talking about a deal basically to convert hereditary Peers into life Peers, if I have understood correctly, so we would not have the by-elections. Others in the House are now convinced—after years of trying—by my noble friend Lord Grocott's proposal that the by-elections should stop, and indeed we have paused them, but the noble Earl's proposal does nothing at all to address that. His proposal is at odds with what those Members are saying. They accept that the appropriate and proper route is through the Prime Minister from political parties, with Cross-Benchers being different, as we have heard. The noble Earl makes a statement of fact, but it is an incorrect fact.

The noble Lord, Lord Parkinson, challenged me on a number of issues about appointments and what happens next. I have been really clear on this, as is the manifesto. There are three stages in the manifesto—I do not know how many times I am going to have to say this during the passage of the Bill—and the first is the immediate reform, which I would have thought was the non-controversial part. A quarter of a century ago, the principle was established that hereditary Peers would leave the House. A deal was done at the time for some to remain in perpetuity for by-elections, but the principle was established, and the Bill completes that part of the reform. That is why there are no Green Papers, White Papers or further consultation on this; it has been debated for many years.

Lord Hamilton of Epsom (Con): Does the noble Baroness the Leader of the House accept the arguments from the noble Lord, Lord Grocott, that if his Bill had

[LORD HAMILTON OF EPSOM]
 been passed we would now be left with 25 hereditaries? That would be a decent number and you would not need to get rid of them. Can I get it from there that the noble Baroness would actually agree to 25 life peerages?

Baroness Smith of Basildon (Lab): I do not always admire the noble Lord's ingenuity, but I do on this occasion. I think the point the noble Lord was making was that had that been accepted at the time, we would not have any hereditary Peers, in effect, because all would be here as life Peers. I do not know whether the numbers that would have remained was an accurate figure; it was a sort of a guesstimate.

That was the first stage. On the second part, I am grateful to noble Lords around the House who have engaged with me on this issue already. I have a number of thoughts on how it might be achieved, going forward, and there are some helpful amendments in the course of the Bill. It would be nice, would it not, to find a way that gained some kind of consensus around the issues that others mentioned, such as participation and the retirement age? If there was consensus around the House prior to legislation, it would be a helpful way forward, so I am grateful to those who have engaged with that and come forward with suggestions already.

Then there is a longer-term proposal, which is also in the manifesto. It says that in the longer term to look for a way to have a "more representative"—and I think it says an alternative—second Chamber. It was quite clear that there are those three stages.

Lord Parkinson of Whitley Bay (Con): Is that "longer term" during this Parliament?

Baroness Smith of Basildon (Lab): I do not know. It has to be when the policy is determined but I would certainly have thought that the second part of it, around participation and retirement, is something that we can look at quickly. If the House came to an agreement, it could be done quickly as well.

I turn to the point made by the noble Lord, Lord Strathclyde, about the grouping of amendments, as the noble Lord, Lord Wallace, raised this. The normal process is that the Government suggest groupings, as we did. In this case, the Opposition said they had their own groupings. They cannot speak for anyone else around the House but had their own groupings. I think there were originally around 18 government groups. The Official Opposition did not accept that and wanted—I think, the latest is—about 46 groups of amendments. The Government have accepted that, because we accept it if Members wish to degroup and have more groups.

My point was—as I think the noble Lord, Lord Wallace, has understood correctly—that a number of themes run through this legislation and if it is possible to debate those in groups, it is easier. At the moment, we have six groups of amendments on the commencement of the Bill. If it is what the House wishes, I would not deny it the opportunity to have those debates, but that seems to be quite a lot. I think three of those groups are single amendments but if that is how the House wishes to debate it, it is open to the House to do so. The Government did not deny the Official Opposition the right to have as many groups

they wanted. I have to admit to being a bit surprised at how many there were, given the themes that run through the Bill, but we will see if that was helpful or not going forward.

The noble Lord, Lord Cromwell, wants to lock me in a room with the noble Lord, Lord True—

Lord True (Con): That is not fair to the Leader.

Baroness Smith of Basildon (Lab): The noble Lord is resisting that temptation but I say to him, as I say to all noble Lords, that I have always been open to discussions. But I need assurances, so when we see degroupings, filibustering and threats on different things, that does not give the confidence that allows me to have those kinds of discussions. To have them, I need some confidence that the Opposition want to do this in a proper way.

The Earl of Caithness (Con): My Lords, I am grateful to the noble Baroness the Leader of the House for her reply. We have some useful additional information from her. However, I would take issue with her, just as she took issue with anybody who tried to misrepresent her in the debate. I did not in any way imply that the hereditaries were better than the life Peers or the life Peers better than the hereditaries. The purport of my amendment was solely that once you get rid of the hereditaries, there is increased power to the Prime Minister on appointments and nominations to this House, because the element of the hereditaries has gone.

Baroness Smith of Basildon (Lab): I do not accept that at all. There is no change whatever in the powers of the Prime Minister at that point. I have explained the process. I think the noble Earl is saying that it is not everybody in the House. Currently 88 Members are here because of their ancestors being here, on the hereditary basis. The Prime Minister cannot appoint those now and there will not be those places in the future, but it does not increase his actual power at all.

The Earl of Caithness (Con): As a result of this Bill, there will be a greater percentage of the House appointed by the Prime Minister than now.

Baroness Smith of Basildon (Lab): My Lords—

The Earl of Caithness (Con): Can I just finish? My point was that this could be abused. If I recall rightly the noble Baroness said, and I agree with her, that most Prime Ministers have behaved very responsibly, but on some occasions it has not been quite as we would have hoped. I am grateful for her support on that.

I am grateful for what the noble and learned Baroness, Lady Butler-Sloss, did. As she will have noted, the amendment is carefully drafted to say nominations—nominated by the Prime Minister—rather than appointments. I focused on appointments rather than nominations, but I think I covered the point that she raised.

The memory of the noble Lord, Lord Grocott, seems to have failed him a little, I fear. He said in response to my noble friend Lord Strathclyde that he had wanted to get on with his Bill and was in a hurry

to proceed. That is slightly contradicted by the fact that a few minutes earlier he had taken the House to a Division and appointed Tellers for both the Contents and Not Contents, after the amendment had been withdrawn, and wasted a considerable amount of the House's time. I think his memory is not quite as good as it used to be.

I am grateful to all those who took part in this debate and beg leave to withdraw my amendment.

Amendment 2 withdrawn.

Clause 1: Exclusion of remaining hereditary peers

Amendment 3

Moved by The Earl of Devon

3: Clause 1, page 1, line 1, at end insert—

“(A1) In section 1 of the House of Lords Act 1999 (exclusion of hereditary peers), at end insert “, except for a child or grandchild of the Sovereign”.”

Member's explanatory statement

This probing amendment invites the House to consider the role of the hereditary principle within Parliament and our constitution in the context of membership of the House of Lords.

The Earl of Devon (CB): My Lords, it is a pleasure to speak to Amendment 3 in my name. It is a probing amendment aimed at focusing upon the hereditary principle in general, and its ongoing role within our constitution and this Parliament in the context of the sovereign in particular.

The Labour Party manifesto asserted that the hereditary presence within Parliament is “indefensible”. The Government also state that in the 21st century, there should be no places in our Parliament reserved for those from certain families. Likewise, the Liberal Democrats state that there should be no space in a modern democracy for hereditary privilege. I respectfully disagree but, having listened to earlier contributions, I am aware that it is a rather lonely furrow that I plough.

For the purposes of this debate and for the entirety of this Committee, I should note my interest as an elected hereditary. I am the 38th Earl of Devon, albeit merely the 19th of the fifth creation. It is a feudal role that my family has had the privilege of undertaking for some nearly 900 years, barring various attainders, executions and abeyances. On the basis of tenure and length of service, the hereditary principle is entirely defensible. It is a key part of what got us here and a bright thread which colours our rich constitutional tapestry. Rather than replead ancient history on this point, I refer your Lordships to my contributions at Second Reading and my speech in defence of the indefensible when we debated Lords reform back in November.

However, the hereditary principle is particularly defensible on the basis that it is the principle by which we select our sovereign head of state, whose presence in this Parliament is symbolised by the Mace, to which we all bow, and around whose seat, the Throne, we are all arrayed. The concern that I wish to raise by proposing

this amendment is that without an hereditary presence in your Lordships' House, the sovereign, who was once a first among equals, will be isolated as the sole hereditary presence within our constitutional system and thus increasingly vulnerable to republican attack.

6 pm

Once the hereditary Peers, who have literally defended our sovereign for centuries, are removed from your Lordships' House, who will stand up for the ongoing role of our monarch? If intellectually we agree that there is no place for hereditary privilege in a modern democracy, then we must surely become a republic and elect our Head of State just like the United States of America does.

To that point, and in case we need any reminder of the importance of this principle to our global standing and our international soft power in particular, last week we saw the Prime Minister, Sir Keir Starmer, visit the Oval Office, bending his knee to the leader of the free world in a brave effort to secure support for the war in Ukraine among other things.

Lord Brennan of Canton (Lab): I too come from a long line of parents. My parents were the ones who were actually ploughing the lonely furrows that he referred to—probably on his ancestors' lands. If he asks who will stand up for the monarch, I will, and my colleagues will. We all swore an oath to do so in this House.

The Earl of Devon (CB): I thank the noble Lord for his intervention. That is the point of this amendment, and I am very pleased to hear it. I look forward to the Front Benches from each of our parties repeating exactly the same point.

As I said, Sir Keir Starmer was bending his knee to the leader of the free world. In that rarefied context, he offered the President of the United States just about the only thing that Donald Trump and his billionaire acolytes cannot purchase: an invitation from His Majesty to a state visit at Windsor Castle. Whatever one may think of the complex geopolitics that surrounded that visit and the remarkable events that have followed, it is readily apparent that the hereditary principle, as embodied by our sovereign Head of State—it is exactly the same hereditary principle by which I find myself here in your Lordships' House—is of considerable ongoing importance. We weaken and abandon that at our peril.

The observant among your Lordships may note that the language of my proposed Amendment 3 does not explicitly address the hereditary principle as applied to our sovereign himself. This is because such an amendment would fall foul of the scope and relevance principles. Therefore, I express my huge thanks to the team of the Public Bill Office, who worked so patiently with me to craft an amendment that is admissible, if slightly idiosyncratic; it at least provides a hook upon which to hang this important debate. I am sure that His Royal Highness the Prince of Wales, the Duke of Sussex and their children would appreciate the opportunity to debate the minutiae of product safety and metrology until the wee small hours with your Lordships' company.

Viscount Hailsham (Con): I do trust that the noble Earl is not suggesting that members of the Royal Family should participate in debates. That would be wholly disastrous.

The Earl of Devon (CB): If the noble Viscount listens to my next paragraph, I will clarify that point.

I should also note, for the record, that we have a recent precedent for a grandchild of a sovereign seeking to join your Lordships' House as an elected hereditary. In 2018, when I stood for a Cross-Bench vacancy upon the retirement of Earl Baldwin, one of the other 19 hereditary Peers to stand against me was the second Earl of Snowdon, previously Viscount Linley, who is a grandson of His late Majesty King George VI. I believe he withdrew his candidacy before the voting took place—obviously cowed by the strength of the other candidates. The publicly proffered reasoning for his withdrawal was that, as a member of the Royal Family, he should not sit in Parliament by convention—a reason which may indeed render my amendment dead in the water.

This aside reminds us that the only Members of your Lordships' House that have any democratic legitimacy whatsoever happen to be the hereditary Peers. While we may be tainted by our hereditary privilege, we have at least vanquished multiple highly qualified competitors in transparent elections to obtain our seats. Indeed, I think we fulfil the second sentence in Labour's 1997 manifesto, highlighted by the noble Lord, Lord Parkinson, by increasing the democratic legitimacy of this House. It is, I submit, a pity that we cannot fill other seats in your Lordships' House by equivalent means.

I look forward to the debate on this topic. I am particularly interested to hear the views of the Front Benches of each of the main political parties, including the Minister, as this offers an opportunity for them all to clarify for posterity exactly how they view the role of the hereditary principle in the context of our monarch and how they expect to protect and support His Majesty the King in this House once we hereditary Peers have left the building.

In parting, I note that in earlier debates on this Bill, both the Government and the Liberal Democrats have pointed to the King's legitimacy being based not upon the hereditary principle but upon his popularity and how well he does his job. This is transparently not the case. The monarch is not a competitor in a reality television show; he is our sovereign Head of State. He is born to his position and anointed, for those with Anglican faith, by God by the Archbishop of Canterbury. We all watched the Coronation, and I hope that is a fact we can all agree to. I beg to move.

Baroness Meyer (Con): My Lords, I will speak in support of the amendment from the noble Earl, Lord Devon. This Bill is about not just the future of hereditary Peers but the stability of our entire constitutional order. Hereditary Peers are not relics of feudal privilege, as the Government claim; they are a vital link between our past, present and future. Remove them and we take another step towards dismantling the traditions that have kept this country stable for centuries.

Make no mistakes: this Bill disregards our history, weakens the House of Lords and ultimately paves the way for abolishing the monarchy itself. If hereditary Peers are obsolete, how long before the same argument is made against the Crown? For generations, hereditary Peers have served the Crown, upholding duty, service and continuity. Strip them away and the Lords becomes a Chamber of political appointees. Once it loses its independence, the monarchy loses its natural defenders.

Britain has never been a nation of radical upheaval. We have adapted, not abolished; we have evolved, not revolted. That careful, deliberate reform has kept our constitutions intact. Contrast and compare this with Russia and France, the two nations of my heritage. Both believed that radical change would bring stability, but instead they have suffered instability and disorder. In Russia's case, it led to a regime even more oppressive than the one it had overthrown, including my grandparents. Why would we throw the baby out with the bath-water?

This Bill is ill-judged: it overturns the 1999 constitutional settlement; it ignores consensus; and it disrupts the balance that has protected us from political chaos. The path from abolishing hereditary Peers to dismantling the monarchy may not happen overnight, but it will set a precedent. Let us be clear: those who cheer the removal of hereditary Peers today will be the same voices calling for the end of the monarchy tomorrow. This Government reassure us that they support the monarchy, but how can we trust them? If they can remove hereditary Peers today, what stops them targeting the monarchy tomorrow?

History teaches us that, once safeguards are eroded, they are rarely restored. The monarchy is not just a symbol of our national unity but a powerhouse of soft diplomacy and economic strength. It generates billions for the UK. What greater demonstration of its soft power than the Prime Minister presenting the King's invitation to President Trump—a move that could actually place Britain apart from the European Union in negotiations over tariffs, despite Brexit.

This is not outdated tradition; it is a vital asset for our future. We must stand firm against this misguided attack on the traditions that define our nation. That is why this amendment is crucial. It will protect the delicate balance of our constitution and safeguard the stability, continuity and integrity of our institution. That is why I support this amendment.

Lord Moore of Etchingham (Non-Aff): My Lords, I rise to support the amendment tabled by the noble Earl, Lord Devon, which is very creative and imaginative. For anybody who thinks this is beside the point, I certainly would not want to press the issue too hard—it is somewhat absurd to suggest that the removal of 92 hereditaries will turn the British constitution completely upside down—but the point is important.

It is said by those who call for the abolition of the remaining hereditaries that the hereditary principle is indefensible. That is often said, and then not really argued—it is simply stated. If it is indefensible, that must apply to other aspects of the hereditary principle, of which the monarchy is the most prominent. One point I would make to the noble Viscount, Lord Hailsham,

is that he is, in fact, mistaken. The present King did make a speech in the House of Lords, when he was Prince of Wales: he made his maiden speech here and was entirely entitled to do so. I remember no parliamentary crisis arising from it.

I agree with the noble Lord, Lord Wallace of Saltaire, that this must be quite annoying because there are so many things flying around; could it not all be grouped? This is the problem with the Bill: it raises a very big issue and then tries to make it very narrow. Masses of issues come out of this which we need to think about, and heredity is one of them.

Heredity is a very important principle in life. It is for our monarchy, which is much respected around the world and here, for all the reasons the noble Earl, Lord Devon, said. It is also very largely the principle on which our citizenship and all families are based. What are families other than hereditary? It answers a very important aspect of people's way of thinking about things. It may well be appropriate in modern times to remove that from a parliamentary chamber, and that is what is very likely to happen. But we need to understand that this may reflect badly upon us if we get it wrong; that it may expose this House to lots of questioning about what we really are and whether we deserve to be here; and that it may make people feel that our history and our understanding of ourselves is diminished.

Last week I was in Ukraine. I was taken out to Zaporizhzhia, right by the front, by a very nice Ukrainian driver who had previously been a rock star, or at least in a rock band, but harder times had come upon him—as they often do with rock stars. As we parted, he said, “I am so pleased. First time I ever meet real Lord”. I felt very ashamed because I am not a real Lord: I am a Boris creation. I said that to him, but that only made me rise in his estimation, because in Ukraine, Boris is an immensely popular figure. It is interesting that over there in that snowbound, war-torn place, the idea of a Lord means something to an ordinary person. It is a universal idea, and it is an idea which is essentially British and retains a certain importance. All that can be done away with, and it probably will be in legislative terms, but let us think about the way this is being done and be cautious.

Andrew Marvell, the great poet—who was a Parliamentarian, by the way, not a Cavalier—wrote a famous poem about Oliver Cromwell's return from Ireland. He warned Cromwell about the danger of ruining what he called

“the great work of time”.

That is something we need to think about. This Bill is Cromwellian, and therefore is dangerous.

Viscount Thurso (LD): My Lords, I have bitten my tongue for the first two or three groups our Committee has considered, but I feel obliged to make a quick comment on the amendment tabled by the noble Earl, Lord Devon—and also because my *gluteus maximus* has gone to sleep.

We have a constitution, which is the Crown in Parliament. The Crown, based on heredity, works extremely well. Parliamentary democracy, based on heredity, works extremely badly, and I can make the difference between the two. We need a second chamber

that is either selected or elected—my preference is elected—and I will stand with the noble Lord, Lord Brennan, in defence of our King.

Lord Northbrook (Con): My Lords, I rise briefly to say that, as the royal representatives and great offices of state—the Lord Great Chamberlain and the Earl Marshall—are being removed from the House, is it reasonable not to sever the Royal Family's link entirely with the Floor of the House? I might draw the line at the Duke of York or the Duke of Sussex, but I could tolerate some others.

The Earl of Erroll (CB): I think the noble Lord is speaking to the amendment in the next group. While I am on my feet, I will say very quickly, because this has made me think of it, that if the King does get removed, we will end up with something very close to the constitution of the People's Republic of China.

6.15 pm

Lord Grocott (Lab): My Lords, I will just make a couple of points. First, we are not abolishing hereditary Peers; we are abolishing the right of hereditary Peers to sit and vote in the House of Lords. Secondly, 26 years ago we removed 667 hereditary Peers and as far as I can judge, that has not had a devastating impact on the monarchy; in fact, the monarchy seems to have survived quite well. Thirdly, the fundamental difference between the hereditary principle as applied to sitting and voting here, and the hereditary principle as applied to the monarchy—like my noble friend Lord Brennan, I support the constitutional monarchy very strongly—is that if the monarch started to do what hereditary Peers in this House do, which is to express, as they are quite within their rights to do, detailed arguments in favour of one political party or another, I do not think the monarchy would last very long. There is a fundamental difference between the political role of hereditaries in this House, and the wholly significant and important non-political, head-of-state role of the monarchy at a national level.

Lord Swire (Con): With that in mind, I invite the noble Lord to have a word with those who drafted the Labour manifesto, which says, as a standalone sentence: “Hereditary peers remain indefensible”.

Lord Newby (LD): My Lords, I associate myself with the comments of both the noble Lord, Lord Brennan, and my noble friend Lord Thurso. There is not, and never has been, the sort of link between the hereditary Peers and the monarch that I suspect the noble Earl, Lord Devon, was suggesting. We have one period of worked examples of this, and I am afraid it was a little while ago. In 1649, when Charles I was condemned, he was condemned not just by Members of the House of Commons but by hereditary Members of the House of Lords.

A decade later, there was a House of Lords, but it was not called the House of Lords. It was called the Other Place—capital “O”, capital “P”—because the Parliamentarians, led by Oliver Cromwell, recognised the need for a revising chamber but did not like the concept of heredity. Therefore, Oliver Cromwell appointed

[LORD NEWBY]

a House of Lords. That House of Lords did not last very long, and the hereditary principle came back with Charles II. So it was not the case that a hereditary House of Lords meant that we were done with monarchy for ever. The two were just different things, and different considerations applied.

The lesson of Charles I—which is still relevant—is that, at the end of the day, Kings and Queens in this country rule by the consent of the people. If they go outwith the conventions, they will find themselves in difficulties again. With the current King and Prince of Wales, this seems an impossibly unlikely scenario, but it is still a theoretical possibility.

Lord True (Con): My Lords, I say to the noble Lord, Lord Newby, that I seem to remember that in the House of Lords which, to its shame, agreed to the execution of the King, there were only about six Peers who still sat, because of the exigencies of the Civil War and purges afterward, only two of whom, to their lasting shame, actually watched the execution of their King. A few days later, the House of Lords was abolished by the House of Commons as a “useless” place. The other irony was that, when Cromwell produced his own equivalent of the House of Lords, there were only about 30 people in it, of which a high percentage were relatives either of Cromwell or of his leading marshals. These things can take you down many funny roads. It was in fact the House of Lords that reassembled in 1660 that recalled the House of Commons into being—a very significant constitutional moment.

Before I go on, I will respond to the comments made about groupings. Of course we should proceed in an orderly fashion; the difficulty, as the noble Lord, Lord Moore of Etchingham, said, is that so much is left out of the Bill which is germane to the future that we have to discuss a range of subjects, and I defend our right to do so. I would not personally have put down this amendment on the Royal Family, but since it is down it is clearly a subject that has to be addressed and should be addressed separately.

The noble Baroness referred to a group of amendments on commencement, but the amendments are very different: one proposes a referendum, which I would not support; one wants to move the date earlier and get rid of hereditary Peers very swiftly; another is a delaying amendment; one calls for a review before the thing is taken forward; and another says that there should be no enactment until after stage 2 proposals have been produced. These may lock around commencement, because of the short nature of the Bill, but the idea of having a referendum on the removal of 90 hereditary Peers, is, frankly, with all due respect to my noble friend, nonsensical. To spend tens of millions of pounds on a referendum on whether hereditary Peers should leave the House of Lords is not a case I would argue on “Newsnight”, to put it that way.

These are very different subjects, so we should be careful not to run away. Peers have great freedom in this House to group and degroup. I accept that I asked for my first amendment to be stand-alone; that was because, as Leader of the Opposition and former Leader of the House, I wanted to say something that I hoped the Committee would listen to, heed and

reflect upon, and I did not want that to be complicated with other discussions. I apologise if that tried the patience of the Committee, but I did ask for that amendment to be taken separately.

On the amendment, I appreciate the concerns raised by many noble Lords, starting with the noble Earl. I do not think his concerns needed to be laughed at—they are concerns that some people legitimately have. Equally, I totally agree with what the noble Lord, Lord Brennan, said. The great Labour Party has always been a patriotic party and the overwhelming number of members of the Labour Party, like the overwhelming number of members of my party, are strong supporters of the monarchy, although there are republican Conservatives and republican Labour Party members. The only thing I would wish to see happen, which I fear is not that likely—I hope it could still be accomplished, and I have great hope that we will be able to carry it forward—is that, in the years to come, the noble Lord, Lord Brennan, and the noble Earl are still here, arguing the case together, for the retention of the monarchy.

The last thing I would want is for the monarchy ever to be brought into the situation that your Lordships’ House is now in, where the hereditary principle is overtly rejected, but the reasons and reasoning, as the noble Lord, Lord Grocott, said, are very different. I do not intend to argue that the removal of hereditary Peers from your Lordships’ House would have that effect on the monarchy. With all due respect to my noble friend Lady Meyer, I understand absolutely what she said about the appalling consequences for the people of France and of Russia when they thought that removing the monarchy would lead somewhere, but we are not there. I do not believe that there is a connection between the hereditary principle in this place and the hereditary principle of the monarchy.

However, as the amendment of the noble Earl, Lord Devon, shows, debate around his concern about the decision to expel hereditary Peers from the House of Lords, and what that might say about the hereditary principle, is one of several things that will always prompt debate and reflection about the importance of inheritance in wider society.

The noble Lord, Lord Moore of Etchingham, said that every family is inheritance. The instinct that families should be able to pass on what they have to the next generation is deeply imbued in our society—it is one of its absolutes, the root and the bedrock. One has to look only at the sympathy of so many people for the plight of family farms and family businesses: many people are responding to that, not because of particular views about farmers but because they feel it is unfair that a family cannot pass on its farm to the next generation because of levies on inheritance.

Noble Lords may think that I never have any leisure time, but occasionally I watch that charming BBC programme, “The Repair Shop”. I do not know whether anybody ever looks at that, but you can imagine me sitting sometimes watching it over my Marmite sandwich. Week after week, that programme throws up example after moving example of the natural instinct of ordinary people to preserve what their forebears left them and pass that on to their children and grandchildren, often

amid tears and the deepest emotions. The hereditary principle is one of the most basic and honourable instincts of mankind and we should cherish it.

This is the instinct that I recognise gives birth to the sense of duty and responsibility displayed by the noble Earl in his speech, as it does for members of the Royal Family. I think everyone in the Committee agrees with those who have spoken that it is vital that we keep our Head of State hereditary and outside politics. Our monarchy provides a sense of continuity and stability that is unparalleled in any other form of governance. The English monarchy has endured for well over 1,100 years, long before Parliament, and the Scottish monarchy for close to 1,200 years, weathering countless political storms and societal changes as it evolved into our constitutional monarchy. In times of upheaval, the monarchy is there as a stay—a constant, unchanging presence that transcends transient party politics.

Further, the hereditary nature of the monarchy insulates the Head of State from the partisan struggles of politics that characterise a democratic system. It allows our monarch to represent our whole nation, or set of nations, serving as a unifying figure and bridging the divides that often stress our society, and indeed our counsels in your Lordships' House. It plays a crucial role in preserving our cultural heritage and national identity, steeped in tradition. We here play our own part in the pomp and ceremony around monarchy. The noble Baroness opposite and I have both held the Cap of Maintenance—which is heavier than you might think—at the State Opening. Through this sense of ceremony and by maintaining these traditions, the monarchy helps to preserve Britain's unique character, ensuring that our cultural heritage is passed down the generations.

I can say to the noble Earl that we absolutely believe in a hereditary monarchy. I know that the noble Baroness, when she speaks, will say the same thing from the point of view of the Labour Party. It serves as a powerful symbol of continuity and resilience on the global stage.

I was amused when the noble Lord, Lord Moore of Etchingham, referred to the maiden speech of His Majesty the King, then the Prince of Wales. I cannot claim to have been here, but there was a kerfuffle about it at the time and a great deal of excitement. Over 50 years ago, he made a delightful maiden speech on the subject of recreation and the importance of sport. I point out to noble Lords that his maiden speech lasted about 14 minutes. Whether that would go down well these days, I do not know.

One thing that he referred to in making his maiden speech was an occasion nearly 150 years earlier, I think it was in 1829, when three Royal Dukes—Clarence, Sussex and Cumberland—who were brothers, had, as His Majesty then put it in his speech,

“got up one after the other and attacked each other so vehemently and used such bad language that the House was shocked into silence”.

You could never imagine such a thing happening these days.

6.30 pm

The response from the second Lord Shepherd, a fondly remembered Labour hereditary Peer, who many of us here will remember and who was then the Leader of the House, was equally delightful. He said:

“I do not recall a speech of such character and so beautifully delivered. I suspect that one will have to wait very many years before hearing another of its kind”.—[*Official Report*, 13/6/1974; cols. 624-30.]

Of course, we will never hear another of its kind. The noble Earl is perhaps right to say that it is poignant that we may never again hear such a speech, but those days are gone.

When attacking the hereditary principle, I do not conceive that anybody is directly attacking the monarchy. We must never forget the incomparable role that our monarchy fills for our nation, and it is precisely because it is hereditary that it is able to perform the role that it does.

The Attorney-General (Lord Hermer) (Lab): I am very sorry to disappoint the noble Lord, Lord True, because I am standing to speak to Amendment 3 rather than my noble friend the Leader of the House. I thank the noble Earl for his amendment and also for his transparency in explaining that this is indeed a probing amendment to test the Government's position on the hereditary principle more generally within our constitution. I hope that the noble Earl will not take it as a discourtesy if my response is brief, not because the constitutional points raised are not of importance, but because we say with respect that the position is quite straightforward.

In explaining why we do not accept the noble Earl's amendment, it is important, with respect, to disarticulate two principles. The first is that, since 1999, we have recognised that it is no longer appropriate in a modern democracy for direct participation in Parliament to be premised on a generational family entitlement. This Bill seeks to complete that process in line with our manifesto commitment and, by doing so, will end an anomaly that is replicated in only one other country around the globe. The second principle is that we are, and shall remain, a constitutional monarchy. Constitutional monarchy, in contrast to hereditary entitlement in Parliaments, is not a global anomaly but represents a system of governance replicated in very many countries, few—if any—of which require participation of the children or grandchildren of the monarch in their parliamentary process.

I therefore respectfully disagree with the noble Lord, Lord Moore, that there is any form of tension, constitutional or otherwise, in considering it inappropriate for hereditary entitlement to apply to being able to vote on the laws of our land in Parliament on one hand, while being fully supportive of the role of the Royal Family in our constitutional framework on the other. Our constitutional monarchy has time and again proved to be the anchor of stability in this country. The Royal Family are able to galvanise our nation and provide the consistency required for our democratic values to be protected and for this nation to flourish.

The noble Earl asked: without the hereditaries, who is there in this House to stand up for the monarchy? That point was echoed by the noble Baroness, Lady Meyer.

[LORD HERMER]

My noble friend Lord Brennan answered that he is; so am I, and so, I anticipate, is every one of your Lordships who swore their oath in this House.

As noble Lords will be aware, all hereditary Peers, including those in the Royal Family, lost their automatic right to sit and vote in the House as a result of the 1999 Act. That did not and has not proved to undermine our model of constitutional monarchy and nor does this Bill. The purpose of this Bill, no more, no less, is about delivering the principle settled by the 1999 Act to remove the rights of all hereditary Peers to sit and vote in the House of Lords, and there are no exclusions in this. As my noble friend Lord Grocott pointed out, it does not affect hereditary titles and lands, which will continue to be passed down in the normal way.

This reform does not relate to the sovereign nor the Royal Family. As I have said, there is a fundamental difference between the position of hereditary Peers in the legislature being able to vote on laws by virtue of their families, and a constitutional monarch who acts as the head of our state, providing, as His Majesty does, stability and continuity.

Lord Hamilton of Epsom (Con): I am grateful to the Minister for giving way. The noble Lord, Lord Grocott, made the point that the monarchy had certainly survived the departure of 600-plus hereditary Peers in 1998-99, but does the Minister accept that we are now breaking the link between hereditary Peers in Parliament in its entirety if we get rid of the hereditary Peers now?

Lord Hermer (Lab): Yes, I do—that is the intention of the Bill. My point is that it does not impact at all the principle of our constitutional monarchy. It has no bearing on it whatever, and it is for those reasons that I respectfully ask the noble Earl to consider withdrawing his amendment.

Lord Hardie (CB): Before the noble and learned Lord sits down, my recollection of 1999 was that the royal Princes specifically indicated that they would not wish to sit in this House. My further recollection is that, in the cloakroom, there were very grand coat hooks for the Prince of Wales and other Royal Princes which were then removed.

Lord Hermer (Lab): I thank the noble and learned Lord for the little bit of history—I am very grateful.

The Earl of Devon (CB): I thank the Minister very much for his words and particularly for being so brief, because I did not mean for this amendment to try your Lordships' patience. I am very grateful to all who contributed to the debate. It is an amendment that deserved to stand alone, and I hope that the Committee will agree that the opportunity to reaffirm our commitment to a hereditary monarchy is worthy of a stand-alone debate.

I had in fact degrouped this amendment from two other amendments. The only reason why I think they were grouped together was that they all happened to be in my name. The other two amendments pertained to the issue of female succession to hereditary peerages, which we will come back to—probably on day seven or eight of Committee.

Before I close, I should admit that there is some personal animus in noting the importance of our hereditary peerage in support of our sovereign, as it was novel that the peerage was excluded from His Majesty's recent Coronation. The writing was maybe on the wall at that stage. With the peerage having attended almost every Coronation since that of Henry II in the 12th century, it felt like the monarch himself was severing the connection between the hereditary peerage and the Coronation and was perhaps losing touch with his core base.

I am heartened to hear across the Committee the resounding support for our hereditary monarchy. The noble Baroness, Lady Meyer, in particular noted a strong connection between the hereditary Peers and the monarch. The noble Lord, Lord Moore, similarly noted how, globally, people note the importance of our hereditary principle. I thank the noble Viscount, Lord Thurso, and the noble Lords, Lord Grocott and Lord Brennan, very much for all reaffirming the principle that I was hoping would be stated in this short debate.

I thank the noble Lord, Lord Newby, for the history lesson. He will perhaps recall that at the end of that rather disastrous Stuart monarchy, we were able to welcome William of Orange in the Glorious Revolution. Of course, he came to dinner with Sir William Courtenay of Powderham on his first night on English soil, so the hereditary peerage was again somewhat responsible for that change in monarchy.

With the resounding support for the hereditary principle, as embodied within the hereditary monarchy, the purpose of my probing amendment has been fulfilled. I do not think that we have heard a single republican voice from across the House. I gave the republicans an opportunity to speak; they did not. I therefore beg leave to withdraw my amendment.

Amendment 3 withdrawn.

Amendment 4

Moved by Lord Strathclyde

4: Clause 1, page 1, line 1, at end insert—

“(A1) In section 1 of the House of Lords Act 1999 (exclusion of hereditary peers), at end insert “, except for the Earl Marshal and the Lord Great Chamberlain”.”

Member's explanatory statement

This amendment would retain the Earl Marshal and the Lord Great Chamberlain as members of the House of Lords with the right to sit and vote.

Lord Strathclyde (Con): My Lords, Amendment 4 is a short amendment with a very small impact on two Members of this House. It is less a probing amendment and more one that I very much hope the Front Bench will be able to accept. The Leader of the House, at Second Reading and other points of the debate, has mentioned these royal officeholders and said that there would be some sort of arrangement to allow them to continue to come into Parliament. But I think they should be treated even better than that. They are obviously apolitical Members and do not play a great part in political debate, so would it not be right and proper to allow them to remain as full Members of your Lordships' House to carry out their tasks?

The Lord Great Chamberlain carries a responsibility for the royal parts of the Palace of Westminster—which are on the other side of the Prince’s Chamber, including the Royal Gallery, the Robing Room and everything else in that direction—through Black Rod. The noble Duke, the Duke of Norfolk, as Earl Marshal, has been responsible for all the great occasions of state, some of sadness and others of great celebration, over the past few years. Most importantly, and of greatest effect in this House, the Earl Marshal is responsible for the State Opening of Parliament; the noble Duke forms part of the procession and signals to Black Rod to start the great walk between the House of Lords and the House of Commons. My amendment simply allows them to continue as Members of the House of Lords; it is very humble.

Some Peers have asked me if I know whether the Lord Great Chamberlain and the Earl Marshal actually want to stay. Whether they want to stay is not, strictly speaking, relevant. They do not have to come often, apart from the very few occasions when they are required to come. I hope that the Leader of the House will find favour in this principle and that, even if the amendment is incorrectly drafted, she might come forward with her own on Report. I beg to move.

Lord Northbrook (Con): My Lords, I too have put my name to this amendment. These two Great Officers of State have been in existence since 1386, in the case of the Earl Marshal, and 1130, in the case of Lord Great Chamberlain. It was intended that they were required not only to perform their constitutional duties at the State Opening of Parliament and other events related to the sovereign but to be a vital link between the Crown and Parliament. To sever that link is a severe challenge to the monarch and deeply regrettable. Therefore, they should be allowed to remain as Members of the House.

I have it on reasonable authority that, originally, the Cabinet Office informed the officeholders that their positions were safe. Apparently, two weeks later, the change of mind was made. I highlight the contributions over the years, and since I have been in the House, of the noble Duke, the Duke of Norfolk, and the current Lord Great Chamberlain.

The Leader of the House has issued conflicting messages on how the officeholders will continue to have access to the House of Lords. She concluded at Second Reading:

“On the specific issue of access ... for the Earl Marshal and the Lord Great Chamberlain, I completely recognise that they need access. I have written to the commission to ask that they keep their access passes, and the usual channels have agreed that ... There is nothing that impedes the work they do or their roles in this House”.—[*Official Report*, 11/12/24; col. 1861.]

However, in opening that debate, she had stated:

“I have already raised this with the Lord Speaker to ensure that necessary arrangements can be made”.—[*Official Report*, 11/12/24; col. 1723.]

Quite apart from the lack of clarity as to whether these two officeholders have to rely on the approval of the commission or the Lord Speaker, what would happen if one refused to give them access? I therefore propose that, if the Government cannot agree to this

amendment, there should be an alternative one in the Bill to guarantee that they have access to the Chamber to perform their ceremonial duties.

Viscount Hailsham (Con): My Lords, I too put my name to the amendment. My point is wholly pragmatic. It seems that the Earl Marshal and the Lord Great Chamberlain would be better placed to perform their functions, which they have to perform, if they were entitled to come here on a regular basis and were familiar with this place and the staff. To deny them that opportunity makes it more difficult for them to perform the functions that they will be required to perform.

6.45 pm

Lord Swire (Con): My Lords, first, retaining the connection between these two Great Officers of State and this place would reassure those who are concerned about the weakening link between this place and the monarch. Secondly, what does the Lord Privy Seal say about the role of the Lord Great Chamberlain? As she will be aware, he has joint control, with the Lord Speaker and the Speaker of the other place, over Westminster Hall and the crypt chapel.

Lord Howard of Rising (Con): My Lords, these two Great Officers of State are part of the framework that governs the Government and how they function. It would be humiliating for them to have to apply to something such as the commission to be able to come in here and fulfil their roles, which are part of our collective memory and the way we do things. Can you imagine going to the commission and asking, “Excuse me, I want to come in to help with the State Opening of Parliament tomorrow. Please, can I have a pass?” It is beyond reason.

Baroness Finn (Con): My Lords, it is with reverence for our traditions and institutions that I support the amendment in the names of my noble friend Lord Strathclyde and others, and to defend the continued membership of this House of the Earl Marshal and the Lord Great Chamberlain. This is not merely to defend two historic offices but to uphold the enduring wisdom of our constitutional framework, as my noble friend Lord Howard just pointed out.

The ancient offices of the Earl Marshal and the Lord Great Chamberlain are not relics of a bygone age; they are pillars of our constitutional order, deeply woven into the fabric of our United Kingdom. Their removal from this Chamber would be an act not of modernisation but of heedless vandalism. From the solemnity of a monarch’s funeral to the grandeur of a Coronation, the Earl Marshal is responsible for orchestrating the great state occasions that define our nation’s story. The funeral of Her late Majesty the Queen was not only a moment of national mourning but a masterclass in dignity and order. This was in no small part due to the office of the Earl Marshal and his own tireless efforts to ensure that it was so. Indeed, as my noble friend Lord Strathclyde reminded us, the Earl Marshal also oversees the State Opening of Parliament in this place.

[BARONESS FINN]

There has been an unbroken line of Lords Great Chamberlain from 1138 to the present. The office has changed over time, but for hundreds of years they have attended this House with the right to sit and vote. The Lord Great Chamberlain ensures that this very Palace functions with the decorum and tradition that befit the mother of Parliaments. Together, they are not merely witnesses to history but actors within it. Together, they ensure that the solemnity and dignity of our state endure beyond the politics of the moment. Together, they have active responsibilities that demand knowledge, experience and deep engagement with the institutions of the state. As my noble friend Lord Northbrook said, they are a vital link between the monarch and Parliament.

To exile these officers from this Chamber is to diminish their ability to discharge their duties effectively. Yet this Bill would remove them from this Chamber, as if their roles could be executed in absentia and as if their knowledge and service could be distilled into a parliamentary pass and a seat in the Public Gallery. The Lord Privy Seal has assured us that this Bill will not affect their ability to carry out their functions, stating that

“there is no legal or procedural requirement for either officeholder to be a Member of this House in order to be able to carry out their functions”.—[*Official Report*, 11/12/24; col. 1723.]

However, there is a profound difference between what is legally permissible and what is constitutionally sound. While statute may not require their presence here, precedent, wisdom and good governance do.

These offices are not purely symbolic; they require ongoing engagement with the legislative process to ensure the seamless operation of state functions. Without a seat in this House, they will be unable to contribute their unique expertise to debates on matters directly affecting their responsibilities, the Crown and Parliament. This was reinforced by my noble friend Lord Hailsham. Would we insist that the Lord Chief Justice never enter a courtroom, the Archbishop of Canterbury conduct his duties from a lay pew and the Speaker of the Commons be heard only from the corridors?

The holders of these offices have a range of functions. I will not detain the House by setting these out in full, but I will set out just two examples to demonstrate why their presence in your Lordships' House is both useful and important. The Lord Great Chamberlain is entrusted with custody of the Palace of Westminster, and he is one of the three keyholders of Westminster Hall, who decide who may address both Houses of Parliament in Westminster Hall—the others being the Speaker of the Commons and the Lord Speaker. These decisions have been high profile, with international significance in the past. Would it not be odd for decisions about who may address Parliament be made by a Peer who is not a Member of either House?

Turning to the Earl Marshal, in addition to his duties at funerals and coronations, he oversees the College of Arms. The college is the organisation responsible for heraldry in England, Wales, Northern Ireland and across the Commonwealth. Occasionally, issues pertaining to heraldry come up in your Lordships' House, most recently during Committee on the

Football Governance Bill, during which my noble friend Lord Parkinson of Whitley Bay expertly argued that the Government had made an error in their drafting. The noble Duke, the Duke of Norfolk, was following the debate closely, as was the college itself. There is something to be said for retaining the person responsible for overseeing our heraldry in the House, so we can draw on their knowledge and experience in the future.

This artificial separation risks creating a situation where those responsible for key constitutional duties are sidelined from the very discussions that shape them, diminishing the effectiveness of both their roles and this Chamber. The argument for reform is often cloaked in the language of modernisation, but modernisation must not be pursued at the cost of effective governance. These hereditary offices play a crucial role in the functioning of our state, and their direct experience, knowledge and responsibilities make their presence in this House a matter of practical good sense. The Earl Marshal and the Lord Great Chamberlain do not just inherit their positions; they assume great responsibilities that require them to be familiar with the traditions and mechanisms of governance. The offices are defined by responsibility, not mere title. That responsibility is sharpened, not diluted, by a seat in this House.

Let us not ignore the precedent this sets. Reform, when done without care, rarely stops at a single step. What is dismissed as a minor adjustment today becomes the justification for wholesale destruction tomorrow. We must be wary of any proposal that makes our institutions less effective, less informed and less rooted in the traditions that give them strength.

Beyond our domestic affairs, there is also Britain's international standing. Our constitutional system is admired worldwide, precisely because it blends continuity with progress. Our state occasions—the Coronation, royal weddings and funerals of heads of state—are watched by billions across the globe. They are not just moments of ceremony, they are demonstrations of national unity and the continuity of the state. The Earl Marshal is responsible for ensuring these moments are executed flawlessly, reinforcing Britain's soft power and global influence. Denying him a seat in this House would not just be a symbolic loss; it would strip him of the access, authority and insight that enable him to perform his role at the highest level, weakening the very institution he is tasked with upholding on the world stage.

The Earl Marshal and Lord Great Chamberlain must retain their places in this House, not as anachronisms but as a vital component of our constitutional heritage. Let us not mistake removal for reform and let us not diminish this House. Let us say with conviction that those who have served this nation's highest traditions shall not be dismissed, but upheld, valued and entrusted to continue their vital work. In preserving their place, we preserve the dignity, continuity and wisdom that have long guided both this House and this nation.

Baroness Smith of Basildon (Lab): My Lords, I am grateful to noble Lords for their amendments and for the comments that have been made. I think I can offer some of the reassurance that is sought. Certainly, in

response to the noble Baroness, Lady Finn, I can say that we respect and regard the work that they do. We do not wish to hamper that all.

At Second Reading, I addressed some of the concerns raised. There is no contradiction with what I said at the time. I spoke to the Lord Speaker—it is a courtesy to do so, given the role that he plays—and I have spoken to the commission as well. I should clarify that the Bill will not affect the offices themselves and neither does it affect the ability of the officeholders to fulfil their important functions. I have gained the agreement of the commission and I have written to both the noble Earl and the noble Lord to confirm that they will have access. I can assure the noble Lord, Lord Howard of Rising, that it certainly will not be a case of seeking permission from the commission. That permission has been granted. They will have full access to the Palace to carry out their functions. There will not be an issue there. I wrote to them both today.

Lord Howard of Rising (Con): I think they should have it by right, not by permission.

Baroness Smith of Basildon (Lab): If agreed by the House, it will be a right. There has been some misunderstanding that the only way they can fulfil their functions is by being a Member of this House and having the right to speak and vote in the Chamber. That is not the case. If we go back in time, there have been cases where neither officeholder was a Member of your Lordships' House. Peter Burrell was the Lord Great Chamberlain from 1781 to 1820. He was not a Peer until 1796. More recently, William Legge was the Lord Great Chamberlain from 1928 to 1936, but only inherited his title at the end of his time as Lord Great Chamberlain in 1936. Hugh Cholmondeley performed the office of Lord Great Chamberlain from 1966 due to his father's ill-health. He succeeded to his father's peerage in 1968. The current Earl Marshal took leave of absence from your Lordships' House from 18 January 2021 for the remainder of that parliamentary Session—and we know that was a very important parliamentary Session in terms of the monarchy.

So I am confident that both noble Lords will be treated with the respect they deserve—and have earned—and they and their officeholders will be granted access to your Lordships' House. It will not, in any way, impinge on their responsibilities and duties. I respectfully ask noble Lords to withdraw their amendment.

Lord Strathclyde (Con): My Lords, I thank my noble friend Lady Finn, who spoke with great authority and skill. The more she spoke, the more convinced I was that I was right to move the amendment in the first place. Her knowledge of history and precedent in this matter is exemplary.

I am also very grateful to the noble Viscount and the noble Lord who signed the amendment—the noble Viscount, Lord Hailsham, and my noble friend Lord Northbrook—and for what they raised, and the question that my noble friend Lord Howard of Rising raised. It does seem absurd that these great officers of state, who have a role in Parliament, will be able to come into the House only when they go to the pass office and ask for their pass, which is no doubt countersigned.

Baroness Smith of Basildon (Lab): They will have access to the House, however that is arranged. They are not going to have to troll up to the pass office and get a daily pass that they stick on them. They will have the access that is required for this House. All Members of the House would want to show that respect. The only loss will be that they will not be in your Lordships' House to take part in debates and to vote. They will not be in the Chamber to participate in the proceedings of the House.

Lord Strathclyde (Con): My Lords, I am reminded of the debates that took place many years ago on the future of the Lord Chancellor, when he was removed from your Lordships' House. It was the law of unintended consequences. There was much work undertaken to try to keep all of that and I predict that the same will happen again. But I think the noble Baroness has heard what we have had to say. She will no doubt consider, with the Clerk of the Parliaments, what needs to be put in place in order for these two great officeholders to continue to do the work that they are required to do in Parliament. On that basis, I beg leave to withdraw the amendment.

Amendment 4 withdrawn.

7 pm

Amendment 5

Moved by Lord Soames of Fletching

5: Clause 1, page 1, line 1, at end insert—

“(A1) In section 1 of the House of Lords Act 1999 (exclusion of hereditary peers), at end insert “except for peers who are members of the House of Lords on the day on which the House of Lords (Hereditary Peers) Act 2025 is passed and who are currently serving or have previously served as—

- (a) a Minister of the Crown,
- (b) a Deputy Speaker of the House of Lords,
- (c) a Convenor of the Crossbench Peers, or
- (d) a Chair of a House of Lords or joint select committee.””

Member's explanatory statement

This amendment would retain hereditary peers who have served the House of Lords as ministers, Deputy Speakers, Convenor of the Crossbench Peers, or Chairs of committees.

Lord Soames of Fletching (Con): My Lords, in moving the amendment in my name, may I say first, without sounding too much like Lord Copper, what a great privilege it is to take part in this debate, and to have listened in particular to two magnificent speeches from my noble friends Lord True and Lord Forsyth? These matters are not just events and things to be trifled with; they matter. As my noble friend Lord Strathclyde said, English legislation in particular is bedevilled with the law of unintended consequences, so these things matter.

I do not want to detain the House unduly and I have no doubt that other noble Lords will wish to say a few words. I wanted to put down this amendment just to urge the House to recognise the extraordinary service that has been given. I absolutely accept what the Leader of the House said about not differentiating

[LORD SOAMES OF FLETCHING]

between life Peers and hereditary Peer, which both make a very important contribution to the House. But if you look at the Opposition Front Bench today, of the 33 Peers currently serving on it nine, or 27%, are hereditary Peers. Of the 24 Deputy Speakers currently serving, there are the noble Viscount, Lord Stansgate, the noble Lord, Lord Ashton of Hyde, the noble Viscount, Lord Colville, and the noble Lords, Lord Russell and Lord Geddes; many more have served as Deputy Speakers in the past. I suggest that that is a staunch reminder of what a significant contribution the hereditary Peers make to this House.

There has been a lot of talk about hereditaries and life Peers. I am still not sure how I got here—which list I was on—because I was fired by the Prime Minister who I thought had promoted me to this House. Whatever it was, I very fortunately made my way here and was lucky to do so, but I recognise the extraordinary role that the hereditaries play, considering their numbers.

I do not wish to sound controversial but while this is a constitutional Bill, obviously of the first importance, it is also a mean Bill. That meanness can be unleavened by my amendment, which will particularly cover the question that the noble Lords, Lord Forsyth and Lord True, asked about honour and justice. The noble Lord, Lord Forsyth, said at the beginning of this debate that the world is falling about our ears, and here we are debating reform of the House of Lords. But a sense of certainty and tradition is now more important than ever, and that is represented in this House in a very meaningful and formidable way by the hereditary Peers. I beg to move.

Lord Blencathra (Con): My Lords, I support my noble friend Lord Soames and agree with everything he said, particularly his praise for the two excellent speeches we had at the beginning.

We are removing the 88 hereditaries, but in the first 234 days of the Government's existence the Prime Minister has created 45 life Peers, which creates a record, and in this Bill, we are removing some of the hardest-working Members in the House. Hereditaries have a better attendance record than we life Peers, they have a better turnout record at Divisions and they participate fully in all aspects of the work of the House. My noble friend talked in general terms about the contribution they make. I think it is time, if the House will permit me, just to briefly name names. Who would we be chucking out?

According to my noble friend's amendment—I am grateful to the Library for producing this for me at rather short notice—we will be chucking out: my noble friends Lord Ashton of Hyde, Lord Bethell and Lord Camrose, who were also Ministers; the noble Viscount, Lord Colville of Culross, a Deputy Speaker; my noble friend Lord De Mauley, a committee chair and a former Minister; my noble friend Lord Courtown, a Deputy Chief Whip since 2016; the noble Earl, Lord Kinnoull, a Deputy Speaker, Convenor of the Cross Benches and a committee chair; my noble friend Lord Minto, a former Minister; my noble friend Lord Geddes, a Deputy Speaker; my noble friend Lord Harlech, currently a Whip; my noble friend Lord Henley, a committee chair, former Chief Whip and former Minister; and

my noble friend Lord Howe, who is currently deputy shadow Leader, and who has been continuously on the Front Bench since 1991.

I do not know whether noble Peers remember the great Raymond Baxter, who was the best-ever commentator at the Royal British Legion Festival of Remembrance. He used to introduce the Chelsea pensioners during it; I can imagine that if my noble friend Lord Howe were there, he would have said, "And now we have the great Earl Howe, known to his mates as 'Freddie' and 34 years with the colours".

Of course, there is also the noble Lord, Lord Inglewood, a committee chair and former Minister; my noble friend Lord Peel, the Lord Chamberlain of the Royal Household for almost 20 years, and a superb Lord Chamberlain he was; my noble friend Lord Roborough, a shadow Minister; the noble Lord, Lord Russell of Liverpool, a Deputy Speaker; and, of course, the noble Viscount, Lord Stansgate, a Deputy Speaker, who has graced us with his presence for the last hour.

Then there is my noble friend Lord Trefgarne, a committee chair and former Minister; the noble Lord, Lord Vaux, the former finance committee chair—he did a superb job there; my noble friend Lord Younger of Leckie, almost continuously in ministerial office since 2013; and my noble friend Lord Effingham, currently a Whip. Last but not least, there is my noble friend Lord Strathclyde, a Minister and Leader of the House, who was an absolutely superb junior Environment Minister under my command as Minister. I would like to say that I taught him all he knows, but that would not be the case.

Those are the colleagues—the hereditaries—who will be slung out by the Government and who are on the list in my noble friend Lord Soames's amendment. But, very briefly, that is not the full story; his amendment does not go far enough. Many other hereditaries who do a superb job chairing other committees of this House and doing other work are not included in my noble friend's amendment. If the House will permit me, I will run through them briefly; I will not use titles, such as "my noble friend" or "the noble Lord" but simply list the names which the Library has kindly circulated in a superb Excel spreadsheet.

Those Peers are: Lord Aberdare, Lord Altrincham, the Earl of Arran, Lord Borwick, Viscount Bridgeman, the Earl of Clancarty, Lord Colgrain, the Earl of Cork and Orrery, Lord Crathorne, Lord Cromwell—I know that the noble Lord was in Georgia, heading up the OSCE delegation that observed the elections; I was with the Council of Europe delegation, and he did a superb job there—and the Earl of Devon, who has also chaired committees. In the main, these are hereditaries who have served on committees or are currently serving on them.

To continue: the Earl of Dundee, who served for many years on the Council of Europe as well and did a superb job, Viscount Eccles, Lord Fairfax of Cameron, Lord Glenarthur, Lord Grantchester, Lord Hacking, Lord Hampton, Viscount Hanworth—we are halfway through.

A noble Lord: Oh!

Lord Blencathra (Con): But it is worth knowing the names of all those hereditaries who have been working their socks off in this place for years and will be thrown out. There is the Earl of Leicester, the Earl of Lindsay, Lord Londesborough, Lord Lucas, the Earl of Lytton, Lord Mancroft, Lord Meston, the Duke of Montrose, Lord Mountevans, Lord Moynihan—whom I see in his place in front of me, and who has already been rightly praised—Lord Ravensdale, Lord Reay, Earl Russell, Lord Sandhurst, the Earl of Stair, Lord Thurlow, Viscount Thurso, who has already spoken—I think that he welcomed his own demise—and Lord Trefgarne, also a former Minister, Viscount Trenchard, Lord Trevethin and Oaksey, Lord Vaux of Harrowden, and finally, the Duke of Wellington.

I make no apology for reading out those names; I have not taken very long to do so—less than six minutes. If the Committee is going to go ahead with ejecting hereditaries, we simply need to know all of those colleagues, the work they have been doing in this House and the expertise we will lose. We will not only lose their expertise but be doing them a disservice by rejecting all the work they have done over the last few years by saying, “You’re just a hereditary, you can now be slung out.” I think that is an insult to the hard work they have been doing.

Viscount Astor (Con): My Lords, I knew that I was unimportant when my noble friend Lord Blencathra omitted me from his list, but now it has been confirmed. I am very grateful to him for doing that. As we approach the dinner hour, it is obviously time for very long speeches, and I intend for my speech to be very long and to cover a number of hugely important issues. I congratulate my noble friend Lord Soames on his amendment, because it would actually affect me, as a former Minister of the Crown, by inserting proposed new subsection (A1)(a). I thank my noble friend and support his amendment.

Lord Brennan of Canton (Lab): I observe briefly to the noble Lord, Lord Blencathra, that he is partial in his recollection of the career of the great Raymond Baxter. The other programme that he was famous for was called, “Tomorrow’s World”. I was an avid watcher of that programme as a young boy, and I never remember a prediction on “Tomorrow’s World” that, 50 years later, people would still be sitting in Parliament by virtue of the hereditary principle. On his list and his partial recollection of Raymond Baxter, I point out to the noble Lord that we live in tomorrow’s world, not yesterday’s.

Baroness Finn (Con): My Lords, Walter Bagehot once observed that the British constitution derives its strength not from rigid design but from its adaptability. Its value lies in its ability to preserve what is valuable while reforming what is necessary. It is in that spirit, and not in defiance of reform but in defence of wisdom, that I support Amendment 5 in this group, in the name of my noble friend Lord Soames.

We are debating the fate of those who have committed themselves to the service of this House, as my noble friend Lord Blencathra has pointed out so brilliantly,

and who have earned their place not by entitlement but by endeavour. The amendment before us seeks not to enshrine privilege but to preserve expertise. It does not defend hereditary peerage as principle; it defends the experience of those who, having risen above the circumstances of their birth, have dedicated their careers to the betterment of our legislative process.

Some would have us believe that the mere fact of a hereditary Peer holding office is an anachronism, but I ask this: what is more outdated, a Chamber that recognises merit in all its forms or one that would dismiss its most dedicated servants on the basis of an ideological formula? The numbers tell their own story. Despite comprising only 12% of this House in the last Parliament, hereditary Peers held 20% of government roles and 26% of Deputy Speakerships. This is not a symbol of idleness; it is a testament to diligence.

To those who believe that experience and institutional memory can simply be swept away and replaced at will, I say look at history. When institutions strip themselves of wisdom, when they discard those who have mastered their craft, they do not modernise but wither. There is a reason we do not empty the judiciary of its most seasoned jurists, nor the military of its most battle-hardened commanders. Why, then, should we purge this House of those who have proved their worth in government, scrutiny and debate? We do not strengthen Parliament by weakening its collective intelligence.

Those who propose the indiscriminate removal of hereditary Peers do so in the name of reform, but reform must be guided by the principle that what works should be preserved and what fails should be improved. The amendment before us today embodies that principle. It seeks not to halt the tide of change but to channel it wisely. It recognises that Ministers, Deputy Speakers, convenors and Chairs of Committees are not relics of the past but pillars of the present. To discard those who have upheld the dignity and function of your Lordships’ House is not reform; it is amputation.

Let us keep the best of what we have rather than discard it blindly. Let us not mistake destruction for progress. This amendment supports the very principles that have kept this House a vital force in British public life.

Lord Hamilton of Epsom (Con): My Lords, at the risk of repeating what I said at Second Reading, I have always been totally confused as to why, for some reason, we who are appointed Peers are somehow superior to hereditary Peers—who, let us face it, as the noble Lord, Lord Grocott, has never failed to point out, may be elected by a very small electorate, if they happen to be Labour or Liberal Democrat Peers, but are at least elected. That is not something any of us who are appointed can say about ourselves at all. We are put here because the leader of our party or the Prime Minister of the day put our names forward. Does that make us superior to hereditary Peers, who have, let us face it, been elected by their own number and chosen to be the best people who they can choose at the time? That must give them an edge, I should have thought, over we who are appointed to this House, because at least they have gone through the process of election.

7.15 pm

As has been said by my noble friend Lady Finn, these people have, on the whole, dedicated themselves more to our House than the collection of appointed Peers, such as me, have done. It is extraordinary that we have to pick on these people in this way.

I go back to the point I was making about the link now being broken, if this Bill passes and we get rid of all hereditary Peers, with the hereditary principle. This is the critical thing about the monarchy. The monarchy is hereditary, and having hereditary Peers in your Lordships' House gives a link between the hereditary principle and the monarchy. This is something that we should certainly value.

It is extraordinary that we have picked out this group of people who, in my view, have more legitimacy in your Lordships' House than appointed Peers, and decided to get rid of them. It is quite clear that they have given much more of their time and effort and skills to the effectiveness of your Lordships' House than the great majority of us who have been appointed to it have managed to do.

Baroness Lawlor (Con): My Lords, I support my noble friend's amendment. The exceptions to whom his amendment would apply are people who contain and are characterised by many qualities, but I mention only four here: experience, knowledge, constancy and loyalty to this Chamber, and a non-political aspect. This may seem strange coming from the Conservative Bench, but for many of us who have not been part of a party-political machine, it is very important to see how a non-political Front Bench can work to reach out across the Chamber to all sides of this House. It is these qualities of experience, knowledge, constancy and a type of non-politicalness which allows this House to do the work it does, and which brings it respect right across the world, as has been mentioned today. I commend my noble friend for tabling this amendment, and I hope it will be listened to with sympathy.

Lord Newby (LD): My Lords, I think this amendment shows the problem that we were discussing earlier with the groupings, because we have actually been discussing, along with this amendment, Amendment 9 in the name of the noble Lord, Lord True, and they both deal with the question of the future of those hereditaries who play a major part in your Lordships' House.

The noble Lord, Lord Hamilton, told us what he finds extraordinary. I think the vast majority of the country would find it extraordinary, if they realised it, that 10% of the legislature derives from fewer than 800 families in the country. Most people do not really realise that; if they did, they would be very surprised and most of them, frankly, would be appalled.

I looked at the hereditaries as a group one wet, sad afternoon. I divided them not into sheep and goats but into three: those who were active, those who were partially active, and those who were inactive. In response to the list of the noble Lord, Lord Blencathra, of those who are very active, I could, but will not, read out to the Committee a list of equal length, if not longer, of hereditaries who are virtually inactive. This is not a

criticism of them more than it is of any other group. However, it is the case that some Members in the hereditary group are very active and well respected, but, like in all other groups, there are others who, frankly, are not.

Therefore, if we are looking to what should happen next and whether we should seek to retain some of the expertise that the hereditaries have, surely the way to do it is not as proposed by the noble Lord, Lord Soames, nor by the noble Lord, Lord True, but to encourage the parties to appoint those hereditaries who are very active and eminent in their groups to life peerages as those numbers come up. I hope very much that we will do so in respect of the Liberal Democrats—we have fewer hereditaries than some of the other groups—but that seems to me to be the logical way of doing it. It is what we did, to a certain extent, in our party after the vast bulk of hereditaries left in 1999. That is the precedent that we should seek to follow now, rather than having a broader category of exemptions, as the noble Lord suggests, or a complete continuation along the lines previously proposed by the noble Lord, Lord Grocott, which the noble Lord, Lord True, is about to suggest.

Lord Blencathra (Con): Can I correct the noble Lord on one factual error that he has made—quite inadvertently, I am sure. According to the Library list, leaving aside the one mistake in the case of my noble friend Lord Astor, there are fewer than 20 hereditaries who do not participate in the work of the House or who are, as he said, doing nothing. The vast majority have served the House, are working in the House on committees or have been Ministers.

Lord Newby (LD): If the noble Lord looks down the list, he will see that there may be some people who come twice a year and vote three times a year, but I did not include those in the list of people whom I consider to be active. I am happy to go down the list with him; I did not do it with the intention of proving anything but wanted to satisfy myself as to the true position.

Earl Attlee (Con): My Lords, the difficulty with the noble Lord's suggestion, in my case, is that I would be relying upon knowing the leader of my party. I do not properly know any of the party leaders, and they do not know me either, so I would have as much chance as a snowflake in a blast furnace of getting a life peerage.

Lord Wolfson of Tredegar (Con): My Lords, I am sorry to disappoint the noble Lord, Lord Newby, but I am responding on Amendment 5, moved by my noble friend Lord Soames of Fletching from these Benches. In speaking to this amendment, I take the opportunity to recognise the significant and invaluable contribution that hereditary Peers have made to your Lordships' House. With respect to the noble Lord, Lord Newby, this amendment is a different point conceptually from Amendment 9, tabled by my noble friend Lord True, which is essentially, if I may put it without any disrespect, the Grocott approach.

As my noble friend Lord True said earlier this evening, if we are to exclude anyone from the House, it should be those who do not contribute rather than those who have contributed and do contribute. To introduce

a personal perspective, I say that as someone who makes every effort to play a proper part in the business of your Lordships' House while maintaining a full practice at the Bar. That sometimes means that I miss the odd vote—may I record in *Hansard* for posterity my entirely sycophantic and appallingly oleaginous thanks to my Whip for his constant understanding? More seriously, that cuts into my downtime. I do not really have any downtime because of my work at the Bar and my obligations here. If I can use this rather demotic phrase, it does hack me off when some people do not contribute at all.

I therefore share the concern of my noble friend Lord Soames that we are removing people who contribute while leaving people who play very little, if any, part in the House. The key to a sensible approach, I suggest, while recognising that the hereditary principle has come to an end—like the noble Lord, Lord Brennan, I also enjoyed “Tomorrow’s World” in its day, and what was innovative then is commonplace now—is to retain those who have demonstrated over many years their commitment to public service and duty to the House. She is no longer in her place, but I respect fully agree with what the noble and learned Baroness, Lady Butler-Sloss, said in an earlier group. She expressly invited the Government to just look, to use what I think was her phrase, at those whom the Government are removing. She said that the approach in this Bill, which removes the fully involved and the truly indolent alike, was “profoundly wrong”. She is right about that.

Turning to the text of this amendment, I know that there are many ways in which noble Lords can contribute to the business of the House, but those who currently serve or have previously served as Ministers and Whips, Deputy Speakers, chairs of committees or as Convenor of the Cross Benches have made a determined and determinable contribution. Their institutional knowledge and dedication to public service has made them indispensable, I suggest, to the functioning of the House and thus to the functioning of Parliament. The positions which they have undertaken in the House have been earned through merit and service. To remove these noble Lords would be to discard a wealth of experience that simply cannot be replaced. I therefore agree with the points made by my noble friend Lady Finn in that regard.

We have had some stats thrown at us; let me try to identify what the position actually is. During the 2019-24 Parliament, 168 Members had official roles. This includes government and Opposition ministerial posts and parliamentary positions such as the Lord Speaker and Deputy Speakers. Life Peers filled 143 of these roles, 23 were filled by hereditary Peers and two by Bishops. About 18% of life Peers served in an official role compared with 26% of hereditary Peers. Despite making up only 12% of the total membership of the House, in the last Session hereditary Peers made up 20% of government posts and 26% of Deputy Speakers. My noble friend Lord Hamilton of Epsom rightly made the point that hereditary Peers as a group have contributed very significantly.

I will not read out my Excel spreadsheet, but do we really want, I ask rhetorically, to lose people such as my noble friends Lord Courtown and Lord Howe—who,

as your Lordships have heard, has provided simply incredible service to the House? My noble friend Lord Strathclyde serves as chair of our Constitution Committee is a former Leader of the House and a former Chief Whip. He has served as a Minister over four departments. The noble Lord, Lord Ashton of Hyde, is a serving Deputy Speaker and Deputy Chair of Committees. His CV in the House reads for several pages.

I am not sufficiently brave to stand for much longer between your Lordships and your Lordships' dinners, so I will not refer to every hereditary Peer, but I trust that noble Lords recognise the expertise, experience and dedication that those individuals have brought to our parliamentary system.

I make one final point. Some years ago, the House removed a number of Peers. The noble Lord, Lord Grocott, gave us the correct figure, which I think was 667. Yes, I was listening. I always do to the noble Lord, indeed to all noble Lords but especially the noble Lord, Lord Grocott on this topic. Does removing the final 88, or however many are left now, make any difference? Of course, the difference goes to the heart of this amendment. Those who remained some years ago were chosen wholly, or in the vast majority of cases, because they were contributing. That is why they remained. That is what this amendment seeks to do.

Lord Hamilton of Epsom (Con): They were actually elected; they were not chosen.

Lord Wolfson of Tredegar (Con): Sorry, I was using “chosen” as a short form for “elected”. They were elected. My noble friend was here, and I was not, but when the elections took place, the electorate was keen to ensure that experience was not lost. That is exactly the point of this amendment—to retain those who have contributed, are contributing and will undoubtedly contribute more in the future.

Lord in Waiting/Government Whip (Lord Collins of Highbury) (Lab): My Lords, I am grateful for this debate and to the noble Lord, Lord Soames of Fletching, for raising these issues. One thing that concerns me is that, although I do not think that anyone in this Chamber would deny the valuable work of individuals, particularly of the hereditary Peers, the problem with this debate is that it is about selecting people for congratulations on their hard work. That diminishes the work of some of the others. The noble Lord, Lord Wolfson, talked about the period from 2019 to 2024, when 143 of the officeholders that the noble Lord, Lord Soames, talked about were life Peers and 23 were hereditaries, so a huge amount of the work that kept this House going was undertaken by life Peers.

7.30 pm

It is important to understand that those people who came into this House from other occupations have huge amounts of life experience. We have had a nurse come in today, and we have had doctors, solicitors, trade unionists—a whole range of people have come in as life Peers. I am not denying the experience of the hereditary Peers in the offices that they have held—in fact, I have sat on committees with many of them—but

[LORD COLLINS OF HIGHBURY]

those offices have not always been held by hereditaries. With the list that the noble Lord points to, if someone served on the Front Bench of the Labour Opposition for 12 years their experience would not be considered appropriate for being maintained if they were hereditary, so I think there is something partisan about how these have been selected.

The simple fact is, though, having gone from a debate about the principle of hereditaries to one about specific contributions made by noble Lords, that no one can deny that the Government have a clear mandate to deliver this Bill through their manifesto commitment to remove the right of hereditary Peers to sit and vote in the House of Lords. That means all hereditary Peers. That is what the manifesto commitment said. To concede this amendment would breach that manifesto commitment and retain dozens of Peers, which would severely undermine the intention of the Bill. The work of the House of Lords will not be diminished—

Lord Mancroft (Con): The manifesto commitment, as the noble Lord has just quoted, is to “remove the right” of hereditary Peers to sit and vote in this House. That right was removed in 1999. We are discussing removing not the right but hereditary Peers from this House. The noble Lord quite rightly said that there is not a lot of difference in working between one hereditary Peer and another, or one hereditary Peer and a life Peer, but there is one crucial difference: life Peers cannot just be thrown out. We are just about to be thrown out.

Lord Collins of Highbury (Lab): Of course, the principle was established in 1999, and we are now dealing with that remaining temporary arrangement that has gone on for 25 years or longer. That is the reality. No one can deny that that remaining element—that temporary arrangement—is specifically addressed in the Labour manifesto for the last general election. It specifically addressed it in the way that this Bill seeks to implement it, so there can be no doubt about that.

Lord Strathclyde (Con): I am sorry to intervene on the noble Lord, but he is making much store about the manifesto, which also says that Peers who are over the age of 80 by the end of this Parliament should also be slung out. Does the noble Lord think that is really going to happen?

Lord Collins of Highbury (Lab): As my noble friend the Leader of the House has reminded me, she will be consulting on that and looking at ways for it to be implemented—she is already doing so, as she reminds me. The fact of the matter is that we have a clear commitment. The Government have a right to determine when and how they implement their commitments. The noble Lord knows that. I have heard speeches from him telling me that we should not push amendments because the democratic House has laid something down in the manifesto. He has made those points to me over the past 12 years, so this does not really wash with me.

The simple fact is that we established in 1999 that the hereditary principle would no longer apply. We put in temporary arrangements and we have now addressed

that in our manifesto. Solutions were put forward in 1999. I say to the noble Earl, Lord Attlee, that his contribution is well known. Leaders know it. I certainly assume that the leader of his party knows the contribution that he has made, both outside and inside Parliament. Why would he not be considered worthy of a life peerage? I do not see why not. It is really important that we can establish a principle—

Earl Attlee (Con): I am grateful for the kind things the noble Lord said to me, but the fact of the matter is that I do not know any of the leaders of my party. I do not know David Cameron—my noble friend Lord Cameron—or any of his successors. I simply will not be able to get a life peerage. They do not know me. I am not known. None of the special advisers know me. I am nowhere.

Lord Collins of Highbury (Lab): I do not accept that for one moment. The noble Earl is well known. His contributions are well known and valued—he must not undersell himself. The important thing is that there was an opportunity in 1999, when people left this House because they were hereditary Peers, for some to be made life Peers. That certainly is the case in relation to this last act, contained in our manifesto, to ensure that the temporary arrangements agreed 25 years ago no longer continue. I do not think that people would understand this amendment breaching that commitment in the outside world, but it is wrong to—

Lord Howard of Rising (Con): The noble Lord keeps mentioning the manifesto. Would he agree that, if I had a pound for every promise that had been in a manifesto from the Labour Party and the Conservative Party that had not been kept, I would be a billionaire?

Lord Collins of Highbury (Lab): The noble Lord must be happy that at least one manifesto commitment is being kept, and it is this one. We will deliver on it.

I conclude by saying that it is wrong to single out Peers for their contribution. All Peers have made a tremendous contribution to the work of this House, and no one is undermining that. However, this is a commitment that we have made to the electorate, and it is one that we will keep and deliver on.

Lord Soames of Fletching (Con): My Lords, I thank my noble friend Lord Wolfson and the noble Lord, Lord Collins, for their contributions. I particularly express my thanks for another wonderful speech from my noble friend Lady Finn, who, to my mind, absolutely nailed it. I thank my noble friend Lord Blencathra in particular for his encyclopaedic knowledge of the committees and the very important points that he made. I am delighted to be party to the support for my noble friend Lord Astor’s job application and will do what I can to help. I say to my noble friend Lord Attlee to make himself known to my noble friend Lord Hamilton, who acts as a marriage agency in these matters, and would be delighted to introduce him to all the former leaders of my party—it may take some time.

This is an important matter and there is no point in pretending that, manifesto or no manifesto, we are not cutting out a great reservoir of expertise, knowledge, steadiness and experience, and the guardians of the traditions and principles of this House. There is no question about the argument, which is dead and buried—it is gone; it is going to happen—but there is a way to make it happen in a less aggressive and disagreeable manner. I beg leave to withdraw my amendment.

Amendment 5 withdrawn.

House resumed. Committee to begin again not before 8.20 pm.

Warm Home Discount Statement

The following Statement was made in the House of Commons on Tuesday 25 February.

“With your permission, Madam Deputy Speaker, I would like to make a Statement about the action we are taking to protect families in the face of the global spike in gas prices. In recent months, wholesale gas prices have risen to their highest level in two years. They are up nearly 15% compared with the previous price cap period. As a result, this morning Ofgem announced the energy price cap will rise by around £9 a month between April and June. We know this will be unwelcome news for families across the country that are already worried about their bills, but as Ofgem’s chief executive officer, Jonathan Brearley, said today, ‘our reliance on international gas markets leads to volatile wholesale prices, and continues to drive up bills’.

This week marks three years since Russia’s invasion of Ukraine, and once again the British people are paying the price of our country being exposed to fossil fuel markets controlled by petrostates and dictators. The truth is that every day we remain stuck on gas is another day families, businesses and, indeed, the public finances are at risk from these kinds of price spikes. That is why sprinting to home-grown, clean energy is the only way to end our exposure and our vulnerability as a country. In the meantime, we are determined to do all that we can to protect people, and today I want to set out the measures we are taking.

First, we want to provide greater help to the most vulnerable in time for next winter. The warm home discount currently gives around 3 million families a £150 rebate on their energy bills. The current system provides help to those on means-tested benefits but excludes millions of people in homes not classified as hard to heat, as a result of criteria introduced by the last Government in 2022. These criteria are seen by many as arbitrary and unreliable, and they mean there are families in almost exactly the same circumstances with some receiving help and others not.

Today, we have announced that we will consult on proposals to abolish this restriction, meaning all households receiving means-tested benefits would be eligible for bills support next winter—from 3 million families in the current system to more than 6 million with our proposals—so that one in five families in Britain would get help with their bills through this

scheme, including an additional 900,000 families with children and a total of 1.8 million households in fuel poverty. This Government are determined to do everything in our power to help people struggling to pay their energy bills and support the most vulnerable in our society.

Secondly, because of our exposure to fossil fuels, the cost of living crisis saw bills rocket to £2,500 and families plunged into unstable debt—debt that continues to accumulate today. In the system we have inherited, every bill payer pays for managing this debt burden. We are determined to act on behalf of those in debt and all the bill payers who are paying the costs of it. So we are working closely with Ofgem to accelerate proposals on a debt relief scheme that will support households that have built up unsustainable energy debt through the crisis and have no way of paying it. This will be an important first step to cut the costs of servicing bad energy debt, and under these plans the target would be to reduce the debt allowance paid by all bill payers to pre-crisis levels.

Thirdly, we know that one of the best answers to high bills is upgrading homes so that they are cheaper to run, so we will shortly announce the details of around £0.5 billion pounds of funding under the warm homes local grant and £1.3 billion under the warm homes social housing fund to invest in home upgrades over the coming years and cut fuel poverty. In all, up to 300,000 households will benefit from upgrades in the next financial year through our warm homes plan—whether it is new insulation, double glazing, a heat pump or rooftop solar panels—which is more than double the number supported in the last financial year. We will also ensure that landlords invest in energy efficiency upgrades that will make homes warmer and bring down costs for tenants, lifting up to 1 million people out of fuel poverty, so that we are doing everything we can to ensure people have the security of a home they can afford to heat.

Fourthly, we are clear that we need a regulator that fights for consumers. That is why we have called on Ofgem to use its powers to the maximum to protect consumers by challenging unlawful back billing, taking action on inaccurate bills, driving the smart meter rollout, giving every family the option of a zero standing charge tariff so they have more choice in how they pay for their energy, and ensuring that compensation is given for wrongful installation of prepayment meters. We are moving forward on our review of Ofgem to ensure it has the powers it needs to stand up for consumers and clamp down on poor behaviour by energy companies.

This set of measures shows a Government willing to use all the powers at our disposal to help protect consumers. However, important as these measures are, I must stress to the House that there is no proper solution to rising energy bills while this country remains exposed to the rollercoaster of fossil fuel markets. That is why this Government are moving at speed to deliver clean power by lifting the onshore wind ban in England, consenting nearly 3 gigawatts of solar, setting up Great British Energy, delivering a record-breaking renewables auction, making it easier to build the next generation of new nuclear power stations, and getting

on with the job of implementing the reforms to the planning system, the grid and renewables auctions set out in our clean power action plan.

I have to report to the House, however, that despite the importance of this mission and the fact that we are running it, we continue to receive representations from Opposition parties not to speed up, but to slow down and to reject solar power, reject onshore wind, reject offshore wind and reject new transmission infrastructure—representations that, if accepted, would leave us more vulnerable and more insecure, with the British people paying the price. Let me tell the House that we will reject those representations. We know that every solar panel we put up, every wind turbine we build and every piece of transmission infrastructure we construct makes us more secure, and every time the Conservatives oppose those measures, they double down on their legacy of leaving this country exposed and the British people deeply vulnerable.

This Government will do whatever it takes to stand up for working people now and in the future—protecting families and businesses from the consequences of global events, driving forward our plans to bring down bills for good and doing everything in our power to support those most in need. I commend this Statement to the House”.

7.41 pm

Lord Offord of Garvel (Con): My Lords, the Government have announced an expansion of the warm homes discount: a change that will see more low-income households receive a £150 payment to help them heat their homes. However, this payment is likely to be inconsequential for many households when compared with the increase in the energy price cap. The change to the warm homes discount is only a temporary fix. Ultimately, energy bills for both the British consumer and British businesses are far too high—something I am sure noble Lords on all Benches will agree on.

The Government must look to prioritise cheap energy if they are to protect the most vulnerable households. Instead, they have chosen an approach driven by ideology and it will be the British people who pay the price. The rush to ramp up renewables to meet their own unilateral target of clean power by 2030 will only push up prices and further increase energy bills. The network costs on people’s bills will be increased as the Government race to build twice as much grid in the next five years as has been built in the past decade.

Additionally, the OBR has said that environmental levies will increase from £12 billion to £14 billion by 2030, driven considerably by the hidden costs of renewables. This too will end up on consumers’ energy bills. Indeed, a close look at consumer energy bills demonstrates that half the bills are now accounted for by subsidies and network charges.

So, despite the general election pledge to cut bills by £300, it is plainly clear that the Government have chosen to put a political dividing line before any approach that will reduce the cost of energy. It is their decision to shut down the North Sea. This is an industry that generates billions in tax revenue, supports 200,000 British workers and produces home-grown energy. But the Government have opted instead for a

tunnel-vision approach on renewables that relies on coal-power technology imported from China. This will not decrease energy bills by £300, as was promised.

I remind the House that the Prime Minister said:

“I stand by everything in our manifesto and one of the things I made clear in the election campaign is I wouldn’t make a single promise or commitment that I didn’t think we could deliver in government”.

So can the Minister confirm how much energy bills will rise by before households see the promised £300? Will he confirm whether the Government intend to produce a full-system cost analysis of the impact of the clean power target of 2030 and the impact it will have on consumer energy bills? Finally, will he tell the House how much the Government expect levies to increase by over the next five years?

Earl Russell (LD): My Lords, I welcome this Statement—in particular, the clear commitment to provide a one-off payment for next winter. These payments will help with continued rising household energy costs, as the energy price cap has risen again by 6.4%. Until we break our dependence on gas for 30% to 40% of our electricity generation and 85% of our home heating, we will remain at the mercy of the volatile international markets.

Indeed, households are set to pay over £800 more per year for their energy compared with the winter of 2020-21—a 77% increase. The UK has spent £140 billion on the international gas market since the war in Ukraine started, for no long-term energy security or reduction in the energy bills being paid. That is 10 times the total GB Energy budget to date.

We have 6 million households living in fuel poverty today, and most of them have been for some time. We have some of the worst-insulated homes in Europe and some of the highest energy bills. High energy bills are a continued legacy issue and are, in part, a direct result of the last Government’s failure to do more to transition to renewable energy earlier. Progress is being made on the transition and we welcome this.

The Climate Change Committee is absolutely clear and unequivocal. Politicians who oppose action on net zero will make their constituents poorer by driving up their energy bills. Although we welcome these measures, we ask the Minister to go further and introduce this much-needed help now, to provide help for those who need it now, and not to make people wait until next winter.

We also call on the Government to scrap the energy price hike for the nearly 10 million pensioners who lost their winter fuel payment and to provide more help to other vulnerable groups, particularly those with disabilities. The estimated cost is about £130 million. We also call on the Government to ensure that all energy companies sign up to a single social tariff as soon as possible, to provide a long-term, stable mechanism for helping to reduce fuel poverty.

We need to do more to smooth the energy price costs as we drive over the energy transition speed bump in the road ahead. We have constantly called for an emergency 10-year home insulation programme. Domestic home heating is still 77% gas powered. We need a huge and urgent increase in the number of heat pumps installed.

Finally, I want to ask about long-term reforms and for some clarity on the direction of travel on measures to reduce our energy bills, and in particular about electricity market reform, which feels like an idea whose time has come. Does the Minister agree? When can we expect progress?

Our electricity prices are linked to the global fossil fuel market. Natural gas prices thus set the UK market electricity price. Will this Government look at the option for decoupling electricity market structures so that we have one rate for gas and one for electricity? Is it not time to stop the artificial inflation of the price of our home-generated renewable electricity, so that the savings can be passed on to our bill payers?

Will the Government publish reports on these matters? Will they also look at reforming contracts for difference?

I am disappointed that we do not have consensus on climate change, but my hope is that we could have consensus on electricity market reform as a measure to save bill payers money.

The Minister of State, Department for Energy Security and Net Zero (Lord Hunt of Kings Heath) (Lab): My Lords, I thank noble Lords for their comments on the Statement on the warm home discount. The noble Lord, Lord Offord, is right, of course, that this comes as there is an increase in the energy price cap. In a sense, we are repeating the debates we have had over the last few months.

The noble Lord, Lord Offord, talked about the Government having an ideology. But it is not an ideology; it is about the stark facts of climate change, the impact it will have on us and the lessons we learn from the Russian invasion of Ukraine and the impact that has had on our energy security.

We believe that the way to proceed is to move to home-grown clean energy as soon as possible. It is interesting to see the change in stance of the Opposition. After all, it was the noble Lord's party that took through legislation enshrining net zero by 2050. There is the work of the noble Lord, Lord Deben, who chaired the Climate Change Committee for some 10 years with great distinction, the work the then Government did on COP 26 in Glasgow, and the growth in the green economy over the past few years. It is a pity that we seem to have lost that consensus.

The noble Lord will know that Governments never speculate on future energy prices, but we have said that we are determined to cut bills as far and as fast as we can and that a figure of up to £300 by 2030 remains our objective. On levies, of course, policy costs associated with bills are expected to increase over time and clearly, the last Government used levies extensively, but as low-carbon capacity expands—renewables, CCUS, nuclear-hydrogen—those costs will drive reductions in electricity wholesale prices. It is worth reflecting on the advice we have just received from the Committee on Climate Change on the seventh carbon budget, because that makes a similar point: although there are some initial clear up-front investment costs, in time the benefits of having cheap renewable energy will come to the fore in terms of the costs that have to be borne by the consumer and by businesses.

I very much agree with the noble Earl, Lord Russell, on the net zero policies that need to be taken forward. He is absolutely right about the challenge we face with our housing stock, and the requirement to do everything we can to help transform it. He will know that we have the Warm Homes Plan. We have already kick-started delivery of it with an initial £3.4 billion over the next three years towards heat decarbonisation and household energy efficiency. We published a consultation in February this year on improving the energy performance of privately rented homes, and we have announced a raft of policies to support heat pump uptake. However, there is a long way to go, and it represents a major challenge.

On a social tariff, we are working closely with other government departments to unlock data that will enable us to target support more effectively to those who need help with their energy bills. My honourable friend the Minister for Energy Consumers is leading a working group with Energy UK and other stakeholders to see how we can take further sustained action on improving the affordability and accessibility of energy.

On energy market reform, the noble Earl's point is well taken. We are launching a comprehensive review of the energy regulator Ofgem. We want to establish Ofgem as a strong consumer champion, driving up standards for households and business consumers, both now and as energy use evolves with smart and green technology. That should not be taken as criticism of Ofgem; it is more that we see future potential to develop Ofgem's role.

On reform of the market more generally, we are considering two key reform options to enhance the efficiency of the electricity market by strengthening locational price signals better to match supply and demand—either a reformed national pricing model, or zonal pricing. This work is being undertaken. I take the noble Earl's point about the relationship between electricity and gas, and we are looking at that issue too. On the overall position of price to business/price to consumers, in the long run, we must charge on with our aim to get clean power as quickly as we possibly can. That is the way to get long-term stability.

7.55 pm

Baroness Young of Old Scone (Lab): My Lords, I welcome the Statement about the measures that the Government are taking to help hard-pressed families keep warm and to alleviate fuel poverty.

I want to make just two points. On the electricity market reform, I would press the point made by the noble Earl, Lord Russell. Governments have been talking about electricity market reform for over two years now. The link with the gas market has become so dysfunctional that I must press the Minister for some urgency on this.

I would also like to raise a question on an area that is not covered by the Statement but is a vital part of ensuring that people do not remain in fuel poverty: new-build homes. We are going to build a considerable number of new-build homes, and the future homes standard 2025 is about to be introduced on a serial basis, but it rather misses the opportunity of going further. All new homes should not just have heat

[BARONESS YOUNG OF OLD SCONE]

pumps and improved ventilation and insulation but should come fully equipped with solar panels, a battery wall and an electric vehicle charger.

Putting those in at the beginning may mean a small increase in a house price but trying to retrofit them immediately afterwards means a big sum for many households. Can the Minister give us some assurances about pressing the pace on electricity market reform and geeing up the future homes standard?

I advise the Minister not to be upset when the volume housebuilders make a song and dance about this. They made a huge song and dance in the middle of the last decade about energy-efficient and zero-carbon homes. The Government seemed to be about to ignore that and the housebuilders got on with getting ready for zero-carbon homes, but then, at the last minute, George Osborne pulled the rug out from underneath that. This Government can, perhaps, do rather better at facing up to the reality of needing these homes built to the highest possible standards.

Lord Hunt of Kings Heath (Lab): My Lords, those two points from my noble friend are well made. On what is, in essence, mandation in relation to new homes, these points have been strongly put to my department. We are still in discussions across Whitehall in that regard, but I very much take and understand the point that she raises.

In relation to energy market reform, my noble friend urges me and my colleagues to get a move on. Our publication in the autumn has made significant progress in helping us to narrow down how reformed national and zonal pricing could be designed and implemented. We are working with stakeholders on the impact of these reforms. Clearly, they are pretty significant, but we are not delaying this. We have not put this into the long grass; we understand the importance of it.

7.58 pm

Sitting suspended.

House of Lords (Hereditary Peers) Bill Committee (1st Day) (Continued)

8.19 pm

Amendment 6

Moved by **Lord Lucas**

6: Leave out Clause 1 and insert the following new Clause—

“By-elections and life peerages for hereditary peer vacancies

- (1) Section 2 of the House of Lords Act 1999 (exception to exclusion of hereditary peers from membership of House of Lords) is amended as follows.
- (2) In subsection (2), after “time” insert “no more than”.
- (3) For subsection (4), substitute—

“(4) In any case where a person excepted from section 1 dies or ceases to be a member of the House of Lords, an election must be held in which anyone on the register of electors anywhere in the United Kingdom may stand, and in which all members of the House of Lords may vote.

(4A) Any person selected as a result of an election held under subsection (4) must be recommended by the Prime Minister for a life peerage.”

Member’s explanatory statement

This amendment seeks to probe whether hereditary peer vacancies could be filled by members of the public who would be elected by members of the House and recommended to the Prime Minister for a life peerage.

Lord Lucas (Con): My Lords, I shall also speak to my Amendment 7. My objective in this amendment, and indeed in all my others, is to improve the Bill, not upset it. I am not intending to immerse myself in the argument as to whether we should be Grocotted or garrotted. This amendment is written as if we were being Grocotted, but it works just as well if we follow the Government’s intentions and we all leave at once.

In this amendment, I am interested in the opportunity that the Bill presents to improve the House going forward without hereditary Peers. The history of Lords reform shows that this opportunity will not be back in any short order. In the time that I have been in this House, there were opportunities for reform in 1992, which did not come about because of the election; in 1999, when we were promised stage 2 but it did not happen; and in 2012, when the coalition’s Bill did not go through.

Opportunities to reform come along once a decade, and there never is a stage 2 because this is a really hard reform to do. There is no big constituency for it—not for getting rid of the hereditary Peers but for reforming the Lords generally—and those in charge of parliamentary time never find time for it. Why do your Lordships think we as a Government never reformed the Lords? Because there were always better things to do. The same is going to be true of this Government, and the silence of the noble Baroness the Lord Privy Seal is testament to that. There is no worked-out proposal for how the Lords should be reformed, only a thought that there may be discussions in the future.

Everything we know about Lords reform says that this will come to nothing, so we really need to use this Bill to see how we can improve the House. Amendment 6 says, “Don’t throw away by-elections. We can use them to improve the House”. They are a system that works. Look at the flow of talented, hard-working Peers who have come in over the last 25 years through by-elections. None of us expected things to go on anything like this long, and the noble Baroness and her colleagues are quite right that it is ridiculous how long they have gone on; none the less, they have resulted in the acquisition in this House of some very excellent Peers. That was no mean feat, given the smallness of the pool in which we had to fish.

As my noble friend Lord Hamilton of Epsom said, we were a set of voters who cared. We cared for the House. We did not want to bring people in here who would not come up to scratch. Perhaps we also cared a good deal for ourselves; we did not want to be seen to be bringing rubbish into this place. So we did well, and there is no reason why the House as a whole would not do just as well if it had this mechanism open to it.

Amendment 6 throws open the doors so anyone can apply to be in this House. We get round the problem of the aversion to hairdressers which has plagued the

Cross Benches. But anyway, this is political Peers. This is not for the Cross Benches; this is for the politicians. The 90 or so places currently occupied by hereditary Peers would be shared among the political parties and would form a different way of becoming chosen to be in the House of Lords, other than the patronage of the political leaders at the time.

We can see from my Benches that this is not destructive of the force of the political party. We have been able to absorb a continued flow of independent-minded hereditary Peers within the Conservative Party on these Benches and it has not harmed our performance. Indeed, many of my colleagues have been chosen to serve on the Front Bench. It has been a success from that point of view. By having another source of recommendations other than the party leadership, we get some diversity in views, outlook and background, which can be quite hard to get when you are operating from within the Westminster bubble.

If we keep the by-elections going, we should have the ability to set the rules for whom we wish to apply, experiment with them, let them evolve, and learn how we can become a more open House. Something along these lines lays the ground in a controllable way for the sort of ambitions the Liberal Democrats have in their Amendment 11. They would like to see a much wider franchise for getting into this House, but with added legitimacy. That did not work in 2012 and I do not think it is going to work in the foreseeable future, but we can reach towards it by using the mechanism of by-elections.

Amendment 7 says that maybe Amendment 6 is a bit wide and that maybe throwing it open to everybody would be quite hard to operate. But we have a government ambition to give a voice to the Council of the Nations and Regions, and through repurposing the by-elections we have the chance to do that straightaway. We do not have to wait for this whole thing to grind through a fresh set of legislative machinery; we can just repurpose what we have and allow members of the Council of the Nations and Regions to nominate people to this place, subject to us being the people who choose, in the way that by-elections work at the moment.

That would allow us to experiment, to find out how this works, to find out what the right questions are to ask of the politically nominated, so that we get a flow of people who really work in this place. We would achieve the Government's ambition, which would otherwise have to wait for the next reform in a decade's time. We could combine the by-elections with other improvements. This might work quite well with having a 15-year term in this place, and other proposals that we reach later in the Bill.

My proposal is that we be realistic: that we recognise that we are not going to get another Bill, that we are not going to get further reform from this Government, and maybe not from the next one. We need to use this Bill to give ourselves the opportunity to improve the House as it goes forward, and not just to say goodbye—as my noble friend Lord True says we all accept—to the hereditary Peers. I beg to move.

Amendment 7 (to Amendment 6)

Moved by Lord Lucas

7: In subsection (3), inserted subsection (4), after “stand” insert “if they have been recommended in accordance with procedures to be determined by the House of Lords by a member of the Council of the Nations and the Regions”

Lord Lucas (Con): I beg to move.

8.30 pm

Viscount Trenchard (Con): My Lords, I congratulate my noble friend Lord Lucas on introducing his Amendment 6. Today of all days it is an immense privilege to be able to speak in your Lordships' Committee. Like other noble Lords have said, I feel a little bit diffident about talking about ourselves when so many more important international affairs demand our attention. But this is the way the business has been tabled and so I am following that.

I remind noble Lords that the acceptance of the Weatherill amendment to allow 92 hereditary Peers to remain was described by Viscount Cranborne, as he was at the time, as the “sand in the shoe” to ensure that the Government really would move to stage 2, which would involve a move to a wholly or partially elected House. Indeed, the Parliament Act 1911 envisaged the eventual replacement of the House of Lords, as then constituted, with a House elected on a popular instead of a hereditary basis. I stress that, although I fully accept that many life Peers are extremely popular, the Act clearly meant the introduction of at least a significant elected element.

I would remind the Lord Privy Seal that not only the noble and learned Lord, Lord Irving of Lairg, but many other Ministers at the time made clear their commitment that stage 2 really would happen. I understand that the by-elections which have been held for 26 years cannot in any sense be regarded as democratic, but they have certainly been competitive. I was evicted from this place in 1999 and had to contest a by-election against 36 candidates in 2004, which was certainly competitive.

The Weatherill amendment was successful in avoiding what many noble Lords on all sides of the House thought at the time would be a most undesirable outcome—the establishment of a wholly appointed House. However much noble Lords on other Benches have ridiculed the system for replacing hereditary Peers through by-elections, the existence of any kind of elected part of your Lordships' House has been valuable because it has maintained 92 independent Peers who do not owe their membership to appointment almost entirely by a Prime Minister.

My noble friend Lord Lucas has demonstrated a stroke of genius by tabling Amendment 6, which seeks to retain this valuable independent element but removes the connection to hereditary peerages. The valuable independent element would be made much more open. The Lord Privy Seal should welcome his amendment because it would end the remaining connection between hereditary peerage and membership of the House of Lords but retains an independent section of Peers who would be elected by Members of your Lordships' House.

[VISCOUNT TRENCHARD]

Many might say that the Lucas Peers, if I may call them that, would be no more democratic than the Weatherill Peers. However, we recognise that in 2025 there are many who believe that possession of a hereditary peerage should no longer have a connection with becoming a Member of the House of Lords, as acknowledged by my noble friend Lord True in his Amendment 1, which I also strongly support.

However, the Lucas Peers would be equally independent of the Government of the day, and under Amendment 6 any member of the public may stand. There is a possibility that a very large number of members of the public would stand for election, and it is unlikely that the electorate—the current Members of your Lordships' House—would have any reliable criteria on which to make a judgment. Therefore, it would be sensible to incorporate a bar to restrict the number who would stand as candidates to a manageable number.

My noble friend Lord Lucas, in his Amendment 7, suggests that this restriction should depend on procedures proposed

“by a member of the Council of the Nations and the Regions”.

I am not as confident as my noble friend that the council will become an appropriate body to determine such procedures. As of today, the House of Commons website states:

“It's not yet clear how the Council of the Nations and Regions will fit into the existing system of intergovernmental relations, which was established in 2022”.

As an alternative and perhaps a better way to restrict the number of would-be Lucas Peers to a manageable number, my Amendment 8 restricts applicants to those who have three years' or more experience of serving as a

“member of either House of Parliament, or as a member of any of the devolved legislatures, or of a Principal Council”.

This would provide an opportunity for those threatened with exclusion by the Bill but who wish to continue the work they do in this place to seek all noble Lords' endorsements to enable some of them to do so. The eligibility of members of the devolved legislatures and councils would also encourage the continuation of a less metropolitan section of the membership of your Lordships' House, but in a more democratic way than the present hereditary Peers alone provide.

As drafted, Amendment 6 provides that the Weatherill Peers are gradually replaced by the Lucas Peers. It is also possible to replace them all in one big bag, perhaps at the end of the parliamentary Session. In either case, suitable Standing Orders could be drawn up which could ensure that the proportion of the Lucas Peers representing each party would eventually be determined by the average of the number of votes cast in the last three general elections, while retaining 20% for the Cross Benches—in a similar manner as proposed by my noble friend Lord Strathclyde in his Amendment 90A, which will be debated later.

The existence of the Lucas Peers should continue until and unless real constitutional reform takes place, as envisaged in the Parliament Act 1911 and in the House of Lords Act 1999. This is stage 1a of the House of Lords Act 1999. It does not qualify as stage 2, but it satisfies those who wish the hereditary principle to end

while retaining an independent section of Peers to continue to act as the sand in the shoe to ensure that, one day, the House will change into one with at least a significant directly or indirectly elected element.

Lord Strathcarron (Con): My Lords, I support my noble friend Lord Lucas's Amendment 6, which seeks to open up the by-elections to registered voters—and, in fact, take it even further than that—to correct the wrong impression of by-elections held by many noble Lords who have never had first-hand experience of them.

The concept of by-elections to your Lordships' House has been dismissed because of the singular nature of the candidates, but if the candidature is broadened, as envisaged by this amendment, the idea suddenly becomes much more attractive. To succeed in a by-election is no easy task; to have succeeded proves the candidate worthy to the electorate involved in choosing him or, in the future, her.

The candidates must first show real determination to sit in your Lordships' House. Library research shows that, on average, an hereditary stands for election four times before being successful. As elections are held on average once a year, on the death or retirement of an existing Member, this typically means committing to a four-year election campaign to succeed. On average, there are 14 candidates for each vacancy and only one successful candidate each time—so one a year. There is no reason to suggest that the by-election process for registered voters, as imagined in my noble friend Lord Lucas's Amendment 6, would be any less rigorous than the hereditary by-election process that has existed until very recently. First, there are hustings, where candidates hone their skills in political public speaking, followed by some very pointed and topical questions by members of the electorate, who want only the brightest and the best to join them. Then, the voting process itself could hardly be more democratic, being a secret ballot conducted under proportional representation.

There is a lot to be said for scaling this up, not just for vacancies filled by registered voters, as in this amendment, but as a form of appointment to the whole House. Many amendments have called for a democratically elected House, but the reality is that this would mean the House of Commons agreeing to lose primacy, something to which it will never agree. I contend that that is simply never going to happen. On the other hand, we could have a democratically elected House if new Peers were elected by Members of this House. This is, after all, how political parties elect their leaders in the other place—at least partially. As ever, there is some devil in the detail, but it cannot be beyond the wit of sitting Peers to devise an election process based on the one that has worked so well, selecting only the very best hereditaries standing for election.

Lord Moylan (Con): My Lords, I speak in support of my noble friend Lord Lucas's amendment. I say as a preliminary that I was somewhat horrified to hear, from his remarks, that there is an aversion, on the Cross Benches, to hairdressers. I have not heard that before. I cannot imagine why there would be an aversion to hairdressers among Members of your Lordships'

House, on the Cross Benches or elsewhere, and I hope that there will be opportunity before this short debate concludes for at least one Member of the Cross Benches to put my noble friend right about that and give us all a proper, egalitarian assurance.

Turning to the amendment, I remind noble Lords of my general position. I said at Second Reading that in any 21st-century democracy, there will always be a case that the legislature should be elected. That must surely be the default position, and it must apply to both Houses. All those who say that you cannot have two elected Houses are ignorant of the vast majority of functioning democracies which do have two elected Houses, although they are often different in their composition and method of election. Of course, it is perfectly possible to have two elected Houses that work together to generate effective legislation. That is what I find so frustrating about a large part of the debate, and I have sat in for much of the debate today.

My noble friend makes a sally. I do not intend to go into the details of whether it should be an open candidates list, a closed candidates list, a vetted candidates list or any of the other tunes that could be played on this theme; I simply say that he put his finger on something in saying that a House that is entirely appointed in a 21st-century democracy—with the exception of the Bishops—is mildly ludicrous and is indefensible as a long-term proposition. That is presumably why the Labour Party put forward in its manifesto a package of reforms to be delivered at different times; some immediately and some for consultation or enactment later—that is a clear distinction in the manifesto—and why it is such a frustration. The noble Baroness the Lord Privy Seal seems to be frustrated that there is some sort of filibustering going on. If there were a filibuster, I wish somebody had told me about it: I would like to have taken part.

Noble Lords: You are.

Lord Moylan (Con): This is the first time that I have spoken in this debate. The two Bills that I have been involved in, sitting on the Front Bench, speaking for transport, have gone through your Lordships' House in record time. The buses Bill ended on its third day of Committee when it had had four days allocated to it. I find it mildly offensive to be told that there is a filibuster going on when many of us are in fact working to see the House's business dispatched with reasonable efficiency.

8.45 pm

If the Minister is frustrated by what she sees—I think wrongly—as a filibuster on this or other Bills, I think she has to understand in all candour how frustrated many of us are on our side of the House that she is utterly silent about the bringing forward of the further measures which the Labour Party had in its manifesto, why no timetable is given and why no undertaking even to issue a White Paper or a consultation document has come forward. I do not wish to sound in any sense offensive, and I do not wish to impugn in any way the honour of the Minister or her colleagues on the Front Bench, but she will understand, in the light of history,

why many of us find it difficult to believe that the Government will find time in the current Parliament to bring forward the legislation implied by their manifesto beyond this Bill. The sorts of assurances that we are looking for, in terms of timetabling, likely content, consultation methods and all of that, would take a lot of the sting out of this, but we hear nothing at all of it.

That is why I support my noble friend's amendment, because it brings just a little glimmer of democracy—as he says, a controllable element of democracy—into your Lordships' House on a limited basis. I would like to go further and to see a larger element of democracy in your Lordships' House if we are going to make change at all, but I will go with what my noble friend Lord Lucas is proposing, precisely because it opens that door. I really wish to hear from the Minister on the Front Bench why that is such a bad idea and why a glimmer of democracy is not possible, and a little bit more than we have had so far in terms of that programme, on which, in every attempt to raise it, she has just brought down the shutters.

Lord Wallace of Saltaire (LD): My Lords, I remind the Conservative Benches that if we are talking about what has been in manifestos, there was a very clear pledge in the 2019 Conservative manifesto to set up a commission on the constitution to examine some of the underlying difficulties of the British structure of government. I recall the noble Lord, Lord True, on a number of occasions, defending from the Government Front Bench the reason why nothing had happened on that. Constitutional matters get easily put off and, once put off, we tend not to get back to them.

With these amendments, we are now beginning to talk about where we go from here, which I am sure the Leader of the House will recognise we all want to hear more about. Where do we go next, after this? This is a rather ingenious proposal from the noble Lord, Lord Lucas. I am not entirely sure that, as an electorate, this House is the best place. There might be a certain tendency in our current composition to overselect people who have been to the same school as we had, or people who are very like us, when actually, some of the people who are not like us are particularly good.

For example, if you had asked me to vote for a ballerina, on first impression I would have thought that was totally the wrong person for the Lords. I regard the noble Baroness, Lady Bull, as one of the most valued Members of the House, which was a great and wonderful surprise. If you had asked me to vote for the noble Lord, Lord Bird, as the candidate, again I might not have thought at first impression that he was a good person for the Lords. That is the hesitation I raise: elites selecting new members of the elite tend to go for the safe people like them, which is not necessarily ideal.

I will make a few wider remarks about where we go from here. I have on my shelves a full shelf of reports on House of Lords reform and previous Bills. The 2012 scheme, which I had the duty of trying to move in this House, was relatively clear. It was agreed by the coalition partners, although it was Conservative Back-Benchers, as much as the Labour Party, who let down that scheme.

Lord True (Con): It was Labour.

Lord Wallace of Saltaire (LD): Well, let us agree to differ on that.

The Gordon Brown proposals are out there, and there are a range of other matters that we could begin to pull together very quickly; we do not need to start again. I find the reference to the Council of the Nations and Regions interesting. In two or three weeks I have a Question on how precisely the new Council of the Nations and Regions will fit in to our constitutional arrangements, because I am not at all sure that I or the Government yet understand how it will fit in.

We need to level up the way our politics are done. I have spent most of my political life in Yorkshire. We now have a situation in which Scotland, Wales and Northern Ireland have some voice in London, but the English regions and the English principal councils do not. I am not entirely sure that mayors elected on perhaps 29% or 30% of the vote on a 25% turnout will have that much legitimacy to represent their areas to the central Government. The question of how far the second Chamber should be constituted so as to strengthen the representation of areas outside London in the centralised governance of this country is very important, so we need to move on to that.

We shall say from these Benches to the Government Front Bench, several times, that before we clear this Bill we need some assurance as to where we go from here and when we might start to move from here. This is an interesting, slightly idiosyncratic set of proposals, but one could perhaps throw it into the mix.

Lord Murray of Blidworth (Con): My Lords, I agree with the noble Lord, Lord Wallace, that this is an ingenious, but perhaps at points impractical, solution. But it does address one of the more eccentric features of the by-election procedure, not least the use of single transferable vote. Of course, the only Members of the UK Parliament elected by single transferable vote are the hereditary Peers elected in by-elections. I am not sure whether that is the proposal for the by-elections in my noble friend Lord Lucas's amendment, but I am speaking of the nature of the electorate—or selectorate—for the by-elections. The 92 under the present reforms are largely elected by the hereditary Peers of each party and group, save for the 15 places that were occupied by Deputy Speakers in 1999, when the vote was by all Members of the House. As I understand the proposal from my noble friend Lord Lucas, the Deputy Speaker solution is proposed for these by-elections.

I must say, as a sideline, that I particularly enjoyed voting in one of those by-elections, when the House had to choose between the noble Earl, Lord Russell, and Earl Lloyd-George. I do not think I am breaking any confidences by saying that I voted for Earl Lloyd-George because he demonstrated a particular fondness for the creation of hereditary peerages, although perhaps not always for the best reasons.

Be that as it may, this amendment highlights the core of the mischief of this Bill, in that it means that one of the few avenues of getting into this House that is not controlled by the selection of the Prime Minister—whereby everybody in this House has to be sharp-elbowed enough to catch the eye of the Prime Minister pro tem

—is being closed. I commend my noble friend Lord Lucas on proposing a solution that keeps open another avenue into this House.

Lord Strathclyde (Con): My Lords, I have listened to parts of this debate, and I understand what the noble Lord, Lord Wallace of Saltaire, was saying: this takes this debate down a different course. We are now discussing the “what ifs” and what could happen. It shows something quite serious about the Government's thinking. Not in this Bill but in the manifesto, they talk about other things that are planned for the future. Yet there is no White Paper, or even any Green Paper, on the Government's thoughts on the nature of the House of Lords that they want.

All we are being offered is what is in the Bill—that is it. There is no promise of anything in the future, no careful thought, no publication of a White Paper and not even a timetable for those things. There is no promise that anything will be published before the next general election. We could go through the whole of this Parliament—those noble Lords who will still be here—wondering when the next stage of reform is going to take place. There does not need to be anything because the Leader of the House has not yet convinced her colleagues that they should explore their thoughts and study the bookshelves of the noble Lord, Lord Wallace of Saltaire, to look at what has happened in the past and come forward with those proposals.

My noble friend Lord Lucas has tried valiantly to build on the existing by-elections, if I can continue to call them that, by having them filled by members of the public. My noble friends Lord Trenchard and Lord Lucas have thought about alternatives. I do not expect the noble Baroness to accept any of these amendments in any shape or form. When it comes to democracy, I know that we have an amendment later on in the names of the noble Lords, Lord Newby and Lord Wallace of Saltaire, which I am supporting, so I will keep back my more general comments about a more democratic mandate. This follows the preamble to the 1911 Act, which the Government, for the time being, seem to have turned their face against, which I very much regret.

Lord Parkinson of Whitley Bay (Con): My Lords, I am grateful to my noble friends Lord Lucas and Lord Trenchard for their amendments and for the ingenious way they have tried—as my noble friend Lord Strathclyde just said—to build on what we currently have in this House to propose some suggestions. Their amendments would continue the by-elections provided for by the 1999 Act, and thereby are a reminder that those by-elections have been discontinued by cross-party agreement. It is no longer possible to join your Lordships' House by inheriting a peerage. The primary objective of the Government's reform has already been achieved. As the amendments and the discussions that a lot of noble Lords have had in this Committee show, there is a great deal of interest in the stage 2 and stage 3, as the Lord Privy Seal put it earlier. There are a lot of unanswered questions about those.

My noble friend Lord Lucas's Amendment 6, which leads the group, suggests that anybody on the register of electors anywhere in the United Kingdom may stand

in the by-elections provided for through the 1999 Act. As he acknowledged, that is a very large number of people—more than 48 million at the last count. I do not think there is a ballot paper or computer screen big enough to satisfy the process that Amendment 6 envisages. As he said, it may be a bit wide. He and my noble friend Lord Trenchard acknowledged this through their further amendments in this group to try to narrow that down a little.

My noble friend Lord Lucas's Amendment 7 suggests that it could be somebody who has been nominated by a member of the Council of the Nations and Regions. If the noble Baroness were to delight my noble friend by accepting this amendment, I think it would be the first mention on the statute book of that new body, which was created by the new Government when they came to power and which comprises the Prime Minister, the First Ministers of Scotland, Wales and Northern Ireland, and 12 English mayors. There was an attempt to mention the Council of the Nations and Regions within the passenger railway services Bill, through an amendment proposed in your Lordships' House, but regrettably that was not accepted by the Government.

9 pm

The Council of the Nations and Regions is an interesting and, in many ways, welcome innovation. It is already well established in our constitutional settlement and the Government are making regular use of it. Indeed, one Member of your Lordships' House has been sent here in part for her work as the Prime Minister's special envoy to the Council of the Nations and Regions—I do not know whether the noble Baroness can tell us whether a new special envoy has been appointed in succession to her.

Amendment 8 from my noble friend Lord Trenchard suggests a further way of narrowing down the 48 million potential candidates by suggesting that it be restricted to those who have served as a Member of Parliament, a Member of your Lordships' House already, a member of one of the devolved Administrations or of "a Principal Council"—I presume he means an upper-tier local authority—for three years or more. That gives us a reasonably broad base, and I was attracted by what he set out as his motivation of ensuring that we have a less metropolitan voice in your Lordships' House, but it is still a relatively narrow cadre of people. Even accounting for the greater number of independent representatives that we often see in local government, it is inevitably slanted towards the party political, or those who have picked up all the bad habits as well as the undoubted virtues of electoral politics.

The noble Lord, Lord Wallace of Saltaire, agreed in his contribution that elites tend to favour those who look and sound rather like themselves. That is why many of us are so troubled by resting so much power in the hands of one person, the Prime Minister, in leaving this as a House appointed by him. I am glad the noble Lord has seen the virtues of voting for ballerinas and agree with everything he said about the contribution that the noble Baroness, Lady Bull, makes to this House. I think a number of noble Lords took advantage, earlier on, to slip out and see a very enjoyable recital by the Yehudi Menuhin School up in the River Room, which the Lord Speaker very kindly allowed

and my noble friend Lord Blackwell, a governor of the school, arranged. It was a reminder not only of the wonderful power of music and great talents of those young students, but that the late Lord Menuhin was a Member of your Lordships' House. Personally, I would like to see a great deal more cultural figures sitting on our Cross Benches and contributing to our debates.

As for the practical barriers which a number of noble Lords have set out, including my noble friends who set out these inventive amendments, more work would be needed on those. However, I am grateful to my noble friends and to all noble Lords who have spoken, and I look forward to seeing what the Lord Privy Seal has to say about them.

Lord Hamilton of Epsom (Con): Does my noble friend not feel that there is a problem in that if these people are elected by a separate mandate, they will feel they have greater legitimacy than other appointed Members of this House and not adhere to the conventions of the House?

Lord Parkinson of Whitley Bay (Con): Certainly, the question of conflicting mandates will be uppermost in our minds when we debate the later group about a wholly elected House. If we introduce an element of election, particularly a proportional election, there will certainly be those who favour different voting systems that say one method of election is greater than another, but that is a debate for a later group.

The Lord Privy Seal (Baroness Smith of Basildon) (Lab): My Lords, it is an interesting group of amendments and I praise the ingenuity of the noble Lord, Lord Lucas, and the noble Viscount, Lord Trenchard, in coming up with their proposals. I say at the beginning, however, that the noble Lord, Lord Lucas, the noble Viscount, Lord Trenchard, the noble Lord, Lord Strathcarron, and the noble Lord, Lord Wallace, spoke specifically to the amendments before us. I have to say that the noble Lord, Lord Moylan, spoke in more of a Second Reading way on a wider debate about other issues.

Lord Moylan (Con): I am very happy to be rebuked, but I have spoken only once so far today. If the noble Baroness wants to provoke me to speak a second time, that is another matter. I think I spoke clearly to the import of what my noble friend Lord Lucas said, which is the introduction of an element of democracy, the importance of doing that and the context in which it sat, all of which I thought was very pertinent to the amendment. I am sorry the noble Baroness feels she has to disagree with me and rebuke me about that.

Baroness Smith of Basildon (Lab): The noble Lord is very sensitive. It was not a rebuke; it was more of an observation that his comments went wider. I think he would agree that he wanted very much to know what comes next. I also think he accused me of being silent—I made some notes of his comments. It may not have been the term "silent", but it was something about my having nothing to say or bringing the shutters down on what he said.

[BARONESS SMITH OF BASILDON]

I will talk to the amendment, but I have been clear from the beginning of the many debates we already had on this issue that there is a process, with this as the first stage. It is not surprising that talks and discussions about Lords reform have so many times, as the noble Lord, Lord Wallace, said, been driven into the ground and gone nowhere. Focusing on what is in front of us and what can be achieved by a single Bill is very important, but we seem to want to talk about what comes next and after that. Amendments later on will address some of these issues, but I say to noble Lords: there is a Bill before us with specific amendments and I will mainly address my comments mainly to them.

That does not mean what comes next does not matter, but I can think of no other area of policy or manifesto commitment where the Minister proposing it is constantly demanded to say what comes next and in what order we will do things. I have been quite clear from the very beginning that this is the first stage. It was in the manifesto and there are two stages following that. The noble Lord, Lord Strathclyde, cannot help himself; I am beginning to love the sound of his voice. I look forward to hearing from him again.

Lord Strathclyde (Con): My Lords, I hope the noble Baroness does not feel that I have spoken at length. I have not. I have spoken many times to make short points; perhaps I can take up another now that I have mentioned before. I do not think any of us would be putting forward amendments on “What next?” if the Government had not themselves mentioned ideas for what is next in their manifesto. If they had published a White Paper, or even a Green Paper, it would make life so much easier and would allow the noble Baroness not to answer these questions.

Baroness Smith of Basildon (Lab): I think the noble Lord labours the point a bit. I will address the amendments before us today and, in due course, as we move on, there will be other issues to discuss as well. I am not shying away in any way from our manifesto commitments; they remain and stand. The noble Lord is not one of those noble Lords who have discussed details of them, but others have, and I have been grateful for their suggestions and ideas for moving forward.

Let us look at these specific amendments. I think I said that they were quite an ingenious way of looking at things. I must admit that I interpreted one of the amendments differently to the way the noble Lord, Lord Parkinson, did. That might have caused some confusion. Basically, the noble Lord’s amendment seeks to continue with by-elections but, instead of replacing hereditary Peers with others, any member of the public on the register in the United Kingdom—I assume that means overseas voters who are on the register in the UK as well—could stand to be a Member of the House and the electorate would be Members of your Lordships’ House. The by-elections would continue and anybody who won one of those elections, if I have understood him correctly, must then be recommended for a peerage by the Prime Minister. The noble Viscount, Lord Trenchard, then looked to amend the criteria for potential candidates, and to have process and procedures on that.

These are creative amendments that raise an interesting and useful point about how we can get some of the best and most able people into your Lordships’ House if they wish to contribute to its work. I sometimes think that we look too much at what people have done in the past and not to what they will do in the future, when they are here.

I took some issue with his comment that the hereditary Peers are, by virtue of being hereditary, always more independent-minded. There are other amendments on the Order Paper, some of which we have heard already, about how Members on the Front Bench or who hold official positions should be able to continue in your Lordships’ House. Being a hereditary Peer does not guarantee the independence of any Member, and Members across the House who are hereditary are affiliated to political parties, which does not render them to be called independent. It may be only the Cross-Bench hereditaries who can claim to have that independence.

The noble Lord will understand why I cannot accept his amendment. It removes Clause 1 of the Bill, which is one of the crucial parts of it, and therefore retains the right of the current excepted hereditary Peers to continue to sit in your Lordships’ House. It is a bit like the Grocott amendment: there would be a by-election, but it would be for any member of the public.

I have some sympathy on how we get the best people to represent the House. The noble Lord, Lord Murray, commented that, in not having hereditary Peer by-elections, an avenue is closed, and this would open up another avenue for bringing Members into your Lordships’ House. The noble Lord, Lord Wallace, made the point that, with such an exclusive electorate, this does not really open it up in a way that the members of the public who could put themselves forward would be happy with.

The commitments in our manifesto are quite clear. One of those was to reform the appointments process. Part of that is to look at the quality of candidates coming forward and the national and regional balance of the second Chamber. Members may have noticed in the last list of Peers that was announced by the Prime Minister—not all appointed by the Prime Minister—that all had a citation of why they had been appointed to the House. That was the first time it had happened. I remember saying to your Lordships’ House at Second Reading and even in the debate on the King’s Speech that that was something I was very keen to see. Previously, the only information given about somebody appointed to your Lordships’ House or a hereditary Peer who was elected, was just a line, which did not say anything about them at all. Now there is at least some information being made public—a small change, but an important one.

We are looking at other ways on the appointments process. We have already had discussions about moving forward on the other issues: the second part, looking at retirements and participation. Both will move ahead, but those are not the issues before us today. On this particular amendment, which I think is quite ingenious, while I understand the noble Lord’s reasons for bringing it forward, I am sure he will understand why I am not able to accept it. I urge him to withdraw.

Lord Lucas (Con): My Lords, I am very grateful to all who have spoken, and particularly my noble friend Lord Trenchard for his amendment, which is a very useful contribution to considering how to take this idea forward. I think my noble friend Lord Strathcarron is quite right that the elections process produces candidates who have staying power and determination over time, bringing us closer to democracy—not a huge amount closer to democracy, but at least it is a move in the right direction. I share the wish of my noble friend Lord Moylan to be much more radical in that. However, nothing in my experience of the House suggests that we will get there. It never seems to appeal to our colleagues down the other end.

As to the noble Lord, Lord Wallace of Saltire, asking whether we would vote for a ballerina, the noble Lord needs to look at the background of the hereditary Peers that we have elected. We have artists, we have film producers and we have a number of other people whose hearts are very much in the arts. There is a notorious propensity for hereditary Peers to marry ballerinas, so I do not believe that there is any prejudice inherent in us against that particular profession.

Lord Cromwell (CB): Apart from my curiosity about the noble Lord’s earlier remark about hairdressers, I cannot resist pointing out that my great-great-grandmother was in the Ballets Russes.

Lord Lucas (Con): There we have it, and a very fine great-great-grandchild she has, too.

I am grateful for the support from my noble friends Lord Murray of Blidworth and Lord Strathclyde, who quite rightly said that, if we are to believe that the Government as a whole, as opposed to any individual, are actually determined on giving us another House of Lords Bill within this Parliament or the next, a Green Paper would be the least of our expectations. Get the proposals out there for discussion. Let us get this process on the road. Without that, all history says that this will run into the sand. Those who, like me, have tried through Governments of both colours to move changes to this House and have never succeeded know just how hard it is. It really is extremely difficult to get the machinery of government to spend time contemplating what should be done with the House of Lords.

9.15 pm

I am grateful to the noble Baroness the Lord Privy Seal for what she said. I do think that citations are a significant improvement. I hope we will see other advances in the appointments process and, indeed, in areas such as retirements and participation, which would all make a difference to this House. I really would like to see a way forward.

As I said at the beginning, the amendment is drafted as if we are “Grocotted”, but we could as well be garrotted. You could get rid of us all and still run a form of election process, as we have run. What that process has demonstrated is that it works. It produces a good flow of good Peers, and that is not a mechanism that we should lay to one side unless we are really

confident that we are going to get something else in its place. I look forward to returning to this issue on Report with something rather more precisely drafted. But, for now, I beg leave to withdraw my amendment.

Amendment 7 (to Amendment 6) withdrawn.

Amendment 8 (to Amendment 6) not moved.

Amendment 6 withdrawn.

Amendment 9

Moved by Lord True

9: Leave out Clause 1 and insert the following new Clause—

“Exclusion of remaining hereditary peers

- (1) Section 2 of the House of Lords Act 1999 (exception from section 1) is amended as follows.
- (2) For subsection (2) substitute—
 - “(2) No more than 89 people at any one time shall be excepted from section 1.”
- (3) For subsection (4) substitute—
 - “(4) Any vacancy resulting from the death, retirement, resignation or expulsion of an excepted person under subsection (2) after the day on which the House of Lords (Hereditary Peers) Act 2025 comes into force is not to be filled by further exception.””

Member’s explanatory statement

The purpose of the amendment is to prevent any more hereditary peers coming to the House of Lords by virtue of the 1999 Act in future. However, it allows peers who are already serving the House to remain as members for life in the same way as is allowed to all other Lords Temporal.

Lord True (Con): My Lords, I must tell the noble Lord, Lord Cromwell, that in the last Recess I visited the tomb of Diaghilev on San Michele. As always, it was covered with ballet shoes. I wonder whether one was put there on behalf of the noble Lord’s great-great-grandmother. You never know.

I am sure not many people are here to listen to me, so I must make it clear that I have absolutely no intention of testing the opinion of the Committee on this or, in fact, any other amendment in my name, as I offer the amendments I put forward as a basis for open discussion and potential improvement of a Bill that will pass, as I said. As noble Lords will recognise, this amendment is based on ideas put forward by the noble Lord, Lord Grocott, which he used to love but which, we heard earlier, he now absolutely loathes and condemns, so he would never vote for my amendment.

However, the amendment has the same effect as the noble Lord’s Bill, ending the by-elections provided for under the House of Lords Act 1999, something I think we are all agreed on in light of the Government’s mandate. But it amends the present Bill to leave out what was added to the Grocott Bill—the wholesale expulsion of 88 or 89 fellow Members, one of whom is currently on leave of absence. It would also allow our existing valued colleagues who serve here—we have heard from all sides how much they are valued—the possibility to continue on the same basis as the rest of us came here and serve here: for life. I believe that to be fair, reasonable and in accordance with the practice of this House. That is what happened in 1922, when Irish Peers left the House, as we were told earlier.

[LORD TRUE]

In 2009, when the Supreme Court was set up and the Lords of Appeal in Ordinary were abolished by the Labour Government, existing Law Lords were allowed to stay. They were given, in effect, grandfather rights or acquired rights, and that is how the noble and learned Lords, Lord Woolf, Lord Mance and Lord Hoffmann, were and are sitting with us. It is how we benefited for so long from the truly memorable wisdom of noble and learned Lords like the late Lord Lloyd of Berwick and the recently lamented Lord Brown of Eaton-under-Heywood. It is how the noble and learned Baroness, Lady Hale of Richmond, and the noble and learned Lord, Lord Neuberger of Abbotsbury, sit here.

When the Law Lords were abolished for the future, 23 people—no more—were given these grandfather rights, retaining the acquired right to sit. Did that damage the House? Does that damage the House? I suggest the continued presence and use of that experience does precisely the opposite. Why should it be different with those friends we have among us as elected hereditary Peers? When I say friends, I mean friends on all sides, including in the party opposite. They are people we know, sit with, learn from and share service with every day. Why are they being given, in effect, summary dismissal under the Bill? That is what it is; that is what the Bill says.

In law, summary dismissal is acceptable only in cases of gross misconduct such as physical violence, racism, sexual harassment, theft, or deliberate disclosure of sensitive information. I am not sure that the noble Earls, Lord Minto, Lord Clancarty, Lord Kinnoull and Lord Howe, have ever been guilty of any of those. I am told there is another ground for summary dismissal, which may appeal more to some in government, and that is serious insubordination in the workplace. Perhaps some of my colleagues, seen from Labour headquarters, are guilty of that. Well, good for the independence of the House of Lords.

To be serious, in Amendment 1 I spoke about a four-part plan that I believe would be a good destination for this House, while giving the Government greater security regarding their legislative programme and what they wish for: ending any inflow into the House based on the hereditary principle. That is something Sir Keir Starmer can take to the party conference. Point one of my proposals was that we recognise the Government's mandate to end this flow. This amendment does not challenge that.

Noble Lords may well know that soon after the election last summer—this was not popular with all my colleagues—I and the Convenor of the Cross Benches, the noble Earl, Lord Kinnoull, went to the noble Baroness the Leader of the House to suggest the suspension of by-elections as an earnest of good faith and recognition of the direction the Government wished to go. We recognised the Government's mandate, even if we might regret it. It was also an earnest of our wish to work in a constructive way with the Leader of the House, whom we greatly respect, to find the best way forward for the whole House. That is still my wish.

I know the noble Baroness and her commitment to the whole House, which she has displayed over nine years as leader of her party here, Leader of the Opposition

and now Leader of our House. I am sure that if the absolutists and absolute positions are kept in the wings, we can find a way forward, based on the trust I have in her good sense and pragmatism. But there has to be give and take. We accept the shutting of the door, but we cannot back a full-scale purge.

There is a stakeholder far larger than my party, or indeed the party opposite, and that is the House itself. The House may have a view on whether it wants to lose these colleagues. It is not in the interests of the House, either in practice or as a precedent, to have some of its most effective Members summarily excluded. I say again that what I fear in my heart is that what is done once will inevitably happen again when another party holds the reins. The Conservative Party has never yet excluded Members of other parties, and I hope it never will, but I can imagine others around who might not have the same scruples, and a precedent of damping summary exclusion might be in the interests of the House.

In my speech earlier, I suggested as a second point of agreement that there should be a stay on wholesale exclusion, but with, as my third point, some agreed approach to numbers. I add this also for reflection. In the purest practical terms, both presentationally and constitutionally, it is easier to keep existing Members but address numbers by retirement from the ranks and other measures, rather than throw everyone out and then have the Prime Minister bring significant numbers back by creating new life peerages in the most public of all forums. For years, the party opposite supported the Bill brought forward by the noble Lord, Lord Grocott, to end by-elections. That was never our policy, except in the context of a stage two Bill such as we brought forward in 2011-12. Even the coalition agreement of May 2010 saw the issue of existing Peers as something that must be respected. I look back to the coalition agreement, which said there would

“be a grandfathering system for current Peers”.

My amendment follows past precedents and has exactly the same effect as that of the Bill of the noble Lord, Lord Grocott. It ends new entry but keeps those now here, just as Labour did with the Law Lords. Why should the Government be against that now? When the ending of by-elections was discussed on 13 March 2020, the noble Baroness, Lady Hayter, who was in her place earlier but is no longer here, said:

“It would not affect any of our existing Members, whom we look forward to hearing from, I hope, for many, many years”.—[*Official Report*, 13/3/20; col. 1231.]

On 3 December 2021, the noble Baroness doubled down on that, saying:

“This modest measure would make change very gradually. We are not seeking to say farewell to any hereditary already here; indeed, we look forward to their contributions for many more years.”.—[*Official Report*, 3/12/21; col. 1569.]

Was that not a wise and humane position? For the Liberal Democrats, speaking to the same Bill, the noble Lord, Lord Rennard, said:

“No existing Member of the House—and I accept that we have some very excellent hereditary Members—should feel threatened”.—[*Official Report*, 3/12/21; col. 1567.]

What has changed? Why is the exclusion of these 88 people so essential? If it is about ideology, we can do little but oppose it, and there seem to be some who are of that mind whom I would wish to restrain. If it is about numbers, we should surely rule no options out, but sit down to discuss it, keeping in mind at all times the best interests of the whole House. If we want to get to a destination—and I think there is scope for agreement on a destination—we need to be open about the potential routes. Let us keep all options on the table if we really wish to enable a settlement.

On 7 September 2020, the noble Baroness the Leader of the House said:

“All Members of your Lordships’ House are welcomed. In fact, most of us really do not know who are the life Peers and who are the hereditary Peers”.—[*Official Report*, 7/9/20; col. 545.]

How sad it is that this Bill and this provision are driving a wedge. What the noble Baroness said then was the best of the noble Baroness—the best of our Leader. She is a Leader we all know and respect. How she said it then is as it should be, and how it should stay. We are all one, and stronger as one. I beg to move.

9.30 pm

Lord Grocott (Lab): My Lords, as soon as I knew that Labour had won the general election and was preparing its legislative programme, I knew that it would include the removal of the 92 hereditary Peers, and I knew with stone cold certainty that the noble Lord, Lord True, would introduce an amendment to, in effect, put into law the Bill that he had so consistently and passionately opposed over a long period of time.

One welcomes a sinner who repenteth but, of course, circumstances have changed since I last introduced my Bill. I should perhaps explain to Members who have recently arrived that it was then simply a Bill to end the ridiculous, ludicrous, absurd and indefensible by-elections. I first introduced a Bill to do that nine years ago, although I had raised it in the Commons 31 years ago—so I am at least not a Johnny-come-lately on this issue.

What has changed since I first introduced the Bill in the Lords? Since then, 27 Peers of a new generation have arrived. Had there been no by-elections, there would have been just 34 Peers, who were first elected in 1999. They were not a particularly representative group, I have to say. We have heard quite a bit about the variety of people who come in via the by-elections. What has not been mentioned yet but will be many times, I am sure, in the days to come is that they did not include any women. It has gone backwards. In the first cohort of 1992 there were five women; but, according to the electorates that would, by various mechanisms, bring new people in, that was five too many.

Now, 100% are men, and they have particular characteristics. I mention this only as a matter of observation. Something like half went to Eton; I know some 20 of our Prime Ministers went to Eton, but there is at least the argument that they are not entirely a good cross-section of the electorate.

We have heard a lot about the “cruelty” of removing people from Parliament. I have some experience of this. I was removed from Parliament; as I recall, it was around 3 am. There was no debate or discussion about it.

In fact, people were very excited about it; many were cheering in the hall as I was dismissed. To those who expect a tearful farewell, I say: this is what happens. It is called democracy.

I know this place is not democratically elected but neither, in my view, should it be a place where people, irrespective of how much they do or the contribution they make, can expect to be here for ever. I say that particularly—

Lord Hamilton of Epsom (Con): Is the noble Lord going to put forward an argument for an elected House then?

Lord Grocott (Lab): The noble Lord, Lord Hamilton, knows well enough that I am not always in tune with my party. No, I am opposed to a directly elected House. The House that I was most proud to be a Member of—it may offend some people here—was the House of Commons. The one thing I did not want—

Baroness Falkner of Margravine (CB): Does the noble Lord agree that, although one would have a lot of sympathy for his ejection at 3 am from the other place, that was part of the contract? It is part of what being a democratically elected Member is, which is very different from having an arrangement here about which many reassurances were given. This is not to say that I am taking a partisan position on this—I have not decided, which is why I am listening to the debate very carefully—but there is a profound difference.

Lord Grocott (Lab): Of course there is a profound difference. I was not pretending it was an identical comparison, but there is no difference in the sense that, when you are chucked out of Parliament, you are not too thrilled about it. That is the way I can best describe it.

The 34 hereditary Peers who have been here throughout since 1999 have had a pretty good innings. I have a list here, which I will not read out, of the length of service of Members of this House. The top 19 are all hereditary Peers, who have all served more than 40 years in this House. The noble Lord, Lord Trefgarne, sitting there, has served 62 years. It is not a bad innings.

The Earl of Shrewsbury (Con): The noble Lord, Lord Grocott, is a good friend. He lives close to where I live in Staffordshire. Out of those 34 hereditary Peers that he mentions, how many are old Etonians? Because I would like to point out to him that I am an old Harrovian.

Lord Grocott (Lab): I had not realised we were quite as democratic as that. Obviously, I am sorry for people who enjoyed it here and are going. I dare say it will happen to me before too long. But, really, they cannot complain when they have had an innings of 40-odd years. It is a pretty good deal, especially when they come from a cohort of Peers who have come via the electoral process, of which much has been heard—occasionally with approval, I am amazed to say. People coming via that mechanism can have no complaints if

[LORD GROCCOTT]

their service comes to a conclusion. I think 40-odd years is a very good innings and there is no reason to weep and wail because it is coming to an end.

I will not go through the rigmarole of asking why on earth the noble Lord, Lord True, has had his change of mind. It is not entirely accurate to say that he was a slavish servant of the Government at the time because, when my Bill was first introduced, unless my memory serves me badly, he was not a member of the Government and, along with the noble Lords, Lord Strathclyde and Lord Trefgarne, and the noble Earl, Lord Caithness, was resolutely opposed to the Bill, just as they were to every attempt to reform this place over the period that they were in power. I am not going to speak any longer, for fear that I will get interrupted.

Lord True (Con): If the noble Lord will allow me, I was strongly in favour of the proposals put forward by the coalition Government and I look forward with interest to the debate launched by the noble Lord. That was my view.

Lord Grocott (Lab): I am sure that the noble Lord, Lord True, is talking about the coalition period. He was in favour of the Bill then. I assume that is what he is arguing about, not my Bill. I am talking specifically about my Bill, which he previously opposed in a powerful way and has now tabled an amendment to implement. I have no intention whatever of voting for the amendment, he will not be surprised to hear. Those who have sat it out as hereditary Peers have had a very good, generous innings from a very small electorate. Hereditary Peers on the list who have said that they are available for election have something like a one in 200 chance of becoming a Member of the House of Lords, whereas members of the general public have a one in 75,000 chance of becoming a Member of Parliament—so it has been a pretty privileged group. Many have served well, but the end is nigh and I suppose we will continue to repeat these kinds of assurances.

I will make one more point and then I will sit down for the rest of the evening. We make much of these 92, including many capable people, leaving their position in the Lords. A mere eight months ago, some 220-odd people lost their seats in the Commons and, although most of them were Tories, I am prepared to admit that maybe some of them made a useful contribution while they were Members of Parliament—but you go; you are chucked out; that is what happens. And that is what is likely to happen as soon as this Bill becomes law.

Baroness Finn (Con): My Lords, this House stands as a guardian of scrutiny, a check on power and a safeguard against overreach. We have endured not by resisting change but by shaping it. The hereditary Peers who sit among us today are not anachronisms or relics of another era; they are some of the most committed, capable and dedicated Members of this House. They serve not out of entitlement but out of duty. They have given their time, expertise and judgment to this Chamber, and the record shows that they

contribute more than most. They have indeed sought to come here for that specific purpose, as they already had their titles. To remove them overnight would not be reform; it would be a mistake.

Yet to continue their election indefinitely is also unsustainable. The system of hereditary by-elections, however well-intentioned at its inception, is not defensible in the modern age. So we must find a path forward, a middle way, a solution that modernises this House without undermining it and which strengthens the scrutiny rather than weakening it. That would uphold Labour's manifesto commitments without damaging the integrity of this House.

That is what my noble friend Lord True's amendment would do, and why I have added my name in support. It would not expel a single hereditary Peer from this House. It would not silence the voices that have enriched our debates and strengthened our scrutiny. Indeed, most Peers who spoke in the various debates on the Bill by the noble Lord, Lord Grocott, commended it precisely because it did not challenge the position or continued participation of those colleagues who were hereditary Peers.

This amendment would simply ensure that in the years ahead, as nature took its course and time moved forward, the system evolved with it—no more by-elections, no more miniature electorates selecting successors from dwindling ranks, but a gradual transition that was orderly, responsible and fair. The amendment offers the best of both worlds. It would deliver Labour's manifesto commitment but do so with wisdom, not haste. It would ensure that the sitting rights of hereditary Peers were no longer passed down, but it would do so without stripping this House of its experience, independence or vital scrutiny.

The noble Baroness, Lady Hayter, who is not in her place, once described this as a “modest” reform that “would make change only very slowly”,

as my noble friend Lord True has referred to. More pertinently, she said:

“It would not affect any of our existing Members, whom we look forward to hearing from, I hope, for many, many years”.—*[Official Report, 13/3/20; col. 1231.]*

She was right then, and she is right now. The amendment would modernise without destabilising, reform without diminishing and strengthen without undermining. It would do what all good constitutional reform should do: it would improve the best and improve the rest.

As for those who argue that the ship has sailed, I remind the Committee of what my noble friend Lord Mancroft has pointed out: more than 150 Members have joined your Lordships' House since it was last given an opportunity to express a view on the Bill of the noble Lord, Lord Grocott. It is rather galling for them to be told that they have missed the boat when they were not even on the jetty.

Let us not be seduced by grand gestures that weaken our institutions under the banner of progress. Let us reform but do so wisely. Let us move forward and do so together. I am encouraged by the positive tone of today's debate. Let us ensure that this House remains what it has always been: a place of wisdom, scrutiny and service to the nation.

Lord Hamilton of Epsom (Con): My Lords, I was not really intending to address this amendment but I find that the speech from the noble Lord, Lord Grocott, rather provoked me. He is slightly suggesting to everybody that if we had passed his Bill and taken up his suggestion, we would now be left with 35 hereditaries who would be here as life Peers until they eventually retired. What he rather overlooks—and I suspect he knows it—is that they would be the oldest hereditaries that we now have and, by their very nature, the least active. In this debate the noble Earl, Lord Kinnoull, the Convenor of the Cross Benches, has said that a number of his older hereditaries are prepared to retire and my noble friend Lord True made the same point about the Conservative Benches. They are the ones who will go anyway.

9.45 pm

The problem this House has is that we have had hereditary by-elections ever since his Bill failed and now have a number of very young and active hereditary Peers who are doing a fantastic job in holding the Government to account. They are the ones we want to preserve. Therefore, his argument that we should have passed his legislation and been left with 35 hereditaries does not hold any water at all because they are the ones who are oldest and likely to go anyway. We want to preserve the younger ones who are doing such a valuable job in acting very professionally in this House and holding the Government to account.

Lord Shinkwin (Con): My Lords, I support this amendment and do so scarcely able to believe either the damage that we are doing to ourselves as a House through this divisive, hurtful Bill, or the attitudes underpinning it.

On my way to the House in my chair, I brace myself for sneers, smirks, laughter and even derogatory comments on account of my disability. Sticks and stones may break my bones—and they do—but words will always hurt more. They hurt because they are informed by discrimination against difference—how I look and how I sound, in my case, because of my disability. I am not saying that I experience discrimination in your Lordships' House, at least not directly, but that I am a reluctant expert on discrimination. My life experience tells me I know what discrimination looks like and what it feels like to be invalidated and devalued.

I see discrimination in this Bill. I support this amendment because it would go some way to mitigating it. Without this amendment, hereditary Members are effectively being told, contrary to what the noble Lord, Lord Collins of Highbury, has said, that their contributions are invalid and valueless by virtue of their being the wrong type of Peer. If their contributions are valid and valuable today, why not tomorrow? Why not, as this amendment implies, for the rest of their lives, which is the basis on which the vast majority of us were appointed? This amendment provides a middle way, as we have already heard, whereby the Government can honour part of their manifesto while we acknowledge, respect and honour what are in many cases huge, selfless contributions from noble Lords who happen to be hereditary Peers.

That is not to detract from the equally important service, as the noble Lord, Lord Collins of Highbury, has reminded us, of non-hereditary Members of your Lordships' House. But it is to state a fact that the contribution of hereditary Peers adds value, rather than undermines your Lordships' House, as the Bill implies.

One of the principles of this House, which made a really big impression on me from day one of my joining it almost 10 years ago, was the sense of equality among its Members. I come from a modest background. I was not born with a silver spoon in my mouth. I was born with a broken leg and spent much of my childhood in hospital. I say this not for sympathy but to demonstrate that there is no innate reason why I should support this amendment. However, I do so in terms of privilege versus prejudice. I see prejudice at work in the Bill, to the detriment of your Lordships' House and its crucial ability to carry out its heavy responsibility of holding the Government of the day to account.

By contrast, what unites rather than divides us is that sense of privilege. I doubt any of us can recall a single maiden speech that did not refer to the sense of privilege that all of us feel when we first speak in this Chamber. The overwhelming feeling is common to us all: hereditary and non-hereditary. Speaking for myself, it has been one of the greatest privileges of my life to serve with our amazing hereditary Peers of all parties.

This amendment would go some way to recognising the extraordinary debt that we owe to our hereditary Members and the enduring values that I think we all associate with this unique place: courtesy, decency and, crucially, mutual respect and equality. As a self-regulated House, surely we have a duty to defend those timeless values. I hope that we can come together as one House, united in those values, and give this amendment the support that it deserves, if and when the opportunity arises.

Lord Newby (LD): My Lords, when I spoke to Amendment 5, I dealt with a number of issues which I thought were common to that amendment and this amendment, and I will not repeat them.

I begin by saying how much I enjoyed the speech of the noble Lord, Lord True. For years, we have listened to him with great passion denouncing the noble Lord, Lord Grocott, and everything in his Bill. Tonight, with equal passion, we have heard him advocating it. It was truly a bravura performance.

I have two questions for the noble Lord and one for the Government. The first question is: could the noble Lord explain how he believes that, if we end by-elections, there will be another point at which groups in your Lordships' House will be excluded en bloc? It is a rather chilling suggestion that this will happen. Is he suggesting that the Conservatives might do it, and who does he have in mind? I feel slightly worried as a Liberal Democrat; he has not always been my greatest supporter. Is he suggesting that the Labour Party will somehow cut a huge swathe at random through other parties? If not, just what does he have in mind? This is a legitimate process via a Bill, and it is very difficult for me to imagine the circumstances that he was putting forward. I am sorry if my understanding is lacking.

[LORD NEWBY]

Secondly, I suggested when I spoke earlier that the logical way of dealing with Peers who are hereditary but who have an outstanding record of service is that they should return to your Lordships' House as life Peers. I mentioned that this had happened in 1999 with people like my noble friend Lord Redesdale on my Benches, who came back as a life Peer. The noble Lord, Lord True, said that he rejected the idea of bringing people back as life Peers. That seems strange to me. If the Minister were to suggest to him, in the negotiations which everybody seems keen to have, that additional places might be brought forward for the Conservatives—

Lord True (Con): The time is late, and the noble Lord is going down a trail that does not exist. I did not say that I rejected that; I said that we should keep all routes to a destination open. What I did say is that, practically and constitutionally, it is easier to keep the people here who are here than to shove a whole lot out and then bring them back. It is a presentational issue and something we can discuss, but please do not impute to me that I have rejected that.

Lord Newby (LD): My Lords, I look forward to reading *Hansard*, because I wrote down the word "reject". If the noble Lord did not use it, I apologise profusely, but that is what I heard.

My question for the Government relates to the Cross Benches. What I am suggesting might happen can easily happen in respect of my party and the Conservative Party. If a number of additional life peerages are made available, we can decide, as parties, how we want to allocate them, but this does not apply to the Cross Benches. If the Government said that they were going to give, say, 10 or 15 life peerages to the Cross Benches, they would have to decide who they are, would they not? Or are they going to suggest another process, by which the Cross-Benchers decide who they are?

I have sympathy with the noble Lord, Lord True, to the extent that we do need to tease out some of these next stages. This is one area where, during the passage of the Bill, it would be helpful if the Government could be a bit clearer about the mechanism they might adopt if we retain some of the most outstanding hereditary Peers who are Cross-Benchers.

Baroness Smith of Basildon (Lab): My Lords, this has been an interesting discussion, but for me, it feels like a lesson in failure. It was a failure of the noble Lord, Lord Grocott, who was not able to get his Bill through the House previously. It was a failure on my part that, having persuaded my party to support the Grocott Bill in its stages through this House and ensure that it got on to the statute book as best we could, I was unable to persuade the party opposite that they should accept the Bill. It was a failure of those Members of the House who are hereditaries, who, having said to me and my colleagues that they wanted that Bill to go through, were not able to persuade their own party that it should. For all those reasons, for all those failures, we are here today discussing this amendment now.

I take the noble Lord's point that he could not go against his party's policy, which is now against the Grocott Bill—and he is now trying to get me to go against my party's policy. I understand that, but it is a shame, because otherwise we would not be here today having this discussion. Our colleagues who were hereditary Peers at that point, or at any point in the last nine years, could be here now as, in effect, life peers, had the by-elections ended, and we would not be in this place.

I wrote an article for the *House* magazine probably around five years ago in which I said that if the Conservative Party, the then Government, continued with the by-elections, continued bringing in a significant number of new Peers to be Ministers, and continued making appointments in a greater proportion for their own party than for my party—which is why, as I mentioned, we had a numerical disparity of over 100 when we took office—the only recommendation to a Prime Minister would be that they had to end the right of hereditary Peers to sit in the House of Lords. All those warnings were there. We tried to avoid that, but the party opposite refused to accept it, and that is why we are here now.

I must say that in some ways it is a shame, because I recognise the value and the contribution that hereditary Peers have made to this House. The noble Lord shakes his head at me, but I say that genuinely. Otherwise, we would not even have bothered trying to support, and getting my party to support, the Grocott Bill and to help it through both Houses. We offered to do that. What a shame that that offer was not taken. I appreciate the way the noble Lord has brought this amendment forward today, but we could have done this a number of years ago.

10 pm

Lord Parkinson of Whitley Bay (Con): But we can do it now. What does the noble Baroness say to the more than 150 Peers who have arrived since the noble Lord, Lord Grocott, last had the opportunity to give his Bill a Second Reading? As my noble friends Lord Mancroft and Lady Finn said, more than 150 Members of your Lordships' House have not had the opportunity to express an opinion on that Bill. The noble Lord, Lord Grocott, reminded the Committee of those who have arrived recently. After three and a half years and 150 noble Lords, we could do it now.

Baroness Smith of Basildon (Lab): But we are not going to, because that time has passed. The opportunity was there; it was rejected so many times and that is why we had a manifesto commitment. It was not just to end the by-elections, it said that as an "immediate" first step, we will do this. The noble Lord said he could not go against his party at the time, because that was its policy. We have a policy now, but that policy came about because of the intransigence of the party opposite. The noble Lord may be aware of many hereditary Peers from his party and other parties who say, "Can you not get them to accept this?" We tried. Sometimes, as I said, you have to admit failure. I understand why the noble Lord wants his policy, but it did not come forward with support from the party opposite until there was an alternative proposal in our manifesto. I will give way one more time. It is getting late and I think Members want to hear my response.

Baroness Meyer (Con): I just want to say that that was then and we are where we are now. The situation is different. Why do we want to evict a lot of people who the noble Baroness's party admits are doing good things, with just a click of the fingers? Is that not too cruel?

Baroness Smith of Basildon (Lab): The noble Baroness has made her point. There are times in life when you have to seize opportunities to make things happen and, sometimes, if you fail to take that opportunity, that time passes. The party opposite is suggesting this now only because an alternative proposal came forward. Had the noble Lord come forward before our manifesto, I would have bitten his hand off and gone with it. It is a shame that he did not.

Looking at other points that were made, the noble Earl, Lord Caithness, was someone who had lots of amendments, as I recall, to the Grocott Bill, although he did not speak to them. It is a shame. I actually stopped coming to the Chamber to listen to the debate because it was the same thing time and again—there were so many amendments. So, here we are now because 25 years ago, the principle was established that hereditary Peers would no longer have the right to sit and vote in the House of Lords. That is what has brought us to this point now.

To answer some of the questions, the noble Baroness, Lady Finn, talked about some of the characteristics of hereditary Peers and the work that they do. The same applies to life Peers, as I am sure she will readily admit. There has always been scrutiny in this House, not just from hereditary Peers but from across the House. This House has always discharged its duties and will continue to do so.

The noble Lord, Lord Newby, asked the noble Lord, Lord True, for his response, which he received. I have always said that there is no barrier to Members of your Lordships' House who have hereditary peerages receiving life peerages. That does not have to wait until the end of the Bill. If peerages were offered tomorrow by the political parties, they could be made life Peers. It is different for the Cross Benches. I do not think it is for me or the Government, if there was to be a proposal for other Members of other parties, to say who they would be, but there is a way of working this out and I will discuss this with the relevant parties. I accept that the Cross Benches are in a different position and would need different arrangements as well.

The noble Lord, Lord True, talked about his four-stage plan, some of which I had heard before but some of which was new to me as well. He says that this is a way of offering greater security for the Government to get their business through. I am sure that with his normal courtesy it would not be, but I hope that is not a suggestion that, if we do not do this, we will not get our business through. I just want to confirm this. Because he is aware of the conventions of the House—and I hope I understand him correctly—I think he is looking to seek further protections in terms of ping-pong, but if he could confirm that to me at some point, that would be very helpful, because I am sure he does not mean it to sound in any way as a threat. I am sure that is not what he intended, but it did come out a little bit like that. I will read *Hansard*, or we can talk further on that to make sure we have got it absolutely clear.

I have to be honest with the noble Lord. I understand why he has put this through, but I wish he would have come to this conclusion earlier—I really would have welcomed it—and I ask at this stage that he withdraw his amendment.

Lord True (Con): My Lords, I am grateful to all those who have spoken, and of course to the noble Baroness the Leader of the House. We began today with what I thought was a generally very good-tempered debate, one where I felt on both sides that there was a willingness to seek a way forward. I am sorry that we have ended in a slightly scratchy way, which I do not think was characteristic of the day, and I would rather not dwell on the recent words. I will bring this proposition back to the House, subject to whatever discussions we may or may not have before Report, because I suspect that the House—which has a say in this matter, not just the two political parties—might well believe that this is not an unreasonable approach, tempered in the way that I described earlier by agreements on one of the strands of my proposals to address the question of numbers, including by retirements.

I prefer to dwell not on failure but on the future. All I know of the noble Baroness the Leader of the House is her care for this House and her concern for the future, and that is where I am coming from. I do not do threats, and I do not make threats, but anybody who has been present in the worst parts of the debate today can see that people are feeling that there are strong passions on both sides. We heard them from the noble Lord, Lord Grocott, and we heard them from others. Those of us in leadership positions in the House must find ways to calm that, to reach agreements and to find a way forward.

I hear again that it is not possible for the Government to consider this, and that the horse has gone, or the boat has left—or whatever it is. This last weekend, the Prime Minister made a great act of statesmanship and, frankly, political courage, in which he took the incredibly difficult decision to cut spending on aid to protect our country and secure it for the future. The Prime Minister adopted a powerfully held position in the interests of the whole. I hope that we will, in the next few days and weeks, not rule out any route towards finding a solution to this problem, and that includes, as I said in my earlier speech, aspects tempered by ameliorative action on numbers.

It was a very impressive debate. I asked at the start whether it was about numbers; we can deal with that. If it is about ideology or firm places, we will have problems—but they will not necessarily be with me. That is not a threat; it is true that people will oppose that position. I hope that we are better than that.

I very much appreciated my noble friend Lady Finn's powerful appeal to reason.

I thought that the noble Lord, Lord Grocott, might come back after dinner in a slightly more generous vein than before, so perhaps I can recommend him a better accompaniment to his food. The argument of "When you go, you go" is his view. As was aptly pointed out, if you are an MP, you can come back; our colleagues who are being excluded have only an exit door.

[LORD TRUE]

My noble friend Lord Hamilton of Epsom rightly pointed out that there are many younger, active hereditary Peers who do a great service to this House.

The noble Lord, Lord Newby, asked me two questions. He asked whether the Conservative Party was planning some exclusion. The fact is that the noble Lord is voting for exclusion, so he should not be too surprised that some other party might look at another group. I said that the Conservative Party never had—and, I hope, never would—go down that route. However, there are other parties on the block—there are other kids on the block—so if we make it, “Yes, you can come in and you can take out a group”, you could, for example, introduce 15-year term limits, which is very popular in the House. You could get rid of anybody who served for more than 15 years. We heard the noble Lord, Lord Grocott, say earlier that lots of people have been around here a long time. What would be the effect of that on composition? I would go. I do not know who else would go, but someone might pick up that plan and, looking at what was done in 2025, say, “No transition, no grandfather rights at all”. I am just

warning that it could happen, and it might not be a party represented in this House that would want to do it.

Finally, I must refer to the great speech of my noble friend Lord Shinkwin. The Committee was absolutely silent listening to what he said, informed by his extraordinary life experience and courage, and the wisdom that has come from that. Some of us will have heard his words in different ways but, having heard what my noble friend said, surely we must show openness and inclusion to all our Members. Let us not rule out anything, even tonight; let us come back and consider the best way of solving this conundrum. I beg leave to withdraw my amendment.

Amendment 9 withdrawn.

Amendment 10 not moved.

Clause 1 agreed.

House resumed.

House adjourned at 10.13 pm.

Grand Committee

Monday 3 March 2025

Arrangement of Business

Announcement

3.45 pm

The Deputy Chairman of Committees (Lord Geddes) (Con): My Lords, as is customary at this hour, I must advise the Grand Committee that if there is a Division in the Chamber while we are sitting, this Committee will adjourn as soon as the Division Bells are rung and resume after 10 minutes.

Non-Domestic Rating (Levy and Safety Net) (Amendment) Regulations 2025

Considered in Grand Committee

3.45 pm

Moved by Lord Khan of Burnley

That the Grand Committee do consider the Non-Domestic Rating (Levy and Safety Net) (Amendment) Regulations 2025.

The Parliamentary Under-Secretary of State, Ministry of Housing, Communities and Local Government (Lord Khan of Burnley) (Lab): My Lords, the Government are currently working to strengthen the local government finance system, a task that I am sure many noble Lords will agree is an essential course of action. However, as we do this, we must also enable councils to set budgets and provide essential services now by providing them with the financial certainty they need.

The business rates retention system is a cornerstone of the local government finance system, through which councils in England retain a fixed proportion of the business rates they raise locally. This enables them to benefit when business rates income increases in their local areas. Despite the system's simple premise, the administrative arrangements that underpin it are unavoidably complex. This results from not just the arrangements between local councils and central government to operate the system but changes that have been implemented over time to honour the system's original commitments.

As the Committee may remember, the rates retention system was set up, and is run, according to a suite of legislation, with the day-to-day arrangements covered by several sets of regulations. For the system to continue to run as it should, and so that councils pay or receive the correct amounts, the regulations that govern these arrangements must be regularly updated. The amendment regulations before the Committee this afternoon make updates that are needed this year and, while the changes they bring about may be technical, the reasons for making them are straightforward.

Today, we need to make changes only to the levy and safety net regulations. These regulations set out within the system a safety net that protects councils from decreases in business rates income below 92.5% of their need assessment funded through the

rates retention system, and how this mechanism is partially paid for via a levy on the growth in their business rates income.

I will now explain the changes that the amendment regulations make and why we need to make them. Within the rates retention system, several councils benefit from what are known as enhanced rates retention arrangements, which, simply put, mean that they retain more than 50% of the growth in their business rates income. To prevent councils that run at the standard 50% level being disadvantaged by any additional safety net arrangements that enhanced retention councils may receive, levy and safety net calculations for all councils must be made at the standard 50% rates retention level. The amendment regulations will make sure this happens by substituting the figures of enhanced retention councils in the local government finance report with the figures those councils would have had if they were operating at the 50% rates retention level.

Secondly, each year we need to reflect in the rates retention system newly introduced measures that change business rates as a tax. Where changes amend the bills of businesses, such as reliefs, there is a consequential impact on the income that councils collect locally. This year, the only such change needed to the regulations for this purpose is to ensure that major precepting authorities—which for these purposes are primarily county councils and fire authorities—are not doubly compensated via the levy and safety net for business rates reliefs announced for 2025-26 which reduced their income.

We are making this change because major precepting authorities already receive compensation for their share of the loss of income due to the awarding of these reliefs via a grant from government. However, this does not show up in their retained rates income, which, resultantly, would appear too low in levy and safety net calculations. The amendment regulations quite simply add the value of the new business rates reliefs back to major precepting authorities' retained rates income, therefore ensuring that the compensation they receive is accounted for and that a more accurate measure of each council's income is fed into levy and safety net calculations.

The last change the amendment regulations make is to put right an erroneous figure, originally set out in the Non-Domestic Rating (Levy and Safety Net) (Amendment) Regulations 2022. This figure will be used as part of calculations to ascertain how much small business rates relief to add back to North Northamptonshire's retained rates income, on which levy and safety net calculations will be made. I confirm that we are taking the first opportunity to rectify the error, having discovered it only recently.

We are yet to perform the relevant statutory end-of-year levy and safety net calculations required by the regulations based on certified—or audited—data, as we have not yet received this data. Once we have received it, we will make these calculations. Noble Lords will understand that in cases such as these, where the required data from councils is outstanding, we carry out interim calculations while the relevant councils are waiting for their accounts to be audited. This is sensible to ensure that councils do not lose out or end up needing to provide for future payments of levy.

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For North Northamptonshire, the correction of this error will not affect its levy and safety net calculation or, therefore, its payments for 2021-22 or 2022-23. This is because no levy payment is due, and it is not eligible for any safety net in respect of those years—a situation that will not change as a result of the amendment of this figure. However, due to the increase in income in the local area that North Northamptonshire has seen following the 2023 revaluation, it became a tariff authority from 2023-24. This means that from 2023-24 it is due to start paying levy on its growth, which in turn also means that adjusting the figure will have a small impact on the amount of levy paid going forward. The amendment regulations make this change, correcting the figure from 67.4% to 67.8%. My officials have engaged with the council so that it is aware of this change.

In conclusion, these amendment regulations update the administration of the business rates retention scheme and are required to ensure that councils receive the amount of business rates income they are anticipating and on which they have budgeted. I hope that noble Lords will join me in supporting these regulations. I beg to move.

Baroness Pinnock (LD): My Lords, I declare that I have relevant interests in local government, as recorded in the register. I hope the Minister has understood every bit of what he has read out, because it is very complicated—that is not meant as anything more than a statement—particularly as there are no examples in front of us as to what the impact of the changes will be.

This statutory instrument needs to be understood in relation to the Non-Domestic Rating (Multipliers and Private Schools) Bill, which has just completed its Committee stage. That Bill, if enacted without amendments, will change the norms for business rates income, on which local government absolutely depends for a significant part of its income. The changed multipliers that the Bill envisages will, obviously, also alter the amount that different businesses will pay in non-domestic rates. This, in turn, will alter the income that different local authorities will receive as part of the 50% business rates retention scheme.

That impact will affect local authorities in very different ways. Local authorities with many properties that exceed the £500,000 rateable value boundary set in the Bill will gain in income. These businesses are primarily in major cities and include, for example, office blocks, hotels and major premises of that sort. Local authorities that are more reliant for income from retail, hospitality and leisure businesses will see their income in the 50% retained element decrease.

During the passage of the non-domestic rating Bill, I sought—and was granted—an assurance that local authorities will not be penalised as a result of the changes. However, that is on the national, global level. This statutory instrument is, I guess, the attempt to deal with these changes so that individual local authorities do not lose income or, conversely, gain too much income. The key question is whether that can be achieved in full. Is it possible under the new system that is going to come into effect in a year, whereby

the Covid relief will gradually slip away and the new multipliers implemented will change the balance of income from businesses across the country? I have been assured that the national figure of income will not change. Will individual local authorities have assurance from the Minister that they will not lose out as a consequence of the changes? I accept that this is a very complicated set of calculations, so it would be absolutely fine if the Minister would prefer to write to me.

As the Minister will know, 43% of local authorities are on the verge of issuing 114 notices, so in this instance every penny will count. That is why I am asking the question. The lack of hard examples in the Explanatory Memorandum and the Minister's introduction makes it really difficult to judge the implications of this instrument, so any further evidence will be extremely helpful for folk like me to understand what is going on.

My other point is about the changes to the 100% retention authorities; I want to know how that is worked out and I think it needs a bit more explanation. If those with 100% retention are no longer going to be able to retain 100%, how is it going to be worked out? Those authorities will expect to retain 100%. Again, I understand if the answer needs to be in writing, because this is not obviously easy or straightforward.

Finally, the issue that these changes bring to the fore is the current inability of councils to raise local income—be that in a small tourist tax, as the Manchester combined authority is now doing, or by any other means. A bit more flexibility for local authorities in raising their own small amounts of additional income would be of enormous benefit to many councils as they struggle to make ends meet. It would be worth knowing why flexibility in raising income does not seem to be in the Government's agenda, because it would help to stem the enormous downward pressure on local public services. I look forward to what the Minister has to say, and a written response if needed.

Lord Jamieson (Con): My Lords, I mention my interests as a councillor in Central Bedfordshire. I thank the Minister for clearly outlining the essence of this SI. While these are technical adjustments that may sound reasonable on paper, it is useful to consider the wider impact of government actions in relation to the business rates system, particularly as it pertains to our small and medium-sized enterprises alongside larger businesses. As the noble Baroness, Lady Pinnock, mentioned, this is a very complex system, so when we make changes to it there tend to be unintended and uncertain changes. That is the whole reason we have this SI in the first place. I would like some assurance on that, which I will raise in a moment.

I turn to the regulations themselves. The primary change is to adjust how the levy and safety net payments are calculated for authorities that retain a greater share of business rates. The most notable change is ensuring that these authorities, sometimes referred to as 100% authorities, do not have to bear the brunt of additional payments that should, in fairness, be a central government responsibility.

4 pm

Secondly, the regulations aim to address the proper accounting of new business rates relief announced in the 2025-26 financial year. This new relief, targeting specific sectors, aims to ease the burden on businesses, but it must be properly accounted for in the levy and safety net calculation to avoid situations where local authorities are compensated twice for the same relief.

Lastly, the regulations correct a technical error in the calculation of small business relief for North Northamptonshire. The correction addresses a mistake made when the authority was created in 2021, and it will ensure the accuracy of calculation going forward.

In short, the goal of these changes is to ensure fairness and transparency in how business rates are calculated and redistributed between central and local government. These technical adjustments are necessary to align the system with current policy. However, it is important to consider whether these measures will genuinely benefit the businesses they aim to support, especially small businesses and those in particular strained sectors.

I have a few questions. First, the Government claim that these changes will prevent 100% authorities being unfairly burdened with additional payments. However, can the Government guarantee that these changes will not result in unintended consequences? Will they inadvertently create a scenario where certain local authorities are better protected than others, exacerbating regional discrepancies? I think that was the point raised by the noble Baroness, Lady Pinnock—I was going to say “my noble friend”, and she is a friend.

Secondly, while the new business rates relief for 2025-26 is designed to prevent double compensation, how will the Government ensure that the reliefs are effectively targeting businesses in need? Small and medium-sized enterprises in particular face increasing financial pressure. Will these new measures translate into meaningful support for those businesses, or are they primarily for the benefit of local authorities?

In conclusion, although the levy and safety net amendments may indeed improve the technical accuracy of the business rates system, the Government must be cautious not to lose sight of the broader impact on business. His Majesty’s Opposition do not oppose these amendments, but we urge the Government to reflect more deeply on the implications for the wider business community, particularly smaller businesses, in sectors such as hospitality, retail and leisure, which face their own unique and often severe challenges.

In particular, can I have an assurance from the Minister that the other proposed NDR changes that we discussed last week will not have these unintended consequences, which would mean we would be here again in six months or a year with SIs to rectify something the Government are putting through at the moment? It would be nice to get it right the first time.

Lord Khan of Burnley (Lab): My Lords, I thank noble Lords for their very interesting contributions, their broad support for what the Government intend to do, and their interest in this subject. I will first

summarise what we are trying to do here. We make several changes to the regulations each year, so what we are doing this year is not out of the pattern. We make these changes to ensure that we update the legislative framework that underpins the business rates retention system. This is to reflect policy announcements already made that affect the business rates retention system, such as the introduction of new reliefs or the modification of existing ones. These changes usually adjust council income or the values that underpin redistribution within the system. These changes are generally uncontroversial, meaning that they are put in place practically—the result of policy decisions already taken.

All current region-wide enhanced business rates retention arrangements, including those in place in authorities in Greater Manchester and the West Midlands, will continue for 2025-26. The current patchwork of business rates retention arrangements allows only certain areas to benefit from enhanced retention of growth in business rates. The Government will consider how a new model of business rates retention could be better and could more consistently support strategic authorities to drive growth, as part of the Government’s reform of funding for local government through a multiyear settlement from 2026-27.

I turn the points raised by the noble Baroness, Lady Pinnock. These are technical regulations providing for the current operation of the system. Next year, the Government will reset the amount of income by remeasuring how much income there is. This will take into account the changes in the multipliers and the revaluation in 2026—a point on which the noble Lord, Lord Jamieson, also touched.

Both noble Lords touched on the top-ups and tariffs for 100% authorities’ calculations at the 50% level. The tariffs and top-ups, including the levy and the safety net calculations for 100% retention authorities, are simply the tariffs or top-ups that each authority would have paid or received if it had been operating under the normal 50% retention arrangements. By using this proxy, we ensure that any safety net payment to an authority is the same as it would have been if it had not been a 100% retention authority. We then carry out a separate calculation for the amount that is due under the 100% arrangements. If this is greater than the safety net payment calculated under 50% rates retention, we pay them the difference via a grant. In his way, central government—not the rest of local government—picks up the cost of any increased risk under the 100% arrangements. This approach was agreed with the relevant areas when these arrangements were set up.

On the changes, I want to touch on what we are trying to do. We use a measure of council business rates income, called retained rates income, to calculate levy and safety net payments for a year. Retained rates income is based on an authority’s measurement of income in that system and includes the authority’s top-up or tariff for that particular year. If we simply used 100% top-up or tariff figures, it would mean that councils that retain 50% of the growth in their business rates might end up paying for the increased safety net arrangements—a point that I have made before. For

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the purpose of making the levy and safety net calculations, to ensure that that does not happen, we substitute the top-up and tariff figures of councils that have enhanced retention arrangements in place for 2025-26 for the figures that they would have if they were operating at 50% business rates retention.

On the related changes to tax measures, the Government support businesses in England by providing business rates reliefs and exemptions. This year, the discretionary business rates measures that we are adjusting in relation to the calculation of small business rates relief are also for rental, hospitality and leisure relief. This has been a point of discussion and debate across two days in Committee. As I said in Committee—I say it to the noble Baroness, Lady Pinnock, now—analysis on the impact of the policy will be done only when the rates are set by the Treasury at Budget. It would be remiss of me to try to give any assurances, particularly in terms of assessments and analysis of the impact, when—

Baroness Pinnock (LD): I thank the Minister for seeking to respond to my question about whether any local authorities will lose as a consequence of these changes, alongside the other changes that were made in the non-domestic rates multiplier Bill. So far, the Minister has not said that the Government are not able to give an absolute assurance that local authorities will not lose. Is that right? Is that what I am hearing?

Lord Khan of Burnley (Lab): No. As far as we understand it, we are moving towards a system where business rates are the first part of the overview, and changing the whole system includes the non-domestic rates multiplier Bill—the NDR business rates Bill—to which we have referred. We have that as part of a process to make sure that the system is sustainable and continues in a fair way. Of course, we are working to ensure that we support local authorities, as far as is possible. At this stage, we think that the system and the way in which it will work will provide sustainable and fair practice where we have put in higher multipliers for a rateable value of £500,000 and, elsewhere, where we have put in lower multipliers. In that way, we are working closely with local councils and we will continue to work with them to ensure that local authorities do not lose out as part of this process. We are watching this closely. However, we—not my department but the Treasury—will publish an impact analysis when the multipliers are set.

If anything, I have not picked up on the noble Baroness's detailed and specific questions. We will write to her, as she has invited me to write to her; it would only be kind to write back if somebody wants a letter.

I thank noble Lords for their valuable contributions to the debate. In closing, while the changes made by the regulations are few and technical, they are important to make sure that the business rates retention system continues to operate correctly, so that authorities receive what they should. I hope that noble Lords join me in supporting them.

Motion agreed.

Town and Country Planning (Fees for Applications, Deemed Applications, Requests and Site Visits) (England) (Amendment and Transitional Provision) Regulations 2025

Considered in Grand Committee

4.11 pm

Moved by Baroness Taylor of Stevenage

That the Grand Committee do consider the Town and Country Planning (Fees for Applications, Deemed Applications, Requests and Site Visits) (England) (Amendment and Transitional Provision) Regulations 2025.

Relevant document: 15th Report from the Secondary Legislation Scrutiny Committee

The Parliamentary Under-Secretary of State, Ministry of Housing, Communities and Local Government (Baroness Taylor of Stevenage) (Lab): My Lords, the Town and Country Planning (Fees for Applications, Deemed Applications, Requests and Site Visits) (England) (Amendment and Transitional Provision) Regulations 2025 were laid before the House on 13 January 2025. These draft regulations increase planning fees for householder and other applications. This will provide essential extra funds to local planning authorities and improve the efficiency of our planning system. This is vital to speed up decision-making and support the Government's plan of building 1.5 million homes and delivering economic growth.

I will start by providing some context and background to these regulations. Currently, the income from planning fees does not cover the cost to local planning authorities of determining applications. Overall, there is a national funding shortfall of approximately £362 million, the burden of which is borne by the general taxpayer. By increasing fees for applications with the greatest funding shortfalls, we can cover a greater proportion of the costs associated with processing these applications.

It is estimated that these fee increases will generate an additional £56 million annually for local planning authorities. This is a substantial sum that will significantly enhance the capacity and efficiency of our planning services.

We consulted on proposals to increase fees in July 2024. Respondents were generally supportive of our proposals, recognising the need to boost the funds available to local planning authorities, if this leads to improvements in planning performance. Noble Lords will realise that the Local Government Association has long campaigned for increases in planning fees.

I now turn to the detail of the regulations. First, they increase the fees for householders who want to enlarge, extend or alter their home from £258 to £528 for a single house and from £509 to £1,043 for more than one house. I recognise that some may consider that, during times of economic pressures for householders, we should not be increasing planning fees. However, in light of the clear funding shortfall that exists, it is right that applicants should contribute more towards the costs incurred by local planning authorities in delivering a planning service, rather than the taxpayer funding it.

We estimate that, in most cases, the cost of the planning application is less than 1% of overall development costs. Furthermore, some householder development can already be undertaken through permitted development rights and so would not be subject to a planning application fee.

The regulations also increase fees for a range of other application types, which currently are set too low. They increase the planning fees for prior approval applications from a flat fee of £120 to £240 and from £258 to £516 where they include building operations, and for the change of use of commercial buildings to residential uses from £125 per dwelling to £250 per dwelling. The regulations also increase the fees for discharge of conditions from £43 to £86 for householders and from £145 to £298 for all other applications, including discharge of biodiversity gain plans.

Finally, the regulations introduce a new three-tiered fee structure for Section 73 applications that are used to vary or remove conditions on planning applications. This reflects the higher costs associated with Section 73 applications on major developments. The regulations also make corrections to two fees that were erroneously set too low when the fee regulations were last amended in 2023. These regulations do not impose a fee on listed building consents, which continue to incur no fee.

I want to be clear that the Government expect local planning authorities to use the income from planning fees on their planning application service, so that they can build up their capability and capacity and improve performance. We know that this is what applicants expect in return for paying higher fees. In addition to these fee increases, the Government have committed to a £46 million package to enhance the capacity and capability of local planning officers. This includes recruiting 300 additional planners. I recognise that there is no planning officer tree where we can go and pick them; this is going to take a little time.

The Government have also announced their intention to introduce a measure in the planning and infrastructure Bill that will enable local planning authorities to set their own planning fees to meet their costs. This comprehensive approach ensures that local planning authorities are not only better funded but better equipped to handle the demands placed on them.

To summarise, while we take forward our measures for local fee setting, these regulations will provide local planning authorities with an immediate boost in resourcing. This will enable local planning authorities to budget with more confidence and be better equipped to deliver the housing and growth that our country needs. I hope that noble Lords will join me in supporting the draft regulations, which I commend to the Committee.

Baroness Thornhill (LD): My Lords, the Liberal Democrats wholeheartedly support this rise in planning fees, so I apologise now for repeating some of the very good points that the Minister made. She should not expect me to keep saying that for ever, but I do on this occasion.

We have all known for years that planning departments are underfunded; they are not covering their costs, and the position is simply unsustainable. I am interested that the Government have decided to go for an interim

position rather than a full cost recovery. I can kind of understand their wanting it to be balanced, but I wonder whether the work has been done on what will be needed to get to that position, which we believe we should get to.

As the Minister said, planning departments have long been subsidised by the taxpayer through council tax; they have been bearing the burden of the costs of planning applications, which do not directly benefit them—particularly for individual householder applications. It seems completely illogical that everyone should contribute to an individual's home improvements, which usually add value to just their property.

We welcome the change of emphasis from the last Government, who did at least increase the fees in December 2023—but I always felt that their agenda seemed to be to keep fees down. I note that a Conservative Member of Parliament in the other place described the rise as “eye-watering”. My riposte is that he clearly does not know what builders are charging these days, as the planning fee, which is an essential tool to getting the development right, is but a tiny fraction of the total cost. Two friends have recently had extensions to their homes, and when I hear how much they spent on the projects as a whole, I feel that £528 is probably the lowest in the grand scheme of their costs.

Major housebuilders are demonstrably making money, and their applications take the most time and expertise, so a rise to begin to cover costs seems entirely reasonable—more so given the financial challenges that local government faces. Some of the pre-app talks and site visits can be really extensive and time consuming.

If we have a concern regarding sustainability, it is about the recruitment and retention of planners. The ambition to recruit 300 new planners is laudable and welcome, and it seems churlish to point out the fact that it equates to just one planner per authority—but that is the reality. The Home Builders Federation pointed out, through a freedom of information request, that 80% of local planning authorities are operating below capacity.

The recruitment and retention problem is exacerbated by differential salaries. The best young graduates appear to be snapped up by the major housebuilders, as they can afford to pay significantly more than local authorities. Especially in areas of high house prices, that can make recruitment even more of a challenge.

The Minister will know that some local authorities are working together to look for solutions by co-operating rather than working against each other, competing for the same people and even poaching. Career opportunities can be better for an individual if they can work across several councils, especially with smaller districts.

The RTPI has pointed an important fact—that there is a lack of robust data on how many planning officers we have in each region and local planning area. Accurate data would help to pinpoint where resources and training are most needed, so perhaps the Minister could give us some more detail on the changes to the Pathways to Planning programme.

We think that all these increases are necessary and overdue, and accept that it is sensible to tie this to an annual increase. The fact that previous rises were not

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index-linked was part of the problem. The gap between the cost of processing an application and the fees charged has widened significantly over time.

There has been some talk of monitoring and ring-fencing of funds. Because of the parlous situation of local government funding, will local authorities rob Peter to pay Paul? In my experience, most councils will honour the intentions of government when money is handed out for specific needs, and we see no reason why that would not be the case here, without the need to mandate it or introduce checks. This Government are committed to decentralisation, so it is essential to let go and trust local authorities. Trying to micromanage budgets could be unnecessarily overbearing. We believe that councils should make all their own spending decisions. The Government already have mechanisms in place to monitor planning performance.

The Minister was right to point out that councils get no fees from the massive extension to permitted development rights, yet when there are problems with those conversions, the planners are drafted in to give advice and help to put things right. The key is that if there had been a need to obtain planning permission, the issues would have been sorted out right at the beginning. Will the forthcoming planning Bill be more helpful in this regard? We hope so, and in particular we look forward to allowing local planning authorities to set their own planning fees to meet their costs. A degree of flexibility to adjust to local circumstances and needs is essential.

Lord Jamieson (Con): My Lords, I reiterate my declaration of interest that I am a Central Bedfordshire councillor. These regulations propose important changes to the planning process, including substantial fee increases for householder applications, prior approvals and approval of details reserved by condition; and a new three-tier structure that will differentiate charges for householders, non-major developments and major developments. I thank the Minister for going through the instrument in some detail, and I will try not to repeat too often what she said.

Although His Majesty's Opposition do not oppose these regulations in principle, we recognise that careful consideration is needed to ensure that these changes serve the interests of both home owners and developers.

The proposed increase in planning fees reflects the increasing demands on planning authorities and the need to recover costs, as the Minister mentioned. The fee for household applications will rise by 105% overall. We agree that these higher fees are necessary, as they ensure that planning authorities will have the resources to operate effectively. However, we must also be mindful of the impact on home owners, especially those who wish to make relatively modest improvements on their homes. We need to strike the right balance between cost recovery and affordability, ensuring that these fees do not place an undue burden on householders already facing financial pressures.

In addition to the householder fee increases, there are Section 73 increases, which, as outlined, will range from £86 for householders, £586 for non-major developments and £2,000 for major developments. This three-tiered structure is logical, and it is fair that

the larger developments pay more, but we must ensure that the distinctions between the different types of development are clear, transparent and rational. We must also consider whether these fees inadvertently discourage smaller-scale developments or overburden individual home owners.

Finally, for biodiversity net gain approvals, there are increases of over 100%, from £145 to £298. What is the cumulative impact of all these fees? That is vital. What will they do for various developers, householders and so on? It is right that we get the right resources, but we also need to ensure that we do not overburden developers or small SMEs and enable them still to have financially viable projects.

The aim of these fees is to give resources to planning departments, so it is vital that they then deliver. Given the amount of frustration I get from householders, developers and so on about delays in the planning process and bureaucratic hold-ups, it is important that the fees result in faster, more efficient decision-making. We cannot just raise fees; we have to deliver faster, better planning processes.

I take this opportunity to note that, as mentioned earlier, the proposal to increase planning fees was originally a Conservative proposal—we did it in the previous Government—but I commit again that we need to fix the planning system so that stuff gets done in the allotted time. Timeliness and efficiency must accompany these fee increases.

Looking further ahead, I will touch on some of the proposals in the NPPF, which is really important. One reason we have delays in the planning process is that the planning system is complex, difficult and uncertain. The Government have made it clear that their intention is to simplify the planning process, and we welcome these efforts. We hope that they deliver a simplified planning system, but I also urge caution that simplification, while an important goal, should not come at the cost of clarity or integrity in the planning system. We need a process that is both simpler and more certain, and delivers quality developments so that businesses and individuals can have confidence in the decisions that affect their properties and developments.

In conclusion, while acknowledging the necessity of these fee increases and the proposed changes to the planning system, we urge the Government to ensure that the reforms strike the right balance. The Official Opposition are not opposed to reform, but we call on the Government to ensure that the planning system remains accessible and fair, particularly for smaller developers.

Moreover, as we look at these fee increases and the broader changes to the planning system, we encourage the Government to reflect on the need for a system that is not only more efficient but more responsive and certain. It is essential that the planning process delivers timely and effective decisions to business communities and home owners alike.

4.30 pm

As was mentioned by the noble Baroness, Lady Thornhill, planning officers can be like hen's teeth. I am very pleased that the Minister for Skills has come into the Room, because one of the keys to this is that many councils would like to develop more of their

own planning officers but, as the noble Baroness, Lady Thornhill, mentioned, we may take them through an apprenticeship process for them to be immediately poached. It is important that, when we look at the apprenticeship system and the apprenticeship levy, there should be more flexibility in how councils use them to encourage more apprentices and for councils not to be just training schools for the private sector.

Baroness Taylor of Stevenage (Lab): I am very grateful to noble Lords for their helpful comments and overall support for this increase in planning fees. As I said, it is something that the Local Government Association and the local government community have campaigned on for some time. Before I go into some of the other specific issues, I too am glad that my noble friend from the Department for Education is here; the issue of skills and the development of skills in planning is critical to driving that key mission of delivering the 1.5 million homes that we know are desperately needed in the country.

The noble Baroness, Lady Thornhill, raised the sufficiency of the fee increase. These increases have been targeted to those applications with the greatest funding shortfalls, and that is why this interim measure has been structured in this way. Those applications constitute the greatest proportion of applications received by local planning authorities so, as I said in my introduction, this will provide them with an immediate and significant boost, then the planning and infrastructure Bill will set the wider framework when we come to it. As the noble Baroness said, planning fees represent only about 1% of development costs and we do not consider that burden disproportionate.

Both noble Lords raised the issue of capacity and capability in the planning system. It is worth repeating that we have put together a £46 million package of investment. My noble friend Lady Smith of Malvern set up Skills England so that we can try to attract more people to be planners, and that funding will provide the recruitment and training of 300 additional planners and the development of the skills needed. We have already recruited a cohort of around 20 senior built environment professionals, across a range of specialisms, to work directly with and advise local authorities, and with Homes England as our delivery partner. We are also developing a wider programme of support, working with partners across the planning sector, to make sure that local planning authorities have the skills and capacity that they need. I am very pleased that the Construction Industry Training Board has also stepped up and put some money towards this project.

The noble Baroness, Lady Thornhill, mentioned that accurate data is needed and asked me for an update on Pathways to Planning. We fund the Local Government Association's Pathways to Planning and, on 27 February, we announced an allocation of £4.5 million for the Local Government Association's initiative to fund salary bursaries for new planning roles in councils. I hope that gives her some indication of where we are going with that.

The noble Baroness mentioned ring-fencing. We are not specifically ring-fencing planning fees, but we have been clear that we expect the income from planning fees to be retained and directly invested in the delivery

of planning application services. Ring-fencing will be considered as part of the longer-term plans that will enable local planning authorities to set their own planning fees, but the noble Baroness is quite right that, as local authorities face a difficult financial position at the moment, they should have the flexibility to decide where their funding is going.

The noble Baroness also mentioned permitted development rights. We know that national permitted development rights play a role in the planning system, but we acknowledge that there has been criticism of them, particularly those that enable a range of commercial buildings, such as offices, shops and agricultural buildings, to change use, including to residential use. There have been some good examples of that, but there have also been some pretty poor ones. We continue to keep permitted development rights under review.

The noble Lord, Lord Jamieson, raised the important issue of why this increase is focused on householders. We are increasing the fees for householders because these have the greatest funding shortfalls, as I said. The fees for major applications are estimated more closely to cover the costs to local planning authorities. It is not possible to increase fees for developers above cost-recovery levels in order to cover the costs of other applications. That is the reason for this measure. The forthcoming planning and infrastructure Bill will enable planning authorities to set their own planning fees, but we have to take action now to address the funding shortfalls. To support our measures to enable planning authorities to set their own planning fees, we will undertake a benchmarking exercise to establish the robust baseline that we need for full cost recovery of all planning fees.

The noble Lord mentioned the key issue of small builders and medium-sized enterprises. We recognise the need for a diverse housing market sector that can respond to local needs. SMEs are an indispensable part of our housebuilding sector. We know that they have a vital role in making the housing market more diverse and resilient and contribute to housing supply by building out the majority of small sites. I have had great personal experiences—as I am sure both noble Lords have had in their areas—of SMEs making a big contribution.

Through our planning reforms, we are committed to ensuring that the right support is in place for SMEs, and we have engaged extensively with the sector to better understand existing challenges. On 12 December last year, we published the revised NPPF, which makes clear the necessity of ensuring that sufficient small sites are made available to support SME housebuilders and to better enable authorities to support that community-led development. We are committed to strengthening small sites policy and providing additional support for SME housebuilders with further measures later this year.

Planning performance is a key issue, as mentioned by the noble Lord, Lord Jamieson. How do we ensure that increased fees result in better performance by local authorities? In return for increasing planning fees, we expect local authorities to invest more in their planning services to deliver better performance. We will continue to monitor the performance of local planning authorities through the planning performance

[BARONESS TAYLOR OF STEVENAGE]

dashboard and quarterly planning statistics. The planning performance regime ensures that underperforming local planning authorities are held to account; it is an important way of making sure that that happens.

The noble Lord referred to the new NPPF and to simplification and clarity in the planning system. It is a complicated system—I understand that. We attempted to simplify the system with the NPPF, and we will continue to look at what further measures are necessary. When we get the planning and infrastructure Bill, we will hopefully be able to clarify the system further for everybody who needs to use it. If I have not covered any points, I will look at *Hansard* and reply in writing.

In conclusion, the proposed increase in fees is a necessary and timely measure. It addresses a critical funding shortfall faced by our local planning authorities and will help provide them with the resources they need to deliver improved services. This will benefit householders, businesses, developers and, ultimately, all of us, as the economy grows and more homes are built. I hope the Committee will welcome these important regulations.

Motion agreed.

Higher Education (Fee Limits and Fee Limit Condition) (England) (Amendment) Regulations 2025

Considered in Grand Committee

4.40 pm

Moved by Baroness Smith of Malvern

That the Grand Committee do consider the Higher Education (Fee Limits and Fee Limit Condition) (England) (Amendment) Regulations 2025.

Relevant document: 16th Report from the Secondary Legislation Scrutiny Committee (special attention drawn to the instrument)

The Minister of State, Department for Education (Baroness Smith of Malvern) (Lab): My Lords, I thank the Secondary Legislation Scrutiny Committee for its scrutiny of these draft regulations. This statutory instrument, which was laid in draft on 20 January, increases the limits on tuition fees that higher education providers can charge students studying undergraduate courses at approved fee cap providers in the 2025-26 academic year. It also introduces new lower tuition fee limits for foundation years in classroom-based subjects offered by approved fee cap providers, starting in the 2025-26 academic year. A separate SI making changes to maximum fees, loans and living costs support for the 2025-26 academic year was laid before the House on 13 February.

As so many noble Lords, including those present today, have witnessed at first hand, our higher education sector is something to be immensely proud of and, as I am sure they agree, to protect for this and future generations. We have spoken recently in this House about how our higher education sector is one of the best in the world, delivering internationally recognised research and teaching. It is an engine for national

economic growth as well as providing important local anchor institutions, contributing significant employment, delivering local skills needs, supporting local communities and enriching society. Higher education providers change the lives of individuals by opening up new opportunities and allowing them to follow their passions. We have also heard in the House how higher education is a public good, benefiting not only those who walk through its doors but the wider communities in which the providers sit.

But now that world-leading sector is facing severe financial challenges. This House acknowledged the financial health of the sector when we debated it in the Chamber in September. With tuition fees frozen for the last seven years, universities have suffered a significant real-terms decline in their income. Teaching income per student that higher education institutions receive has declined in real terms since 2015-16 and is now approaching its lowest level since 1997. The Office for Students reports that a growing number of higher education providers face significant financial difficulty. Its analysis suggests that, by 2025-26, up to 72% of providers could be in deficit and 40% will face low liquidity if no mitigating action is taken.

As many noble Lords said during our debate on financial sustainability, the time for action is now. We must ensure that our higher education sector is put on a secure footing in order to face the challenges of the next decade and to ensure that all students have confidence that they will receive the world-class education they deserve. We also need to ensure that students are receiving value from their investment. I will take each of those objectives in turn.

This SI is intended to fix the foundations and put our higher education sector on a more secure footing. It will mean that, from 1 August 2025, tuition fee limits for undergraduate courses will increase by 3.1%, in line with forecast inflation based on the RPIX inflation measure. This means an increase to a maximum of £9,535 for a standard full-time course, £11,440 for a full-time accelerated course and £7,145 for a part-time course. Increasing maximum fees has not been an easy decision, but it was the right decision to ensure that the sector has an injection of funding before it faces irreparable damage. Increasing fees will mean that providers can continue to contribute to our economic growth, globally important research and delivering for our local communities.

4.45 pm

I understand that some may worry about the affordability of higher education and the impact on the access and participation of disadvantaged students, but there remain protections in place for students so that eligible students can continue to apply for upfront fee loans to meet the full cost of their tuition. Students start repaying their loans only when they reach a certain earnings threshold.

We are also working with the sector to ensure that it does more to improve access for those from disadvantaged backgrounds and to deliver the very best outcomes for both those students and the country. We are clear that, for higher education providers, as across our public services, investment can come only with major reform. That is why we announced that we will publish a plan

for higher education reform in the summer, together with details of the part that we expect providers to play in that reform.

This SI will also improve efficiency and deliver value for students. Lower fee limits will be introduced for undergraduates starting foundation years in classroom-based subjects in the 2025-26 academic year: a maximum of £5,760 for a full-time course and £4,315 for a part-time course. The Government recognise the importance of foundation years for promoting access to higher education, but there has been rapid and disproportionate growth of foundation years in classroom-based subjects that can be delivered more efficiently and at a lower cost to students. To be clear, providers offering foundation years in all other subjects, such as STEM and the creative arts, will be able to charge fees up to the new fee limits of £9,535 for a standard full-time undergraduate course and £7,145 for a part-time course.

To conclude, this SI will put our higher education sector on a more secure footing, enabling the sector to continue to deliver the world-class higher education that current students and those in future generations deserve. I beg to move.

Lord Willetts (Con): My Lords, I very much welcome this measure. I should declare my interests as a visiting professor at King's College London and a member of the University of Southampton's council. I know from seeing universities close up that the situation is indeed serious, as the Minister rightly said. The freeze in the level of fees has meant a 28% cut in the real resource available for universities in the last seven years. This cannot carry on, so I support this measure.

Having heard the Minister's arguments about the need to strengthen universities' financial position, I would add that it is a pity that the entire extra revenues for universities from this measure go in meeting the national insurance costs that they face. I hope that the Minister will be able to tell us, in her winding-up speech, her estimate of the extra expenditure on national insurance for universities as compared to the extra receipts from these higher fees. What I conclude from this is that, if the Minister is to live up to the excellent rhetoric about putting universities on a sounder financial footing, she will need to go further in future. I hope that, in her response, she can give some indication of her plans for the future. I would encourage the Minister to carry on with indexation as an absolute minimum—after all, that is what the Blair Government did, automatically indexing fees year after year—because, otherwise, the problem that she described so eloquently will just continue to get worse.

A range of us have, in different ways, tried to find an alternative system for funding higher education. Employers will not put up any more, and the Treasury and the taxpayers are not going to put up any more either. So we all end up reluctantly concluding that this is the only game in town. All three political parties represented in the Committee today have concluded that you have to put up fees in order to sustain our higher education system—and that is the case.

We could all learn a lot from my noble friend Lord Johnson, who introduced the TEF. Clear pressure to raise the quality of teaching is an important part of

any future increase. Personally, instead of the rather random process of an Augar review or a freeze, I always wanted to see a quinquennial review—a review every five years—modelled to some extent on the way in which the social security system operates, from which we can always learn. A quinquennial review would enable a judgment to be made about the right level of the repayment threshold and the right level of fees, in the light of what had happened to earnings and the cost of higher education, and it could set out a formula that lasted for the life of a Parliament.

I will not comment on foundation years. I recognise the political and popular anxieties about measures such as this. Such measures never poll well, but the reason for that is often a misunderstanding. A lot of people still think that students have to pay up front, and a lot of people, including parents, think that the debt is like a credit card debt or an overdraft, meaning that, if their child has a £50,000 debt, they can take out £50,000 less as a mortgage. Those are misconceptions. The fundamental case for these measures is that they are in the best interests of students. Students will have a well-financed and well-funded higher education and, as the Minister rightly explained, will pay back only on a repayment formula that is not changed by these measures.

Finally, I urge that, now that the Government are operating with a model that they themselves were crucial in designing, the Minister and the Government own it. All three parties have a shared interest in trying to communicate the reality of this system. If ever we lapse into saying that the fees should not go up because there is a cost of living crisis, that feeds misunderstanding and is extremely irresponsible.

I hope that the Minister will be able to spare the time for a meeting where we could go through the painful lessons I have learned about how one tries to communicate the reality of the system. I also hope that she might consider a more strategic approach, so that universities know that the real resource they have will at least be protected in the years to come.

Baroness Wolf of Dulwich (CB): My Lords, I also must declare an interest, as a member of the academic staff of King's College London. I would also like to note that I was a member of the Augar review. Apropos of the suggestion by the noble Lord, Lord Willetts, of a quinquennial review, I am rather pleased that it has taken only six years since the final report of the Augar review to get to some of the implementation of it.

Obviously, I welcome the Government's decision finally to raise fees a little, but I would like to say something about foundation years. As the Government's memorandum points out, this came out of the Augar review's recommendation: basically, foundation years should go, except in a few specific high-skill and very important subjects, such as medicine. It is worth noting that, although the Government—indeed, their predecessor was in a similar position—decided not to go that far, as has been pointed out,

“there is little evidence that studying a foundation year is always necessary for students wishing to access an undergraduate course in these subjects, and potential foundation year students can choose functionally similar courses—such as Access to HE diplomas—that cost significantly less”—

or, as in the case of A-level resits, cost them nothing at all.

[BARONESS WOLF OF DULWICH]

Although I very much welcome the decision to reduce the level of fees on classroom-based foundation years, I recollect for the record that when we first looked at them on the Augar committee, nobody had really noticed, including us. It was pointed out to us by the FE principal member of our committee, Bev Robinson, who basically said, “Do you realise what’s happening?”. She also noted—I cannot tell how widespread this was—that she had come across some very aggressive recruiting by universities of young people who, in her view, would have been much better off either doing access to HE or retaking their A-levels.

I underline that the Government recognise this, and that the Secondary Legislation Scrutiny Committee also noted:

“While we welcome attempts to encourage under-represented groups into HE, we would be concerned if these came at the expense of poor value for money for those students and for taxpayers”.

The consultation process resulted in a small majority of people saying that they did not want the fees to go up. However, the majority of non-higher education provider respondents definitely wanted the fees to go down. That is where we are.

My view is that there is still a question mark over these years. I thank the Minister for cutting the fees for foundation years in classroom-based subjects, but can she assure us that the Government will continue to monitor enrolments to see whether that does in fact put an end to the enormous growth that there has been? Will she consider asking the department to study the impact of foundation-year study on young people who go by that route, and how successful they are? It is very easy to forget about it again, and it crept up on everybody unawares—and I think everyone is agreed that it is a good thing that we are taking some action.

Lord Johnson of Marylebone (Con): My Lords, I also have to declare an interest as a visiting professor at King’s. I have other education-related entries on the register, which I will not list here.

I welcome the Government’s decision to allow the increase of fees in line with inflation. It is long overdue, and I wish that previous Administrations had had the good sense to crack on with it, as this Government have. The feast-to-famine approach to funding higher education is hugely inefficient and leads universities to make job cuts and programme closures that they might not otherwise do, if there were greater certainty over their funding. I echo what my noble friend Lord Willetts said about the need to put this situation on a more stable footing, ideally, with annual indexation. That would be eminently sensible. Like him, I would be interested to find out from the Minister, when she replies in due course, how much of that fee increase will be left to institutions once they have dealt with the increase in national insurance contributions down the line.

The key thing is that inflation is an ongoing cost, and the OBR has made forecasts of near 3% inflation for each of the next three years. If the Government do not allow for further indexation in coming years,

universities are going to be looking at another real-terms fall in their income of around 11% or 12% by 2030, so it is really no joke at all. I urge the Government to keep on gripping the nettle and dealing with it. From a political point of view, the sooner in the political cycle they do that, the easier it will be. Making these sorts of decisions should not be difficult, but leaving it to years 2, 3 or 4 of a Parliament means that it becomes much less palatable. I urge the Minister to get on and announce the continuing indexation for the coming few years.

Welcome though this funding is, there cannot be something for nothing. As the noble Baroness, Lady Wolf, said, the sector has to continue to demonstrate value for money for students and taxpayers whose loans underpin the funding of higher education.

I am very pleased that my noble friend Lord Willetts mentioned the TEF. I was also glad to see that the Office for Students strategy—now out for consultation—gives a prominent role to the TEF in how it plans to ensure quality in the system. The TEF plays a valuable role in driving excellence and good student outcomes above the baseline ensured by the B3 metrics. It has a really useful role to play in that respect, so I am pleased to see that it is going to be part of the future quality arrangements.

5 pm

It is absolutely critical that the Government stick with this approach based on the TEF and the B3 metrics, rather than flipping to a system of equating value for money with the proportion of student loans by provider that end up being repaid. A very crude equation of value for money with the proportion of loans that get repaid would be a huge error that would lead to serious unintended consequences for our system.

There is, of course, a big difference in full-time undergraduate loan repayment rates over the first five years after graduation by provider. But I think this is an absolutely terrible way of spotting providers that offer poor value for money. Doing so would unfairly penalise institutions serving students in poorer parts of the country where wages are lower and would discourage the provision of courses that lead to low-earning but socially valuable careers, such as teaching or social work. This Government rightly put great weight on widening access and participation in their plans for the reform of higher education. It is critical for them to note that an approach that equates value for money with the proportion of loan repayment by provider would throw sand into the engines of social mobility.

The data behind student loan repayment rates by provider clearly demonstrates that it is less advantaged students who do not repay as quickly as others. Repayment rates have a notable and visible relationship with the proportion of former students from the 20% of postcode areas with the lowest rates of participation. It does not take long to work out why: the combination of higher average borrowing and lower average earnings makes remaining loan balances before interest after five years look far worse in providers with a higher proportion of students from disadvantaged backgrounds. I would be very grateful for the Minister’s thoughts on this in her response in due course.

Lord Storey (LD): My Lords, the Minister is right to talk about financial sustainability. She is also right to talk about how we must value students. I remember quite clearly how the noble Lord, Lord Johnson, told us at every opportunity that we needed to increase tuition fees for the sake of the university sector. It always struck me as interesting how we would laud our university sector by saying, “We have three universities in the top 10 in the world rankings” and “We have got x number in the top 100 rankings” and—

Baroness Smith of Malvern (Lab): Four.

Lord Willetts (Con): King’s is not yet, but will be.

Lord Storey (LD): It always seemed to me that were almost gloating about this, but what a fine way to show that in the financing of our university sector, or in how we look after our students in many cases.

As I think has been said by the noble Lord, Lord Willetts, last year the Minister very bravely said the Government were going to increase tuition fees to get over that difficulty. Then, of course, along came national insurance and all that wonderful extra financial resource is completely lost.

My knowledge of the university sector has increased over the years with my children going to university and I also served on the governing council of Liverpool Hope University, so my interest has grown. I always think that we do not really grapple with some of the issues that face us; we try to push them away. I thought that when loans were introduced, it would put students in the driving seat of a university education. I do not think that has happened. In some universities, the way students are regarded is not as good as it should be.

I also wonder whether Tony Blair saying he wanted 50% of young people to go to university was the right way of deciding how we grow the university sector. I look now, and I see some universities really struggling, offering very low grades to get into university. I see universities almost competing with each other on courses when they are in the same city, for goodness’ sake—I just do not understand that. I look at private universities, which, obviously, get finances from the system. I was heavily involved in the Greenwich School of Management, where the Government were able to say, “We’re taking all these young people from deprived backgrounds and giving them a university education”—but, at the end of the first year, they took the money and ran. What went on in that particular private institution, along with others, was completely wrong. When it was highlighted on “Panorama”, the college was closed down, along with others. In one case, police took action. So we have to look carefully at how we use the money as well. Some of the practices that we currently carry out are, in my mind, just not acceptable.

I want to see students really value their university education. I will give an example of something that is a great pity. When I was at university, I stayed on Merseyside, but I loved the fact that I met people from all over the country, who are some of my best friends—from the north-east and elsewhere. Nowadays, students cannot afford that and, increasingly, they go to the university in their home area or even their home city. The figures for Liverpool John Moores or the University

of Liverpool, for example, increasingly show that the students come from that city, that conurbation or that region. We have lost something in losing that opportunity.

I am delighted that the Minister talked to us about how we need to look at this properly and come forward with some proposals in the summer. I am delighted and excited by that, to be quite honest, but I hope those proposals will give us the opportunity to give our ideas and thoughts on what that might be. But, in terms of this SI, I very much support what the Government are doing.

Baroness Barran (Con): My Lords, as we have heard, this statutory instrument increases by 3.1% the maximum tuition fees that higher education providers can charge for the majority of courses and, in turn, the amount of tuition fee loans that students can take out. It also reduces the maximum amount of tuition fees that can be charged for foundation year courses in certain classroom-based subjects, such as business studies, humanities and social sciences. These Benches very much welcome the Government’s decision on foundation year courses; we have seen potentially troubling increases in the number of students taking these courses, particularly where franchise providers are used to deliver them.

However, I have three main concerns about the approach that the Government are taking to the tuition fee increases. First, this increase, in line with inflation, sets a precedent for future fee increases. I absolutely hear the points made by the Minister and my noble friends about the importance of giving universities visibility and stability in their financial model. But if we assume, in line with the OBR, that inflation remains at around 3%, it will take only a further two years of this policy before students will have to pay more than £10,000 a year in fees. So, after a typical three-year degree, students will leave with debt of around £59,000, or up to £68,600 if they live in London. Echoing the requests of my noble friends, I ask the Minister to clarify whether the Government plan to increase fees again in this Parliament in line with inflation—taking my noble friend Lord Johnson’s advice and doing that quickly—or is this a one-off decision?

Secondly, the Government have stated that they increased university fees for 2025-26 to “help cement higher education providers’ roles as engines of growth in the heart of communities”.—[*Official Report*, Commons, 20/1/25; col. 19WS.]

The Secretary of State for Education deemed that this action was necessary to “secure the future of higher education”.—[*Official Report*, Commons, 4/11/24; col. 47.]

However, as we have heard from all speakers this afternoon, this increase will not result in a net improvement in university budgets; indeed, the Secondary Legislation Scrutiny Committee commented in its report on this SI that the increase will “not reduce those difficulties” that higher education providers are facing. Our understanding is that the Government’s choice to increase employers’ national insurance will cost the university sector around £372 million, which will more than offset the increase in fees. So we are left in a situation where the Government have increased costs for all parties—students and taxpayers—without fixing the root of the problem. Indeed, the Secondary Legislation Scrutiny Committee noted that

[BARONESS BARRAN]

“the ultimate costs of increases in tuition fee loans (and presumably also of maintenance loans, for the same reason) fall on the public purse to a significantly greater extent than the costs of those loans overall”.

So, although the focus is on students, the committee clearly believes that, ultimately, it will be the taxpayer who picks up the bill.

Thirdly, although, as I noted previously, we very much support the Government’s decision to reduce fees on foundation year courses, again, the SLSC notes that about 12 or so institutions will be most affected by the drop in income, which it estimates—or, perhaps, the Government estimate—as being between £154 million and £239 million annually. What assessment have the Government made of that impact? Can the Minister update the Committee on it?

More broadly, I hear and respect the comments of my noble friend Lord Johnson but I think it is fair to say that, as the number of degrees has expanded, some degrees have—my noble friend does not want to use the term “value for money”; I am fine with that—resulted in the taxpayer picking up a greater proportion of the costs than was the case in the past. The IFS noted in its 2020 report that total returns from a degree will be negative for about 30% of the men and women undertaking them. I totally understand that a degree is about much more than one’s earnings power, but one’s earnings power, particularly if you come from a disadvantaged community, is not insignificant either.

So I would be interested to know what the Government are doing to try to give students greater transparency about the degree choices that they are making in terms of future employability, career options and earnings power. The Minister will know that even a degree such as maths, depending on where you do it, will end up with very different outcomes in terms of earnings. It is important for students to understand the implications of their degree choices. The latest data showed that the median first-degree graduate earnings five years after graduation were £29,900 as compared to £33,800 for a level 4 apprentice. I appreciate that they are not interchangeable; I just use that as a demonstration of the point I am making.

It has taken a freedom of information request from my honourable friend Neil O’Brien to reveal the wide variations in the share of loans that are being repaid between different higher education institutions. In some cases, we see only very small fractions of what is being loaned out getting paid back, which means that these courses are definitely not great for the taxpayer but are arguably not great for the student either, who may feel that their degree has cost them a lot but not taken them to where they had hoped to get to.

5.15 pm

Another concern is that this announcement of a fee increase will come as a surprise to students, given that it was not part of the Government’s manifesto—particularly those students who are part-way through their degrees and did not expect a fee increase. Although I appreciate that it is at the discretion of universities as to whether or not they impose the increase but, in the light of the financial pressures we know universities are under, that may be a slightly theoretical discretion.

Our other concern relates to the marginal tax rate that graduates face. Alongside the increased fees, the Government have increased the maintenance loans available to students, meaning that graduates will pay a 51% total tax rate if they hit £50,000 of earnings. At over £60,000 of earnings, graduates with children, in particular postgraduates, face marginal rates in the 58% to 73% range, which used to apply in the form of a supertax on the very wealthy only. I recognise the financial burdens that universities face but this seems an incredibly high tax rate for students.

I am deeply sympathetic to students, who would benefit from greater transparency in their choice of HE options, and to university staff, who are obviously suffering from cuts at the moment, but there is an imperative to focus on the quality of courses offered across all of our HE institutions and to build on the many truly wonderful courses that are currently offered. With those reservations, I look forward to the Minister’s reply.

Baroness Smith of Malvern (Lab): I thank noble Lords for their contributions to this debate. It should perhaps have been sponsored by King’s College; there was clear quality from King’s on display in the quality of the contributions made. I will endeavour to answer noble Lords’ questions but, before I turn to those questions, I would like to reiterate the importance of this SI in putting our higher education sector on a secure footing and ensuring that students receive value from their investment; I will go further into some of the challenges and questions from noble Lords on that.

First, there is recognition that this a decision made for one year. That is why I was keen to emphasise in my opening comments that, in the summer, the Government will return to a fuller programme of reform that will include a longer-term answer to the question of the financial stability of higher education. It will also recognise the considerable investment in higher education that we are asking students to make and the responsibility, therefore, on the higher education sector to maximise its contribution to the growth of the economy in its role as a civic player and an anchor in communities; to ensure the quality of both teaching and the student experience; to close the gap in access and participation in higher education; and to ensure that that is done on the basis of efficiency and value for money.

I hear the call from the noble Lord, Lord Storey, for the Government to listen widely to contributions made on those reform pillars. That is the reason why, at the point at which we announced our decision to increase maximum tuition fees, we set out our determination to come back with that programme of reform. I will certainly reflect on many of the points that noble Lords have made today as we go forward on that work. I will want to hear—even if I did not want to, I am sure that I would—noble Lords’ views on all of those areas of reform.

On the point made by several noble Lords about the impact of national insurance contributions, I draw noble Lords’ attention to the Office for Students’ estimate that the employer national insurance contribution changes will result in additional costs for the sector of £133 million in 2024-25 and £430 million each year

from 2025-26. However, although noble Lords have rightly called for recognition of the value of higher education and its impact on other areas of public service, it is also important to recognise the Chancellor's challenge, as set out in the Budget, in raising the revenue required to fund public services and restore economic stability. It is important to recognise that that required difficult decisions on tax, which is why this Government are asking employers to contribute more through national insurance contributions. We strongly believe that this is the fairest choice to help fund the NHS and wider national priorities.

The HE finance and funding system needs to work for students, taxpayers and providers. The fee increase represents a significant additional investment from students into the sector. As I say, that will both support higher education providers in managing the financial challenges that they face and bring a responsibility for them to engage in the type of reform focus that I outlined earlier.

Several noble Lords asked about not only the process for repayments but the way in which students starting their higher education, and others, understand the consequences of taking on the loans that enable them to cover the cost of tuition up front. We understand that some students may worry about the impact that the increased fee limits will have on the size of their loans. As other noble Lords have done, we want to reassure students that, when they start repaying their loans, they will not see higher monthly repayments as a result of these changes to fee and maintenance loans.

That is, of course, because student loans are not like consumer loans. Monthly repayments depend on earnings, not simply the amount borrowed or interest rates. At the end of any loan term, any remaining loan balance, including interest that has built up, will be cancelled. I hope, therefore, that those considering higher education will recognise both the enormous and broad benefits that come from higher education and the fair and manageable way in which they will be expected to repay out of their higher earnings—from higher education—the contribution that has been made towards their education.

I will be very pleased to meet the noble Lord, Lord Willetts—I am sorry that we have not already organised it—to learn from his experience, to consider his scars and to think about what we could gain from that as part of our longer-term thinking.

The noble Baroness, Lady Wolf, talked about her contribution to the independent Augar review and the conclusion it came to on foundation years. She welcomed the Government's approach on this, but it is fair to challenge us to continue to monitor the levels of enrolment and see what the impact is. We could undertake to do that. She also made the important point that we need to be clear that students are accessing this level of education preparatory for higher education in the right institution. That is why another important area of focus for this Government and for the higher education reform process will be a greater emphasis on routes for students—particularly in the collaboration between higher and further education—and ensuring that they get the opportunity to learn at the appropriate institution,

cost and time. We are clear about the contributions that institutions in further and higher education can play in that.

A couple of weeks ago, I was very impressed to see the relationship between the University of Birmingham and an FE college in Birmingham, where students were studying the first two years of an engineering degree before going on to gain that degree at the University of Birmingham in the third year. That is the type of innovative approach to opening up access and to high-quality pathways that we are keen to see more of.

The noble Lord, Lord Johnson, rightly emphasised and recognised the arguments that the Government have been making around value for money. He also described how that is not always necessarily best measured by a direct correlation with earnings from a particular degree, quite often within a relatively short period of time. It is important to think about how we measure that: how it might be influenced by the different types of institution, particularly those which might be contributing more to social mobility, and what the impact of that quite crude measure would be on those choosing to go into our public services.

I was taken back to an event I attended where the noble Lord, Lord Willetts, spoke about his recent pamphlet on precisely this issue. It is complex, and it is important that we do not make a direct correlation, as occasionally the last Government fell into, between earnings levels and the quality of particular courses, particularly when that tips over into a suggestion—I am sure that the noble Baroness never did this—that there are Mickey Mouse courses and others. There is quality in higher education courses. Although it is important, as the noble Lord rightly says, to ensure that that quality is properly and broadly measured, including through the TEF, crude measures may not necessarily help us make the best decisions here. However, ensuring quality in higher education is an important element of the Government's reforms that we will say more about.

The noble Lord, Lord Storey, rightly focused on the student experience. He makes a fair point that we should have high expectations of higher education, increasing expectations such that students not only can access university but succeed in their time there, whether they choose to stay close to home—there are benefits to that—or to travel. We also need to ensure that universities are working closely with local authorities and others to make sure that the costs and quality of accommodation and the impact on students of the broader need for accommodation in university areas are properly considered. As I have said, the noble Lord volunteered to contribute ideas towards the higher education reform work that we are doing, which I welcome.

I have covered some of the points and questions raised by the noble Baroness, Lady Barran, but she made a specific point about the foundation fee reduction falling on a few providers. It is likely not to fall equally across providers and to fall on particular providers. It will be important for the OfS to consider that in its analysis of financial stability.

5.30 pm

The noble Baroness also made a point about franchise provision. Outwith this debate, I hope that noble Lords have noted this Government's determination to ensure that, where there is franchise provision, it is both properly regulated and of high quality. That is the reason for us currently consulting on the registration of franchise providers, with 300 or more students.

I also agree with the noble Baroness on the need for transparency for students, in essence on what they will be getting and what their future might hold from particular courses. On access and participation, we are very keen to ensure that universities continue that where they are doing it well and that they improve where they are not yet providing sufficient information for students.

I thank noble Lords for the positive way in which they have engaged in this debate, but we all recognise that providers are facing significant financial challenges, having suffered a significant real-terms decline in income following seven years of frozen tuition fees. We need to act now to put the sector back on a stable footing and ensure that current students and future generations benefit from the experience of participating in this world-class higher education sector.

We expect something from the sector in return. As I have said, in the summer, we will publish a plan for higher education reform, which will include the actions that we expect from the sector as part of this major reform, and we will have more to say about the long-term financial stability of the sector again. I thank noble Lords and commend these regulations to the Committee.

Motion agreed.

Pneumoconiosis etc. (Workers' Compensation) (Payment of Claims) (Amendment) Regulations 2025
Considered in Grand Committee

5.34 pm

Moved by Baroness Sherlock

That the Grand Committee do consider the Pneumoconiosis etc. (Workers' Compensation) (Payment of Claims) (Amendment) Regulations 2025.

The Parliamentary Under-Secretary of State, Department for Work and Pensions (Baroness Sherlock) (Lab): My Lords, I will also speak to the draft Mesothelioma Lump Sum Payments (Conditions and Amounts) (Amendment) Regulations 2025.

The schemes we are debating today provide vital support for sufferers of certain dust-related diseases, often caused by occupational exposure to asbestos and other harmful dusts. Having attended these debates in the past, I am always grateful for the opportunity to discuss these schemes and the wider support for people diagnosed with these diseases, which cause such terrible suffering. I know that many noble Lords have friends and colleagues who have died as a result of these awful conditions. Every year when we gather, it is worth taking a moment to remember those who have suffered and their families.

I will begin by providing a brief overview of these two no-fault compensation schemes and of what these regulations seek to amend. The Pneumoconiosis etc. (Workers' Compensation) Act 1979—henceforth “the 1979 Act scheme”—provides a single lump sum compensation payment to eligible individuals who suffer from one of the diseases covered by the scheme. This includes diffuse mesothelioma, pneumoconiosis and three other dust-related respiratory diseases. It was designed to compensate people who could not claim damages from former employers that had gone out of business and who had not brought any civil action against another party for damages. To be entitled to a lump sum award, claimants must have an industrial injuries disablement benefit award for a disease covered by the 1979 Act scheme, or would have had an award but for their percentage disablement.

The 2008 diffuse mesothelioma lump sum payment scheme was introduced to provide compensation to people who contracted diffuse mesothelioma but were unable to claim compensation through the 1979 Act scheme. For example, they may have been self-employed or their exposure to asbestos was not due to their work. This would include cases we have often discussed in this Committee in years gone by, such as of spouses or other family members who may have washed the overalls of those who worked with asbestos and contracted the disease themselves.

The 2008 Act scheme provides support to people with diffuse mesothelioma quickly at their time of greatest need. Regrettably, for adults diagnosed with mesothelioma in England between 2016 and 2020, one-year survival was below 50%. Timely financial support is especially important for such diseases. Although both schemes aim to provide compensation to sufferers within their lifetime, each scheme also allows for claims by dependants if the person suffering from the disease sadly dies before they are able to make a claim. This is in recognition of the suffering these diseases can bring to whole families.

These regulations will increase the value of one-off lump sum payments made under these schemes. These rates will apply to those who first become entitled to a payment from 1 April 2025. While there is no statutory requirement to increase the rates of these payments in line with prices each year, we are maintaining the position taken by previous Governments and increasing the value of the lump sum awards by 1.7%, in line with the September 2024 consumer prices index. This also means that the increase will once again be in line with the proposed increases to industrial injuries disablement benefit as part of the main social security uprating provisions for 2025-26.

Between April 2023 and March 2024—the latest financial year for which data are available—1,620 awards were made under the 1979 Act scheme and 320 awards were made under the 2008 Act scheme. Expenditure on lump sum awards made under both schemes totalled £30 million in 2023-24. It is clear that these schemes continue to provide vital support to sufferers and their families.

According to data from the Health and Safety Executive, there were 2,257 mesothelioma deaths in Great Britain in 2022. That is slightly lower than the 2021 figure and substantially lower than the average of

2,529 deaths per year over the period between 2012 and 2020. The most recent projections from the HSE suggest that annual deaths due to mesothelioma in men will reduce during the 2020s, although for women annual deaths are not expected to start to reduce until the late 2020s. This difference may reflect particularly heavy asbestos exposures in certain industries that mainly affected men, such as shipbuilding, being eliminated first, whereas exposures due to the use of asbestos in construction, which affected many men but also some women, continued after 1970.

While these trends offer us some reason to be hopeful, we must do whatever we can to prevent future asbestos exposures and reduce the risks of developing these terrible diseases. I am pleased to say that the HSE continues its vital work to enable employers to take action to prevent and reduce the most common causes of work-related ill health. Following the asbestos awareness campaigns of previous decades, the HSE continues to make a wide range of information freely available through its website. In January 2024, it also launched a duty to manage communications campaign called “Asbestos—Your Duty” to raise awareness and understanding of the legal duty to share information on asbestos with those liable to disturb it. I am sure noble Lords will join me in recognising the continued importance of the compensation offered by the 1979 Act and 2008 Act schemes.

Finally, I am required to confirm that these provisions are compatible with the European Convention on Human Rights; I am happy to do so. I commend the increases in the payment rates under these two schemes to the Grand Committee and ask approval to implement them. I beg to move.

Lord Jones (Lab): My Lords, I thank the Minister for her introductory exposition of these regulations, which one can only support wholeheartedly. There could be no more caring and compassionate Minister to introduce them. The Minister has a brilliant record on detail, research and expertise—and no little enthusiasm. She has been steering and informing at the elbow of Prime Ministers with fierce commitment and considerable intellectual mastery for years, and with success. I offer my congratulations on her appointment in an important department. I also thank the department—in particular, Mr John Latham and his committed, diligent team—for its helpful Explanatory Memorandum.

I rise to speak because one believes in the principle of the Executive always being held to account and questioned; that is a good, long-standing principle of Parliament. These regulations are of great importance to the post-industrial regions of Britain. Their industries disappeared and shrank rapidly but, distressingly, the human consequences remain. One would have liked these regulations to have been taken in your Lordships’ Chamber, given their importance to communities that have served Britain so well in those recent times. It is good to know that the Government have delivered a 32% pay rise to 112,000 former miners; that is something like an average of £29 per week.

Although the Minister always gives information, what is her judgment as to how well the war on asbestos is progressing? Is there any estimate available to the department of the number of deaths caused by

asbestos and its associated diseases in the various industries that she has touched on? Do we know how many people’s deaths have been recorded as being caused by pneumoconiosis? I ask this in relation to coal mining and quarrying specifically; it may be that that information is not available immediately but might be in written form at another time.

Lord Harold Walker—an engineer, a one-time House of Commons Minister of State and then Chairman of Ways and Means—told me that, in 1968, workers in a Hebden Bridge factory had literally played snowballs with blue asbestos, such was the ignorance at that time. In Blaenau Ffestiniog and Dinorwig in north-west Wales, there were world-famous slate quarries; sadly, the quarrymen were endangering their lives by the inhalation of slate dust. Their work was dangerous in itself, and sometimes they worked in huge, dark, underground, cavernous locations. Poorly paid, they even had to buy their own candles, so it was no surprise when the small hospital ward on site had a year-long bitter strike.

5.45 pm

Lastly, these two instruments spring from the historic Employment Protection and Health and Safety at Work Etc. Acts legislated by the then Secretary of State for Employment Michael Foot in the mid-1970s. The Wilson and Callaghan Governments of that time were without a workable, practical majority; it was always touch and go. However, we now have a Health and Safety Executive—a direct consequence of those historic Acts. I had the honour of serving in those three Administrations for Harold Wilson and James Callaghan, each to become a Lord in this House.

The good news is that time is of the essence, and the Prime Minister is giving a reception for Welsh Members of both Houses. I therefore sit down and conclude.

Baroness Donaghy (Lab): My Lords, it has become a tradition for me to follow my noble friend Lord Jones on this subject. I thank the Minister for her presentation and the proposed uplift. I also pay tribute to the noble Baroness, Lady Stedman-Scott, for the work that she did when in government and thank my colleagues in the DWP with whom I work as chair of the mesothelioma oversight committee, as I have been doing for a considerable number of years now. That group represents the trade unions, victims, insurers and all interested parties. That quiet work is done and the tragedies carry on. The numbers may be smaller but, unfortunately, there will be a long tail indeed. Some professional people are going to get it—those teaching in schools with asbestos—as will other areas.

To inform the Committee—I have said this before—I lost a sister-in-law to mesothelioma in Scunthorpe. We still do not know whether that was because she pushed trolleys around as a nurse in a hospital basement that was full of asbestos or whether it was because she was washing her husband’s uniforms when he worked at the Scunthorpe steelworks. I also lost a very close friend in my union, on the same subject, so this is a personal issue, as well as something that I have been pleased to do for the DWP.

[BARONESS DONAGHY]

That is really all I have to say, except to ask the Minister—my noble friend Lord Jones indirectly indicated the future—what money the Government are thinking of putting into more research on this dreadful disease.

Baroness Janke (LD): I, too, thank the Minister for her presentation. As she said, we have heard from many other noble Lords about sufferers from these diseases and that they are the legacies of old industries and still very much in evidence among many communities across the country. The diseases are not caused just by such industries; some sufferers still do not know how they contracted them. They are vicious and cause tremendous suffering, so I think, as the Minister said, that this is vital support for the sufferers. We also need to recognise that these are sick people; they may be very old and dependent on this payment. With the rising costs of energy, and so on, I hope that we might, at some stage, look more closely at how adequate these upratings are.

I am grateful to hear about the mesothelioma oversight committee, which I had not heard of before, but I would like to know a little more about the profile of this cohort of recipients. We hear a lot about their suffering—they have suffered through no fault of their own—and, as the noble Baroness said, their life expectancy is very short. So that would be helpful to me, but obviously we cannot have that today. The noble Baroness mentioned the number of recipients—I am sorry; I did not manage to write that down—but perhaps we could have something on that, on the age profile and on how many dependants are receiving the payments, as opposed to the actual sufferers. Can we hear a bit more about the life expectancy of some of the sufferers? It may be that we might get a more detailed approach to this payment, perhaps with the help of the mesothelioma oversight committee and other bodies.

I believe the Labour Party will conduct a benefit review. I hope there may be an opportunity to look in more detail at some of the cohorts. I have mentioned before that benefit payments are not really related to the cost of living or the cost of healthy eating. In looking at whether these recipients' payments are adequate, we ought to think about the treatment, the suffering and the conditions that they must endure.

I hope that we may have the chance, in a review, to look at the particular needs of these people who are suffering from these terrible, debilitating and terminal diseases. I am sure that we all support the uplift, but I suspect that we all wonder whether it is adequate, so I hope that that will be looked at again.

Baroness Stedman-Scott (Con): My Lords, I have stood where the Minister is standing on many occasions to bring forward SIs on this subject. I have always been horrified by the impact and the effects on people's lives, and by early deaths that have come so quickly after diagnosis.

However, quite recently, a letter dropped into my letterbox at home from a legal firm in the north of England, advising me that the lady I had employed as my first PA, 43 years ago, had contracted mesothelioma. That made it a little more personal to me. I was then

asked whether I could remember the names of other people I employed at that time, whether I knew where they were and whether I could give a rundown of the buildings that we worked in, in those early days. I did my best to do that, and that put me in touch with this lady, who ended up as the deputy director of HR at the John Radcliffe Hospital—a very able person. She is now coming to terms with what will happen in her life. That has made me more committed to understanding and supporting efforts to help them.

I thank the Minister for her clear outline of the purpose of these two statutory instruments. These regulations seek to increase the value of the one-off lump sum payments made under the two compensation schemes—the Pneumoconiosis etc. (Workers' Compensation) Act 1979 and the Child Maintenance and Other Payments Act 2008—by 1.7%, in line with the inflation rate. Although we acknowledge that these increases are a positive step forward, particularly for those living with life-threatening conditions due to past exposure to hazardous substances, we must consider whether these adjustments are truly sufficient in the light of the immediate and long-term needs of the affected individuals.

The compensation schemes in question provide vital support to individuals who have suffered as a result of working in hazardous environments, particularly from asbestos exposure. Under the 1979 Act, lump sum payments are made to those affected by dust-related issues, while the 2008 Act compensates individuals diagnosed with diffuse mesothelioma, including those who may not be eligible under the 1979 Act. These instruments propose to increase the sum by 1.7%. Although this increase offers some relief to those affected by asbestos-related diseases, it is important to ask whether this adjustment adequately meets the ongoing and growing needs of individuals whose lives have been irrevocably impacted by these conditions.

The previous Conservative Government consistently supported, and made increases to, these lump sum payments during their last Administration. Can the Minister commit to further increases in the payments in the future? I am sure she will.

His Majesty's Opposition agree with these measures, but one concern that arises is the long-term sustainability of the compensation schemes. The draft regulations predict a gradual decline in long-term cost, as fatalities due to asbestos exposure stabilise. However, it is important to recognise that asbestos-related diseases continue to have a significant impact on individuals and families, and the effects of exposure can endure for generations.

I ask the Minister how the Government plan to ensure that the funds required to support these individuals will remain available as we see a decline in the number of claims over time. What steps are being taken to ensure that the national insurance and compensation systems can continue to meet the needs of those who continue to suffer from asbestos-related diseases?

Furthermore, the Government propose that the increase will apply only to claims where the individual first fulfilled the conditions of entitlement on or after 1 April 2025. This raises an important point for consideration. By setting this deadline, there is a risk that individuals currently in the middle of their claim process may miss out on the increase, potentially

placing an added burden on those who are already in vulnerable situations. I ask the Minister how this decision was made, and whether there is any flexibility built into the process to accommodate those who may be affected in the interim.

The uprating of the compensation scheme is a necessary and welcome action, but we must recognise that these increases may not be sufficient to address the full extent of the challenges faced by those affected by asbestos-related diseases. I hope that the Government will ensure that the long-term sustainability of these schemes is maintained, and that they will remain attentive to the needs of those who continue to suffer as a result of past industrial practices. We on these Benches absolutely support the uplift.

Baroness Sherlock (Lab): My Lords, I am grateful to all noble Lords for their contributions and their support for these regulations. I always find that this is one of the most moving debates we have in any year, and it gives us an opportunity to remember those who have lost their lives. My noble friend Lady Donaghy described her sister-in-law and her trade union colleague. There are also new cases: I was so sorry to hear about the employee of the noble Baroness, Lady Stedman-Scott. One of the reasons why we come back here year after year is in order to honour those who have died because of things that were no fault of their own—in most cases simply going to work or caring for others whom they loved.

I loved to hear my noble friend Lord Jones, whom I thank for his inordinately kind words about me. It is a real privilege every year to hear him. I commend him for his faithfulness: he comes here every year to bear witness to what happened to the slate men, the quarrymen and the miners of his homeland of Wales, and to what they suffered. I love the fact that he reminds us every time that the only reason why these things were attacked in the workplace was that trade unions organised and defended people there, and made sure that we had proper legislation, so that people were not being sent into dangerous places and expected just to put up with it. I thank him once again for reminding us what happened at Hebden Bridge and Blaenau Ffestiniog, and so on. We must never forget that history; otherwise, we will be condemned to repeat it.

I will try to work through some of the questions that were asked. I commend my noble friend Lady Donaghy on chairing the mesothelioma oversight committee. I am not surprised that the noble Baroness, Lady Janke, has not heard of it. It is typical of my noble friend Lady Donaghy that she does incredibly important work in the background, and always points away from herself, never towards herself. This is another example, and I thank her for the work that she does. In this, as in so much else, I am grateful to her.

I will try to go through as many of the cases as I can. My noble friend Lord Jones asked how many cases of mesothelioma there are a year, and for a breakdown. We publish data on mesothelioma deaths in Great Britain, and I will send him a link so that he can see the breakdown of that. Unfortunately, mesothelioma is usually rapidly fatal following the onset of symptoms, but that means that annual deaths give a pretty clear indication of what is happening

with the disease. Breakdowns are available by age, by last occupation and by geographical area—that is, where the person was living when they died. The statistics also include analysis of the relative frequency of different occupations recorded on mesothelioma death certificates, which is probably more useful as an indication of what happened in the past rather than of where we are going in the future—or, indeed, of numbers for particular occupations. It is a pattern.

6 pm

To give some headline numbers, there were 2,257 mesothelioma deaths in Great Britain in 2022, as I think I recorded earlier. Among those, there were 1,838 male deaths that year, compared with 1,883 in 2021. There were 419 female deaths in 2022, compared with 407 in 2021. This is consistent with predictions that there will probably continue to be 400 to 500 female deaths a year during the 2020s.

The Health and Safety Executive already publishes fairly comprehensive information around asbestos-related diseases, including mortality and occupational data, which I can also share with my noble friend. I have a lot more information but there is probably not enough time for me to go through the details. If he is happy, I am happy to write with that information.

It is notable that deaths due to pneumoconiosis have been lower following the pandemic. The HSE reported 54 deaths in 2023 and 50 in 2022. That compares to 130 a year in the 10 years to 2019, so we will see where that goes, but that gives my noble friend some sense of the trends there.

My noble friend Lady Donaghy asked about research. As I think she knows, for some years now, the DHSC has been working actively to try to stimulate an increase in the level of mesothelioma research activity. That includes a formal research priority-setting exercise, a National Cancer Research Institute workshop and a specific call for proposals through the National Institute for Health and Care Research. In addition, the NIHR Leicester Biomedical Research Centre has a long-standing programme of research to develop and improve treatments for mesothelioma, including personalised treatment pathways to identify which patients are likely to get the greatest benefit from different types of drug therapies.

In terms of money—the hard, cold facts—the DHSC invests £1.5 billion a year in research through its research delivery arm, the NIHR, and research expenditure from the NIHR on all cancers was £133 million in 2023-24. I hope that gives an indication of the level of investment going on.

The noble Baroness, Lady Janke, asked about age data. I am not sure I have that information, so I will find out and let her know. She also asked about the amounts. In both schemes, the average amount paid to sufferers was around £15,850, compared with around £10,490 for dependants. However, I think the noble Baroness was asking for the breakdown between dependants and sufferers, and the numbers receiving payments rather than the level, so I might have to write to her on that point as well.

On the question of the uprating, as the noble Baroness, Lady Stedman-Scott, knows from her time in government, Governments have traditionally gone

[BARONESS SHERLOCK]

with the conventional uprating figures, which is CPI. Inevitably that means that upratings for some years are higher than others. The benefit is that each figure compounds the last, so if it has been very high when inflation has been very high, then even a smaller increase is an increase on that higher base. But the Government keep this under review, and I take the point that has been made. The most important thing, particularly for the 2008 scheme, is making sure that the money gets out the door as fast as possible, because for the people suffering from mesothelioma, unfortunately this is not about the long-term costs of living but about how we get as much money as possible to help them in the sadly small amount of time that they have left.

The noble Baroness, Lady Stedman-Scott, also made an important point about the future sustainability of the scheme. I am sorry to say that it looks as though we will be dealing with what my noble friend Lady Donaghy described as quite a long tail for some time, so I do not think there is any imminent risk of the schemes becoming unneeded. The scale of deaths that there are still is noticeable.

However, the big challenge is to make sure that, as a society, we are constantly on the lookout for what happens for any future diseases coming down the track. For example, noble Lords may have seen the reports around silicosis. I know that the department has been talking to the Health and Safety Executive, making sure that it is out there—I know that it is—doing research, engaging with employers, making sure that the right guidance is being given out and the right action is being taken, and investigating any cases reported to it. It is incredibly important to make sure that we do not end up with a new scandal.

I am not sure whether I have forgotten to mention anything; I am looking round the Room in case I have forgotten something. I hope that that has given to noble Lords enough. There is just one thing: my noble friend Lady Donaghy mentioned asbestos in schools, which is really interesting. To reassure noble Lords on this point, the DfE expects all local authorities, governing bodies and academy trusts to have robust plans in place to manage asbestos in school buildings effectively, in line with our legal duties and drawing on appropriate advice. The DfE is also increasing investment in the next financial year to £2.1 billion in order to improve the condition of school buildings; that is on top of the school rebuilding programme, which is replacing or refurbishing buildings in the poorest condition—more than 500 schools. When the DfE is notified of a significant safety issue with a school building that cannot be managed with local resources, it will provide additional support on a case-by-case basis.

I shall make one other point in response to the noble Baroness, Lady Janke, about the cost of living. I assure the Committee that the department offers a range of other financial support to people with these diseases. For example, people with pneumoconiosis in these schemes may be getting industrial injuries disablement benefit, which is a specific weekly support for those who have had an industrial accident or developed diseases known to be related to specific types of work; that is of course separate from the

general support, such as the personal independence payment or attendance allowance, supporting the additional costs of disabilities.

I assure the Committee that the Government recognise fully the importance of these schemes and are committed to supporting them. Maintaining the value of these payments is a really important thing that we can do here together.

Finally, the continued investment in cancer and the work done by the Health and Safety Executive on prevention and rooting out bad practice are things that we should all be committed to. I pay tribute to the work of the noble Baroness, Lady Stedman-Scott. This has never been a political matter—it is a cross-party issue—and we have all gathered together on it year after year in order to commit ourselves to making sure that this does not happen again and to pay tribute to those who have lost their lives and those who have suffered for them. I am grateful for the support here today.

Motion agreed.

Mesothelioma Lump Sum Payments (Conditions and Amounts) (Amendment) Regulations 2025

Considered in Grand Committee

6.07 pm

Moved by Baroness Sherlock

That the Grand Committee do consider the Mesothelioma Lump Sum Payments (Conditions and Amounts) (Amendment) Regulations 2025.

Motion agreed.

Social Security (Contributions) (Rates, Limits and Thresholds Amendments, National Insurance Funds Payments and Extension of Veteran's Relief) Regulations 2025

Considered in Grand Committee

6.08 pm

Moved by Lord Livermore

That the Grand Committee do consider the Social Security (Contributions) (Rates, Limits and Thresholds Amendments, National Insurance Funds Payments and Extension of Veteran's Relief) Regulations 2025.

The Financial Secretary to the Treasury (Lord Livermore) (Lab): My Lords, I beg to move that the Committee approves these regulations, which are made each year to set national insurance contributions rates, limits and thresholds; and to uprate child benefit and the guardian's allowance.

First, the Social Security (Contributions) (Rates, Limits and Thresholds Amendments, National Insurance Funds Payments and Extension of Veteran's Relief)

Regulations 2025 set the national insurance contributions—NICs—limits and thresholds of a number of national insurance contributions classes for the 2025-26 tax year. The lower earnings limit, the small profits threshold, the rate of class 2 and the rate of class 3 will all be uprated by the September CPI of 1.7%, while the other limits and thresholds that these regulations cover will remain fixed at their existing level.

The regulations also make provision for a Treasury grant to be paid into the National Insurance Fund if required for the same tax year, which is a transfer of wider government funds to the National Insurance Fund, and for the veterans' employer NICs relief to be extended for a year until April 2026. The scope of the regulations under discussion today is limited to the 2025-26 tax year.

National insurance contributions are social security contributions, paid when individuals are in work to receive contributory benefits when they are not working—for example, after they have retired or if they become unemployed. NICs receipts fund these contributory benefits, as well as helping to fund the NHS.

The primary threshold and lower profits limit are the points at which employees and the self-employed start paying employee class 1 and self-employed class 4 NICs respectively. The primary threshold and lower profits limit have been frozen by the previous Government at £12,570 until April 2028. However, the level of these thresholds does not affect people's ability to build up entitlement towards contributory benefits, such as the state pension. For employees, this entitlement is determined by their earnings being above the lower earnings limit, which these regulations will uprate from £123 per week in 2024-25 to £125 per week for 2025-26. That is equivalent to an uprating from £6,396 to £6,500 per annum. For self-employed people, their entitlement is determined by their earnings being above the small profits threshold, which these regulations will uprate from £6,725 in 2024-25 to £6,845 for 2025-26.

Uprating the lower earnings limit and small profits threshold maintains the real level of income where someone gains entitlement to contributory benefits and is the standard approach that has been taken by Governments in most years since 1999 for the for the relevant thresholds. Wage growth is currently higher than inflation, which means that, following the uprating by CPI, there will be a reduction in the number of hours that someone who has received a typical wage increase needs to work to gain entitlement compared to last year.

The upper earnings limit, the point at which the main rate of employee NICs drops to 2%, and the upper profits limit, the point at which the main rate of self-employed NICs drops to 2%, are aligned with the higher rate threshold for income tax at £50,270 per annum. The previous Government also froze those thresholds until April 2028.

Self-employed people earning below the small profits threshold of £6,845 may pay class 2 NICs voluntarily to protect their entitlement to certain contributory benefits. The flat cash rate of class 2 NICs will increase from £3.45 in 2024-25 to £3.50 in 2025-26, in line with September CPI of 1.7%. Class 3 NICs allow people to voluntarily top up their national insurance record.

The rate for class 3 will increase in line with inflation from £17.45 a week in 2024-25 to £17.75 a week in 2025-26.

On thresholds for employer NICs reliefs, noble Lords will be aware that the Government have had to make difficult decisions to fix the public finances. One of the toughest decisions that we faced was to increase the rate of employer NICs and reduce the secondary threshold. Although those changes are contained in the National Insurance Contributions (Secondary Class 1 Contributions) Bill, and not the regulations before us, they are the context in which our decision to maintain other targeted NICs reliefs is so important. Those employer NICs reliefs include those for under-21s, under-25 apprentices, veterans and new employees in freeports and investment zones. The regulations that we are debating set these thresholds in line with other personal tax thresholds or maintain the existing level.

The regulations also make provision for the NICs relief for employers of veterans to be extended for another year until April 2026. This measure means that next year businesses will continue to pay no employer NICs on salaries up to the veterans' upper secondary threshold of £50,270 for the first year of a qualifying veteran's employment in a civilian role. The continuation of this relief is part of the Government's commitment to support our veterans. It is intended to further incentivise employers to take advantage of the wide range of skills and experience that ex-military personnel offer; it supports those who have given so much to our country, and it helps make sure that our country further benefits from the skills and potential of our service leavers.

I will now move on to the Treasury grant and National Insurance Fund, which is where the majority of NICs are paid, and which is used to pay the state pension and other contributory benefits. The National Insurance Fund is generally self-financing, with NICs receipts paying for contributory benefits. However, the Treasury has the ability to transfer funds from wider government revenues into the National Insurance Fund in the event that the balance of the National Insurance Fund falls below one sixth of estimated annual benefit expenditure. The regulations before us make provision for a transfer of this kind—known as a Treasury grant—of up to 5% of forecasted annual benefit expenditure to be paid into the National Insurance Fund, if needed, during 2025-26. A similar provision will be made in respect of the Northern Ireland National Insurance Fund.

It is important to note that the Government Actuary's Department report laid alongside these regulations forecasts that a Treasury grant will not be required in 2025-26, but, as a precautionary measure, the Government consider it prudent to make a provision at this stage for a Treasury grant, which is consistent with previous years.

6.15 pm

I now turn to the Child Benefit and Guardian's Allowance Up-rating Order 2025. The Government are committed to delivering a welfare system that is fair for taxpayers while providing support for those who need it. This instrument will ensure that the benefits for which Treasury Ministers are responsible,

[LORD LIVERMORE]

and which HMRC delivers, are uprated by inflation in April 2025. Child benefit and guardian's allowance will increase in line with the consumer prices index, which had inflation at 1.7% in the year to September 2024. Tax credits awards will end on 5 April 2025, so no changes to rates will be required from 2025-26 onwards.

In summary, these instruments uprate the lower earnings limit, small profits threshold, rate of class 2 and rate of class 3 by September 2024 CPI of 1.7%, and set most of the rates and thresholds for national insurance contributions which they cover at their 2024-25 levels for the 2025-26 tax year. The instruments also make provision for a Treasury grant, extend the veterans' employer NICs relief and increase the rates of child benefit and guardian's allowance by September 2024 CPI of 1.7%. I beg to move.

Baroness Kramer (LD): My Lords, I will be brief, for two reasons. One is that I just do not think I could cope if this turned into yet another discussion of employers' NICs, particularly as we have Third Reading tomorrow. As the Minister said, that is the broad context within which we discuss this. Also, when it comes to the very detailed details of various levels of NICs and thresholds, and making changes based on CPI, I lack the detailed knowledge to be able to add a whole lot to the value of the discussion.

I will make some comments on the National Insurance Fund. This is one of those days when I look around and think, "Where is Lord Davies of Brixton when you need him?". He often talks to us about the integrity of the fund, and—although I do not want to put words into his mouth—regrets that it does not function in the role for which it was originally designed. I agree. Nominally it is a fund to pay social security benefits but, first, a portion of it—roughly 24% of the amount raised in NICs—is allocated to the NHS by formula. Secondly, if there is any surplus in the fund it can be lent to various departments under the auspices of the Treasury. Thirdly, it can be topped up by a grant from the Treasury if the amount is not sufficient for the payouts it needs to make. Indeed, that has been reinforced or extended in the context of the SI before us today.

Crucially, the level of the National Insurance Fund does not determine the amount that is spent on any form of social security, whether state pensions or other things. I agree with the Institute for Fiscal Studies that the idea that the National Insurance Fund is financially separated from other parts of government is illusory.

I think that a review of the status of the National Insurance Fund will begin in the fiscal year that starts in April 2025. This is the quinquennial review that is required for the fund. Given that UK demographics are such that they will drive up the cost of state pensions and a whole lot of other elder needs, which will take the concept behind the fund almost to breaking point, can the Minister say whether the next review will look again at the fundamentals, accepting that in many ways this has effectively become a variation on taxation, and see whether the system can be simplified and combined? It is unfortunate that people still feel that when they pay their national insurance contribution

they are funding their state pension, which is not the reality, even if it sounds like that from some of the language.

Looking at the other content of the two SIs in front of us, it struck me that, although I fully understand child benefit and guardian's allowance going up at CPI, the number is so tiny. This was brought home to me very much this past year when, for various reasons, I have had various grandchildren living with me. Does whoever designed these benefits have a clue how much a teenage boy can eat? There is a great argument for relooking at the whole benefit system and putting it into a much more realistic context. The Government have said that they will look again at benefits, but I wonder whether they will use that lens as they do so, because it is about time.

We support the extension of the 12-month NICs holiday for veterans, but I hope that our support for veterans will not stop there. With the change in approach we are now taking to defence, recognising that our military personnel need to be supported and treated in a very positive way rolls over into also taking care of our veterans, who form so much of the homeless population, for example. That is one of the reasons why—going back to the employers' NICs Bill that we have been dealing with, which has its Third Reading tomorrow—we focus so much on things such as part-time, entry-level work and small businesses. It is, in part, to deal with the significant number of veterans who are not finding themselves a route back into a working and functional life once they return to civic society.

We will not oppose either of these SIs. I apologise for not being able to go through the nitty-gritty of many of the dimensions, but perhaps that will at least mean that the Committee can adjourn a little earlier.

Baroness Neville-Rolfe (Con): My Lords, I thank the Minister for clearly outlining the essence of these two SIs, and the noble Baroness, Lady Kramer, for her comments. We had substantial discussions about national insurance in this House last week, on the national insurance contributions Bill, during which significant amendments were made. If carried through the whole legislative process, the changes agreed would result in significant changes to declared government policy. But from those political highs, we move to today's debate, which is at a much more technical level and, as the Minister said, does not impinge directly on the proposed changes in the Bill.

I note in passing that I read with great interest the Government Actuary's report, the existence of which I confess I was previously unaware. It provides first-rate briefing across the whole complex of social security benefits, and I thank the Government for it. Reflecting on the references to the National Insurance Fund, already mentioned by the noble Baroness, Lady Kramer—and, sadly, in the absence of the noble Lord, Lord Davies of Brixton—I ask the Minister whether the Government have any plans to put matters on a more realistic basis. The fund does not do what it says on the label.

In particular, the projections in the report indicate that the estimated 2025-26 end-year fund balance of £81.6 billion is only 53% of the estimated benefit expenditure of £152.9 billion. This is another factor in

the case for reform of the welfare system, which we in the Conservative Party have called for to incentivise work, cut costs and fraud, and raise productivity. This is not least because of the significant long-term demographic changes which, as the last quinquennial review published in 2022 shows, are projected to exhaust the fund before 2085. There is a big challenge ahead.

Finally, on the measures in these two orders, the Minister will be glad to know that we are also broadly content. I welcome especially the rollover of support for Armed Forces veterans entering the civilian workforce, which we introduced in April 2021. The truth is that readjusting to civilian life is a major problem for many, and this measure is an imaginative incentive to employers to give them a chance and take advantage of their skills and experience, as the Minister pointed out in his opening remarks. Incidentally, the arrangement also shows that exemptions from the standard national insurance rules are possible.

Lord Livermore (Lab): My Lords, I am very grateful for the support from the noble Baronesses, Lady Kramer and Lady Neville-Rolfe, for the measures I outlined.

The noble Baroness, Lady Kramer, asked some questions about the National Insurance Fund and the review. The noble Baroness, Lady Neville-Rolfe, also touched on the Government Actuary's Department report and the National Insurance Fund. The next quinquennial review of the fund will provide an update of these longer-term issues and projections over the period starting April 2025, so perhaps we will return to debate some of these issues at that point.

The noble Baroness, Lady Neville-Rolfe, also talked about reform of the welfare system. She will know that we are coming forward very shortly with a Green Paper to achieve exactly the things that she set out. I know we tend to be less political in this Room, but I will say that they were in power for 14 years and did not do those things. However, I hope that we will be

doing those things very shortly to ensure that the welfare system incentivises work in the way the noble Baroness described.

I am very grateful to both noble Baronesses for their support of the extension of the veterans' relief, which I totally acknowledge the previous Government introduced. The relief is part of the Government's commitment to make the UK the best place in the world to be a veteran. It is intended to further incentivise employers to take advantage of the wide range of skills and experience that ex-military personnel offer. I totally take the points that the noble Baroness, Lady Kramer, made: you see homeless veterans across London and the transport network, and of course we need to do more work across government to support them in their efforts to get back into work and to eliminate that homelessness.

Finally, I take the point made by the noble Baroness, Lady Kramer, around CPI for child benefit. The noble Baroness, Lady Sherlock, in the previous debate very eloquently made the point that some of those smaller upratings compound previous upratings when CPI has been so much higher. I echo the words she said. I hope I have covered the points made by both noble Baronesses.

Motion agreed.

Child Benefit and Guardian's Allowance Up-rating Order 2025

Considered in Grand Committee

6.27 pm

Moved by Lord Livermore

That the Grand Committee do consider the Child Benefit and Guardian's Allowance Up-rating Order 2025.

Motion agreed.

Committee adjourned at 6.28 pm.

