



HOUSE OF LORDS

THE LORD SPEAKER'S ADDRESS

For the

CFA ANNUAL LECTURE & RECEPTION 2009

“The House of Lords and the Voluntary Sector”

Monday 11 May 2009

The Drapers' Hall, London EC2

Good Evening,

It is a pleasure and a privilege to be here tonight to deliver the CFA Annual Lecture in the splendid and very appropriate surroundings of Drapers' Hall. Appropriate because my subject tonight is charities and the Lords, and from its foundation over six hundred years ago, the Drapers Company has been a benevolent society, and its principal role today relates to its many charitable trusts. And appropriate as, at a quick count this afternoon, I located nine members of the current House of Lords who are Liverymen of the Company.

When Richard Evans asked me to deliver tonight's lecture I was delighted to accept. For a start, it was months ahead – which always gives one a false sense of security about the feasibility of this sort of task.

But more importantly, it was an opportunity to fulfil my role as an ambassador for the work of the House of Lords and to highlight some of the tremendously positive benefits of the House's connections and collaborations with the voluntary sector.

Indeed part of the reason for creating my role was a feeling that we needed to reach out to audiences about the work of the House, because Parliament felt under-reported in the media. Although at the moment, over-exposure is more the order of the day – some of it salacious and sanctimonious, but all of it seriously damaging for Parliament and for our democracy. But it is no good focusing on the mote in the eye of the media, and neglecting the beam in that of our own institutions.

This has been a desperately damaging episode and that damage has been done both to parliament and to political life in this country. Members of the public are angry or sad or

contemptuous, or a mixture of all three. There have been failures both corporate and individual, for which I believe we as parliamentarians must take responsibility. We now have a substantial job of work to do to restore trust in our political institutions and our politicians – and perhaps I could say something about how we might approach that task in the House of Lords a little later on.

But to return to the initial theme of this lecture: to record and celebrate the very constructive relationships between the House of Lords and the voluntary and charitable sector. And can I say that I know that I do so at a time which, while not as publicly traumatic as that which parliament is going through, is nevertheless extremely challenging for the sector.

Challenging, first and foremost, because of the recession. The current economic crisis affects charities in a number of ways. There are worries across the board about maintaining income – particularly for those charities that have been very dependent on legacies, where the value of residual estates has shrunk dramatically. The effect of that in turn is being felt in reduced budgets and redundancies in many organisations not used to having to take those sorts of steps. Then we heard from Oxfam last week of the fall-off in donations of clothes to their shops with people doing less buying and discarding – although the other side of that coin was an increase in demand and in footfall. Then there is the role as a provider of services to government - a much extended third sector of provision in a wide variety of settings. Last year's report by the Public Administration Select Committee suggested that government contracts for the third sector had risen steeply over the last decade or so, with the value of those contracts more than tripling from around £2 billion in 1996/97 to £6.88 billion in 2005/06. But that growth in turn brings real issues about performance management of such services, about value for money and accountability for publicly funded and delivered services. And perhaps most critically, with the current outlook for public expenditure, very real concern about the sustainability post 2010 of income on which they have come to depend. For some campaigning charities it also raises questions as to potential conflicts of interest as to whether Government is seen as a valued customer or a target for advocacy, sometimes very confrontational advocacy, on behalf of clients.

And the issue of mergers is a perennial on the charity agenda. I declare an interest as the first chair of Cancer Research UK. Even before that experience, I always felt an unease as to

whether the interests of donors and beneficiaries were always best served by the multiplicity of voluntary sector organisations dealing with the same cause. But these are never easy issues to negotiate given the history of the creation of these organisations and perhaps I can take this opportunity to congratulate Age UK on achieving their merger, and hope their experience is as positive as ours was at Cancer Research UK. But in the current economic climate, it is clear that there will be many more mergers which are provoked by urgent financial crises rather than by coherent long term visions in relation to compatibility and positive symbiosis. Trustees and Executives who advise them will have to think very carefully about what is best for their beneficiaries and donors – and perhaps be open to and imaginative about collaborations, back office mergers, partnerships, as variants of full-blooded mergers if these are just not feasible.

There's an interesting House of Lords connection here. We've always taken a great interest in charity legislation –the Charities Acts of 1992, 1993 and 2006 – have been scrutinised from a base of expert knowledge. But the House also actually contributed a piece of legislation of its own. The story goes like this: In 1984 there were two private members bills relating to small charities before the House. The two Bills conflicted and so the House set up a Select Committee to try and resolve the issues. The Committee was chaired by the late Lord Brightman, just retired as a Law Lord. Interestingly, since life means life in the House of Lords, a number of the Committee's members are still active in the House today. In the end, the Committee decided it didn't like either bill, but rather than leave it there, it went on to write one of their own instead. Lord Brightman himself steered it through the minefield of private members procedure in the Lords. In the House of Commons it was sponsored by Alan Beith MP. And the end result was the Small Charities Act 1985. [For the first time it provided a simple scheme for the voluntary amalgamation of charities of under a certain value and it relaxed the rules governing charitable trusts to assist in the process. Most of this Act was absorbed into section 74 of the 1993 Act, and further expanded in 2006. So its principles still apply on a much bigger scale today – and perhaps may even be used by organisations represented in this room this evening].

The House of Lords' interest in charities is not restricted to general charity legislation, or issues touching the sector as a whole. There are innumerable close and long standing links to specific charities and causes, illustrated not least by the number of members in the

current House of Lords who have high profile involvement with charities – large and small. Many of their names will spring immediately to the minds of people in this audience and one or two of them I think are actually with us this evening. Lord Rix, with his years of association with the Royal Mencap Society; the President of the Royal National Institute for Deaf People, Lord Ashley of Stoke; Lord Low of Dalston, a relatively new member, Chairman of the Royal National Institute of Blind People; Lady Fookes, a past Chair of the RSPCA; Baroness Warnock, President of the British Dyslexia Association; Admiral the Lord Boyce, Chairman of the Royal National Lifeboat Institution; Baroness Mallalieu QC who has been President of the Countryside Alliance; Lord Joffe, past Chair of Oxfam; Baroness Howarth, former Chief Executive of Childline; and Baroness Massey of Darwen, a former Director of the Family Planning Association, who on Friday moved a second reading of a private members' bill in the House of Lords about online purchasing of goods and services, with the support of the Childrens' Charities' Coalition on Internet Safety. There are always new issues and there are always new voluntary sector organisations to work on these issues.

Indeed, several of our members have been recipients of charity awards recognising their outstanding achievements. Jill Pitkeathley for her pivotal role in highlighting the work and needs of carers, and Victor Adebawale for his pioneering work at Centre Point with socially excluded young people.

There are of course a myriad of less formal associations between members and charities and in my role I have more reason than most to see these links in action. I inherited with my role not the Lord Chancellor's apartment but the House of Lords' River Room – a beautiful reception room with views onto the Thames (and that wallpaper) – and with it the very pleasant responsibility of offering the room to peers wishing to hold receptions supporting charitable causes. Last year there were over forty charities covering an extraordinarily broad range of causes. Just looking at the requests and events held in the River Room in the last few weeks is a clear illustration of the variety of causes, large and small, supported: from the Refugee Legal Centre to the Wings of Hope, the British Red Cross, Christian Responsibility in Public Affairs, the Humanist Society, MacMillan Cancer Support, the Kidney Wales Foundation, and Act Against Bullying.

And there are of course those members who are not grantees and do very practical hands-on work for charities, not necessarily in the elevated role of a Patron or Trustee, but

performing grass roots voluntary work on schemes such as the short-term placements for peers and MPs currently organised by VSO. I know that Margaret Jay, a former Leader of the House, is off to Tanzania soon to work on a VSO project there.

But while the number and range of voluntary sector interests with their champions on the benches of the House of Lords have increased greatly over the last ten years, this is not a completely new phenomenon. The seeds of the present House were sown in 1958 with the Life Peerages Act, where several of the fourteen newcomers – the first life peers – had an interest in voluntary organisations, most notably Lady Swanborough (the Dowager Marchioness of Reading), the founder of what is now the Women's Royal Voluntary Service.

While many saw the 1958 Act as a minimalist step, taken together with the 1999 reforms ending the role of the hereditary peers, it has actually revolutionised the membership of the House. In 1958 the stereotype that I fear many people still hold today – that of peers who are elderly, male, white, Christian, upper class and publicly schooled, was in fact accurate.

In fact, today the House is totally different. More than fifty per cent of the current membership has entered the House since 1997. On gender we have a good story to tell – [although the proportion of women is only marginally higher than in the Commons] (20% as compared with 19%), in the Lords women take leading roles: four out of the last five Leaders have been women; we have a woman opposition chief whip, a woman convenor of the crossbench peers – that tremendously important group of two hundred independent peers - ; the first woman Attorney-General. And for the record I should perhaps add that the first elected Speaker of the House is a woman, and when a man breaks through the glass ceiling to become Lord Speaker, he will be known as the first male Lord Speaker in that role!

In terms of ethnicity the House has become much more representative of contemporary British society in the last decade. At my last count we had over 5% of ethnic minority Members, twice the proportion in the House of Commons, and much nearer to the UK national demographic.

On religion too the analysis is interesting – of course the most substantial and visible presence is that of the twenty-six Bishops of the Church of England. But members in leadership roles in non-established Christian churches – Methodist, Church of Ireland,

Church of Scotland – all sit in the House of Lords. We also have members who are Muslim, Sikh, Jewish, Buddhist and Hindu, one Zoroastrian Parsee; and I mustn't omit some very robust humanists.

We have members, male and female, who are gay, and the House recognises peers with civil partners in its policies relating to travel, security passes and so on.

The record of the House of Lords on disability is very strong, not least because of the presence of people with a range of different disabilities. But those peers are not single-issue campaigners – the House has enabled members with disabilities to participate in legislation across the whole range of the House's work. Not surprisingly the disability charities have particularly strong links with the House.

The diversity of the House is manifest not only in the personal characteristics of its members. Because the House is not populated predominantly by career politicians we have a wide range of experience and expertise – particularly on the cross benches, those independent members of the House. We have members who have had distinguished careers in medicine and science, the arts and literature, the law and academia, as well as business, the civil service and the armed forces.

And of course relevant to tonight, the voluntary and charitable sector - experience which feeds directly into the work of the House.

Members are often very open about the role charities play in helping them to set the agenda in parliament. You only need to look at the business of the House in the last few weeks to see how pervasive is the influence of the voluntary sector on the work of the House: On 20 April Lord Ramsbotham, former chief inspector of prisons and now President of UNLOCK, the National Association for Reformed Offenders, raised the issue of the rights of prisoners to vote in European elections.

On 23 April we had Baroness Wilcox referring to the complexity of benefit forms affecting cancer patients saying that “the forms are so complicated that it is difficult to get any of the money, which means that organisations such as Macmillan have to come to us to plant Questions for us to put down in good faith to find a way through all this complexity”.

The same day Lord Morris of Manchester, architect of the Sick and Disabled Persons Act 1970 and now President of the Haemophilia Society, introduced a debate on the Public Inquiry into the infection and deaths of patients with HIV and hepatitis C by contaminated National Health Service blood and blood products – a cause he has long championed.

Twenty four hours later Lord Redesdale moved the second reading motion of his Dog Control Bill which was brought about “with the support of a large number of groups involved with dogs and animal welfare” including the Kennel Club, the Dogs Trust, Battersea Dogs Home and Wood Green Animal Shelters and the RSPCA.

Fast forward to the next week when Earl Howe prefaced his amendment to the Committee stage of the Health Bill with the words, “My Lords, I beg to move this Amendment, which is designed to address a very straightforward issue, one raised with me by Diabetes UK”. And we have Lord Rix intervening during an oral question to ask the Minister whether the forthcoming Green Paper on social care would address the financial shortfall of over £200 million for the social care of people with a learning disability over the next five years, based on figures provided by the Learning Disability Coalition.

It's easy to trace the links between individual members and specific causes, and how they bring those connections to the House, as it is easy to demonstrate the House's broader interest in charities legislation. What is perhaps more difficult is quantifying the precise impact of these links and associations with the voluntary sector on the legislation. This issue was considered by the Hansard Society in their useful book 'Law in the making – Influence and Change in the legislative process'. Taking specific bills as case studies, the Society identified a very real and positive role for the voluntary sector in the legislative process in the Lords. For example, Lord Skelmersdale, the Conservative spokesperson on work and pensions in the House of Lords, pointing to the vital role played by outside groups in the Welfare Reform Bill, referred to the very valuable briefings and suggested amendments they provided. He acknowledged particularly the role of Macmillan Cancer Relief and the Disability Benefits Consortium. Given how the Government works in the Lords - anticipating and responding positively to informed criticism, perhaps even more telling are the comments of Lord McKenzie, the Minister responsible for taking that bill through, who remarked on the importance of engaging with the stakeholder community which he believed

had helped with the smooth passage of the bill – ie letting the Government get its retaliation in first.

I've also been looking at some impressive recent examples of legislative changes achieved through the effective partnerships between peers and charities. Lord Best, working with Shelter, the Local Government Association and the Chartered Institute of Housing among others, sponsored an amendment to the Housing Bill 2006 to enable Council tenants to be brought within the protection of the new Tenants Services Authority. The Bill originally only gave this support to tenants of housing associations. At first, the government resisted the proposal laid out in Lord Best's amendment. He argued it through all the stages of the Bill and in the end the Government accepted his case and the Bill was amended. Two million tenants are due to benefit from this provision.

Then there was Lord Williamson of Horton, previously convenor of the Crossbench peers, who worked with Young Minds and the Mental Health Alliance to sponsor an amendment to the Mental Health Act 2007. The amendment related to age appropriate accommodation of children and young adolescents in mental health hospitals and institutions. This amendment added a provision to the Act which puts a duty on local authorities to consider the suitability of ward accommodation for minors in mental health hospitals and institutions. The proposal was resisted by the Government but Lord Williamson successfully defeated them on the floor of the House. Plans to reverse the defeat once the bill had reached the Commons were dropped after Lord Williamson had a very productive meeting with the Secretary of State – in what we will perhaps call in future 'a Joanna Lumley moment'.

Last year, Lord Low of Dalston tabled amendments to the Health and Social Care Bill on behalf of the Voluntary Organisations' Disability Group. The effect of the amendment was to ensure that disputes between local authorities about the future funding of social care for those who have been temporarily placed outside their local authority area of 'ordinary residence' in order to attend a specialist facility, are resolved speedily. There was evidence that such disputes sometimes lasted for years and users could lose their care provision in the meantime. The problem affected a relatively small group of people, but those who were affected were affected very severely. Given the way timetabling of legislation works in the Commons, the issue would probably never even have been raised there. In the Lords however, the argument was powerfully made and the Government agreed to create a

timetable for disputes and rewrite the guidance, and to involve the Voluntary Organisations' Disability Group and others in doing so.

Then there are Private Members Bills: a very effective vehicle for members to draw attention to specific causes. I've already referred to the Dog Control Bill introduced by Lord Redesdale with the support of many animal welfare charities. Lord Ashley of Stoke, another great campaigner, has introduced his private member's bill on independent living for disabled persons for each of the last three sessions, supported by the Royal Association for Disability and Rehabilitation. Although the bill has not made it onto the statute book yet the impact has been to raise a host of important issues, to encourage wide-ranging debate within the House and beyond, and to oblige the Government to explain itself: sometimes with great difficulty.

While it is rare that Private Members Bill initiatives end up in statute, there are notable exceptions. One such is the Forced Marriages (Civil Protection) Bill which provides civil remedies for the victims of forced marriage. It was introduced as a private member's bill by Lord Lester of Herne Hill in 2006, with the support of a wide range of charities including the Southall Black Sisters, the Middle East Centre for Women's Rights, the NSPCC, Liberty and JUSTICE. The bill enjoyed such broad cross-party support that the Government took the highly unusual step of taking the Bill over and ensuring its passage through both Houses. The outcome was the Forced Marriages (Civil Protection) Act 2007.

And back to charity legislation, there was the National Lottery (Funding of Endowments) Bill, the aim of which was to amend the National Lottery Act 1993 to provide that all lottery distributors have the power to make grants to endowment funds. As a lover of Norfolk, I am particularly fond of this example because the impetus for the Bill came from the Norfolk Millennium Trust for Carers, which was set up to raise £1 million in the millennium, and was supported by a number of Norfolk MPs and peers with long-standing links to the region. The Bill was originally introduced in 2001 and enjoyed wide cross-party support. It fell during its Committee stage, overwhelmed by the imminent general election. However, Lord Walpole, a Norfolk resident, re-introduced the bill in 2002 and after its Second reading in the House of Lords the Government asked him to withdraw it in order for the Department of Culture Media and Sport to re-draft it in a form which they could support. The end result was that the Bill became the National Lottery (Funding of Endowments) Act 2003.

I hope I have illustrated that the work of the House is pervaded by the very positive relationship between voluntary organisations and members with a commitment to the causes and the people those organisations represent. The diversity of members and members' interests has helped to define and refine the role of the House of Lords as a revising chamber. This is the Chamber where a difference is made – where meaningful and considered scrutiny of legislation results in a better outcome for society at large. Even that new national hero Vince Cable MP wrote last weekend,

“It is actually in the less politicised, unelected House of Lords where the most useful scrutiny of legislation takes place. They have the time and, often, the specialist expertise. And Ministers have to persuade, not bully, them because there is no overall majority.”

And it is often the interaction with outside actors – with the voluntary sector and their representatives – which makes possible the effective scrutiny which takes place.

The diminished role played by party politics in our second chamber with its absence of a government majority, leads to a legislative process that is more open to outside influence, more open to engagement with stakeholders and more able to deliver workable legislative solutions to some of the problems facing society - as the academic work done by Dr Meg Russell of the UCL Constitution Unit has shown in such fascinating detail. It is a tribute to the political antennae of the voluntary sector that they, perhaps more quickly than private sector interests, have recognised that it is in the House of Lords where the government is persuaded to change its mind either by the extreme method of defeat, or by the persuasive effect of recognising that you will be defeated if you continue on a particular course of action. It is very important to us to remember that some seven thousand amendments were tabled in the Lords last year, some two thousand five hundred agreed – the overwhelming majority without the confrontational drama of parliamentary ping-pong.

So, I would argue that the House is in extremely good functional shape now. That it performs the classic role of a second chamber – revising legislation, holding the executive to account, providing a forum for national conversation on important issues, better than it has at any time over the last hundred years. But with that increased role comes an increased responsibility.

My theme tonight has been the very positive interests of members of the House of Lords with large numbers of peers devoting large amounts of time for no financial reward whatsoever to charitable and voluntary sector causes. But you will be aware that there has been much less positive coverage recently of the interests of members of the House. While I should not and will not comment on individual cases which are still going through the House's disciplinary processes, there are general issues we absolutely must confront. Difficult issues for a self-regulating House in a post deferential world.

Next week, at a seminar arranged by the Hansard Society, we will be discussing the pivotal issue of when an outside interest becomes a conflict of interest. It is my belief that we need to find a robust regime for regulation that recognises the differences between the House of Commons and the House of Lords. Our members do not represent – and are not accountable to constituents via the ballot box. We therefore have a responsibility to find our own forms of accountability: to ensure our processes are fit for purpose for the 21st century. Many of our members are appointed by reason of their experience outside politics, their expertise in industry, academia, the voluntary sector or other fields of activity. Their knowledge of these matters and their contributions to our debates and proceedings are highly valued precisely because of their past and continuing links to these outside fields of activity – as I hope some of the examples I gave earlier have demonstrated in relation to the voluntary sector.

We are also an unsalaried and part-time House which means that for many people, paid work outside the House is essential. There are important principles that we need to safeguard here. It is a great privilege to be a legislator, but it cannot be a privilege that is open only to those with a private income. Equally, we have to recognise that members' outside interests and expertise are often exactly what makes them valuable contributors to debate, and what the public actually values about the House of Lords. Do we really want to discuss the future of higher education without the benefit of the views of any of the Vice-Chancellors or academics that sit in our House, or to debate stem cell research without the input of our world-leading scientists? No Robert Winston? No Naren Patel? No John Walton? Or a new Charities Bill without those members I have mentioned today? So the challenge for us is to review our Code of Conduct and its implementation in a way which gives confidence to the public, but is very careful not to throw out the baby in the bathwater in which our dirty laundry has been washed.

[I believe] there is a real commitment in the House to updating our internal governance to ensure that we have a system of regulation which is robust; and of financial support which is transparent, proportionate and appropriate. We need to protect the good name both of the institution and of individuals – and that is what effective regulation does. It does not restrict and restrain – it enables individuals and organisations to function confidently because they know the rules and can hold their heads high if they abide by them. In a recent article, Vernon Bogdanor, Professor of Government at Oxford University, commented that the “1999 Act made the Lords into an effective legislative and scrutinising chamber but it now needs to regain public trust”. That is a challenge as we have seen only too clearly in the last days and weeks for Parliament as a whole. There are particular issues for the Lords, but issues which we are committed to resolve. In so doing, we shall be able to call on the expertise of many Members from the voluntary sector whose experience and wisdom will I believe help us reach the right conclusions.