



Liaison Committee

Corrected oral evidence: Review of Investigative and Scrutiny Committees

Wednesday 20 June 2018

11.25 am

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Members present: Lord McFall of Alcluith (Chairman); Earl of Courtown; Lord Foulkes of Cumnock; Baroness Garden of Frognal; Baroness Hayter of Kentish Town; Lord Lang of Monkton; Lord Low of Dalston; Lord Williams of Elvel.

Evidence Session No. 14

Heard in Public

Questions 100 - 105

Witnesses

[I](#): Lord Mendelsohn; Lord Hollick.

Examination of witnesses

Lord Mendelsohn and Lord Hollick.

Q100 **The Chairman:** Welcome, Lord Hollick and Lord Mendelsohn. Lord Hollick, thanks very much for your submission, and for the conversation that you and I had about industrial strategy. We looked at that in the context of devising a new structure for the review of committees. Could you elaborate on it for us?

Lord Hollick: I spent six years on the Economic Affairs Committee and chaired it for half of that time. The Economic Affairs Committee concentrates very much on macroeconomic issues and some of the key government initiatives, such as HS2 and energy policy. There is much that we do not cover that is very relevant to a strong, successful and fair economy.

Governments, including this one, have published industrial strategies or industrial plans at five or 10-year intervals since the Second World War. Most of them would score seven or, maybe, eight out of 10 for their analysis and policy proposals. Where they tend to fall down, and where nearly all of them have fallen down, is on implementation. They are launched to great applause and discussion, but then they rather peter out. That is partly because the discussion, the caravan of conversation, moves on, but it is also because there is no mechanism to follow through and to follow up on how things are being implemented and on what has changed: for example, what has changed in the macroeconomic environment and in technology that causes us to alter course. Given that economic growth must be very much at the heart of our concerns, because it pays for much that we want to do, it is important that we keep a close eye on the development and implementation of the plan. A committee at this end of Parliament would be able to do that.

In addition, it would be able to look at future policy initiatives in certain areas. I have just sat on the Artificial Intelligence Committee, an ad hoc committee. As the industrial strategy says, AI will revolutionise both the way the economy operates and works, and many other parts, such as healthcare and education. Monitoring that, to see its impact on employment and the need for skills investment, for instance, is something we should do on a continuing basis.

At the other end of the Corridor, people look at the issue of the day—the issue of the moment. Here, on a cross-party basis, with the benefit of considerable political, academic, business and professional expertise, we are able to take a longer view on a lot of important things. We would be seen as helping to chart the way forward and giving a longer-term perspective.

It is about follow-up, and about giving a longer-term perspective on things. If you look at the thematic point and say that having a strong and fair economy is key, clearly the Economic Affairs Committee, an industry committee, the Science and Technology Committee, in so far as it relates

to developments of that kind, and an education and skills committee will tend to focus on the same space, to a certain extent.

The Chairman: Good. Thanks very much for that. Lord Mendelsohn, you have not put in a submission, but you and I spoke on 14 March, if I remember rightly from my diaries. We mentioned that the reputation of the House of Lords has to be enhanced as a result of this review of committees, but you explained to me that the House of Lords has difficulty explaining our work. The House of Commons has constituents. We have to find a mechanism for making the House of Lords more porous, in your words.

At the time of the BBC programme, you said, "If we allow others to portray ourselves, we will never do a good job. Let the public find their voice". You reminded us of the pace of technological change. We mentioned the Bill Gates quote; he said that we always overestimate the amount of change that will take place in two years, but severely underestimate the change that will take place in 10 years. Given your wide experience outside, it would be very helpful for us to get your perspective.

Lord Mendelsohn: Thank you very much for that. It is relevant for me to make two declarations of interest. The first is that I am an active investor in areas of social media, technology, communications and media. My wife is a senior executive of a very large social media company. I put that in, because I will touch on those themes.

The second, very important, declaration is that I have never sat on a committee. I sit here having only sat on the Front Bench, but with a degree of absolute jealousy of those who have had the great opportunity to sit on a committee.

I have three basic observations. First, I have always been impressed by the quality of the reports that come out of committees and by the adaptability of the House in thinking about how it addresses issues and how it fits into the framework of committees a consideration of both legislation and contemporary issues. Of course, the fact that it does so without the same immediacy and political elements as the Commons gives it a very distinctive role. The committees themselves have been making great efforts to expand their forms of communication. Very recently, the Economic Affairs Committee did a rather good job of that.

My second basic observation is that the flaw, in my eyes, as someone who has dealt with matters from the Front Bench, is always the issue of follow-up and implementation. I have found that with committees in this House and in the Commons. As I carried through a particular piece of legislation, the debate was really defined by a Select Committee report in another place. Throughout the process of legislation, which dealt with all the vagaries and problems of departmental work—getting the file wrong, getting a few notes wrong, and other sorts of things—up to the eventual implementation, the committee was right in all regards about the flaws and pitfalls. They were all pursued with great vigour, because the

committee had no mechanism to enable it to follow up, and it became a burden on the current roster of issues. That is an issue. There is a big flaw in having committees involved in things and then just waiting for a National Audit Office report to say, "It didn't go as well as we thought". There is something missing.

My basic point is about engagement. Committee work is a very useful way of doing that. It is true of other areas in this House, but the committees are a particular example of how we can engage much more widely on the work we do. It is worth while in and of itself to explain our work to a wider public. It is worth while to do it to improve the work we do, and the quality of that work. It is important to engage people in a process that helps to rebuild confidence in our institutions. Obviously, that does not mean that every institution is immutable, cannot be reformed and cannot be changed.

It is more than just institutions. There is a culture of democracy, debate and consideration, of taking into account the views and thoughts of others. In our contemporary world, we are shriller than we were previously. It is a useful exercise to engage people and teach that culture of democracy. All of that can be done better through the mechanisms that are now rapidly available to us, through forms of social media, forms of technology and other sorts of things. Those are areas where we can both promote our voice and involve people in the work we do.

We have to try to make sure that we are striving not just to receive more, but to engage more. There is an important point about making sure that people feel that the work of the House is properly owned. I think that will improve its quality. There is certainly a huge requirement for external organisations, bodies, companies, groups and individuals to provide more and more information. Many of the submissions that are received, be it in the course of legislation or in committees, sometimes have difficulty being accorded the right sort of priority. There is a belief that something much more discursive or helpful would be available to a committee, because of the volume of work that is done. If people can see a benefit, a way in which their voice can be given a certain nuance or a way in which they can participate, all those things will be useful. Enhancing and using technology will be important. Providing capability in-house to make sure that we are driving an audience to engage with us would be useful.

Q101 Lord Lang of Monkton: I would like to follow up on Lord Hollick's comments about an industrial strategy committee. The quality of the reports from your committee during your chairmanship was absolutely first class, so I take very seriously anything that you suggest about further change. I am not quite sure when it developed from an industry committee into an industrial strategy committee, and whether that engenders the sense of a thematic approach. You may want to enlarge on that.

My question arises from that. In a sense, you are now covering two separate government departments: the Treasury and BEIS. Does that

pose potential problems? Was it deliberate, or do you think it is irrelevant? Secondly, when you answer, could you tell me why you have not thought about having a sub-committee of the Economic Affairs Committee? I believe that the Economic Affairs Committee has the opportunity to appoint sub-committees.

Lord Hollick: On the latter point, we have a sub-committee that meets each year to look at the draft proposals for changes in tax regulation and legislation. It sits for about three months. We do not have the power, or the resources, to appoint another committee.

As to the name, industry committee sounded a little snappier than industrial strategy committee, but it is essentially the same thing. One particular point is that when the Government presented their industry plan—their industrial strategy—they did so with no reference whatsoever to Brexit. Come March next year, we will enter a completely new world. We may be transitioning. It will be an extraordinary challenge for business, industry and commerce in this country to come to grips with. One of the things we can do, given the expertise that we have in the House, is to analyse that and look at industrial policy in the context of Brexit. What does Brexit mean for it?

You are right. The committee will straddle the Treasury and BEIS. A big skills and education component will be involved. When I was on the committee, I found no reluctance from the relevant department—it was not always the Treasury—to come along to give evidence. We liaised quite closely with the Treasury Select Committee in the other House. I would talk to Andrew Tyrie when we were thinking about doing something, particularly on tax, which is a hot topic. We were not talking about whether the tax rate should be 10% or 11%. We were talking about broader issues, such as how we tax corporations in a digital economy.

Lord Lang of Monkton: Did you talk about a possible joint committee?

Lord Hollick: We did. Again, our resources were limited. Of course, as the Chairman knows, resources at the other end are greater. They can do short-term and long-term inquiries alongside one another. One of the questions you pose is, “Are there any gaps?” There is a resource gap. Joint Committees are a very helpful way forward. I have sat on two of them. However, the culture is different. In our housing report, we were able to create consensus around allowing local authorities to borrow to build more houses. As one of the committee members said, “I have found my inner socialist”. He was not a known socialist.

The Chairman: He was here yesterday.

Lord Hollick: We are better able to achieve consensus at this end than at the other end, and it is very important to keep hold of that. When we are seen from outside, it gives us a degree of credibility, authenticity and objectivity, which we need to make a lot more of in our engagement externally.

Lord Foulkes of Cumnock: I want to pick up what Lord Mendelsohn said about communications, since we have two experts in communications.

Baroness Hayter of Kentish Town: Before we go on to communications, can I do a follow-up on the idea of an industry committee? If the industrial strategy is to mean anything, it will not be government doing it, but industry. I am not saying that this committee should be another Neddy, but if it existed, to what extent would it oversee the people who will have to implement the industrial strategy—industry itself—rather than just government?

Lord Hollick: Infrastructure is obviously one important component. Perhaps the single most important infrastructure investment we will make over the next decade or, hopefully, a shorter period, will be a high-speed digital connection to every home, using fibre optics. At the moment, only 3% of premises in this country are connected. Most of our competitors, including China, are at over 50%, so we have an awfully long way to go. When the Secretary of State was asked how it would be achieved, he said, "The market will achieve it". That is in the same category as the magic money tree. I do not think that the market will achieve it. As we know, BT has its own challenges.

Yes, we will look at how corporations can play their role. What is the role of private investment in energy policy—for instance, to produce energy? There is a strong government role to be played in such things as the regulatory environment and funding. The committee would look at both. Our skills continue to fall below the level of our competitors. The advent of AI will demand far more lifetime retraining. The Government have a critical role to play in that. We will have to look at all sides of the problem, but the Government have a very important role to play.

Lord Mendelsohn: This is not my field, but I support what Lord Hollick is saying. Over time, the industrial strategy has started to focus on a number of issues, which are core government plans for the next period. The metric of productivity is being used as the key driver. It crosses a variety of departments, but it is a very important landmark moment for us to say, "This is the definition of success". Government is now trying to work out what the drivers of productivity are—how to measure productivity in services and other sorts of things. That is something no one has addressed meaningfully, but it is our core driver for success in the next period. That is beyond industry. It is a core government plan, and will require a whole range of institutions, including the ONS and others, to review how we look at it.

The grand challenges are the big national bets we are making. The industrial strategy has put forward AI as one of the grand challenges. As someone who is an investor in AI, I can tell you that, on every measure, we have slipped, since the moment it came in, to the point where France is probably the leading country in Europe as regards investor sentiment on where it is likely to come forward. Those big bets about the future are part of that. If there is one thing the Government are doing that crosses

a different series of issues and some real priorities in the future, the industrial strategy meets that test more than most others.

Lord Lang of Monkton: I am sorry to interrupt, but that is not the case on inward investment. The United Kingdom is securing a vastly higher proportion of inward investment.

Lord Mendelsohn: Actually, it is. That is also an issue that I think is very sensibly addressed in this way.

Lord Lang of Monkton: I am interested in investment in AI technology.

Lord Mendelsohn: France has just done a huge match-funding programme, which is why it is moving up. Over a period of time, these things are moving so fast that, if they are our national challenges, we should be looking at that. Apart from two deals, which were of a particular time, if you look at the rest of the field, we are in a very different position. There were a couple of landmark deals that took place in the UK, but triggering investment for other sorts of companies is a different thing.

In general, the inward investment argument is an important one to address in this context, not just because the gap between us and major European countries has narrowed over the last two-year period, but because the impacts of inward investment are now much more uncertain. Things such as net cash inflows and outflows, and what is and is not productive investment, make a huge difference in the new context, which requires us to look at them in a different way.

Q102 **Lord Foulkes of Cumnock:** Yesterday, we had some very good evidence from Lord Forsyth about communications. He has done a good job with his committee and sent us all an email about it. In his evidence, I think he said that the three documentaries about the House of Lords had nothing at all in them about committees. I asked the producer about that. I suggested to her that they should cover the work of Select Committees. She said, "Ah, but they are very boring". She was more interested in Black Rod's stockings than in the work of the committees. Are they boring? If they are, what can we do to make them more interesting? How can we get the message out that this is really interesting for the wider public?

Lord Hollick: I had a similar conversation with the programme makers. The intention when they came in was to follow the Economic Affairs Committee. As you say, they found rather more exciting and interesting—some might say trivial—matters to focus on.

Do we do enough to make ourselves user-friendly? The answer is no. We do not have modern, well-resourced communications. We have some very good people, and, given direction, they can make an impact. Having been on the media side of the debate, I know that, basically, organisations now have to sell themselves. Unless there is a huge row or a big hoo-hah going on, in which case everybody will swarm around it,

they have to sell their story. We have to tell the media, both digital and traditional, what we are doing.

We need an outreach programme to do that, not just for committee work, but for the House generally, otherwise our work will go unnoticed. I speak to a lot of my former journalist and broadcasting colleagues. Infuriatingly, they say, "Nothing happens in the House of Lords". When I ask, "Have you read this report?" they say, "No". Bluntly, you have to spoon-feed them. Their resources are slim, or slimming, as well, so we need a much more proactive approach, using video, as Lord Forsyth did when he circulated everything around the House.

To be frank, communication in the Lords itself is poor. Often, when I mention to somebody that we have come out with a report and have they read it, they say, "No, I didn't know about it". We have to market it here and down at the other end. We have to get on the front foot. If you are running this kind of operation, you have a newsroom where people sit down at the beginning of the day and say, "What are the stories of the day? Who is going to say something? Lord Foulkes is going to ask an awkward question", or whatever. You focus on that. "There is a debate on this. Who is going to speak?"

If we had an eye to editorial content and what is of interest, we could get a lot of attention. People are very interested in some of the issues. We did a report on HS2. We proposed that instead of stopping at Euston, which was going to cost £6 billion more and take seven years to do, it should stop at Old Oak Common. The Chancellor, who came along, said, "Old Oak Common is not in London". Actually, it happens to be in Hammersmith and Fulham, but that is another matter. The issue affects the lives of a great number of people. I banged my head against the wall, very ineffectually, to try to get that story out. It got out in the locality, but we could have made so much more of it.

Yesterday, as the Statement was being made about the very welcome additional funding for the National Health Service, it occurred to me that we had an ad hoc committee of this House on the sustainability of the NHS. Why does it not sit again, do three hearings and then say, "It meets the targets and the requirements we have set"? We need to be much more entrepreneurial.

Lord Foulkes of Cumnock: Could we get more coverage through social media?

Lord Mendelsohn: It is more than just a question of coverage. There is a point in saying, "We need to cover our work more", but there is a way in which you can talk about the work, or even invite comments about the work. There are now millions, probably billions, of people who are members of groups on a variety of different forms of social media and who engage constantly on issues. In increasing numbers, all sorts of things are now starting to take place on them, in different territories, where there are different requirements. There is a very big small business programme in developing parts of Africa, and a whole series of

forms of empowerment and engagement across the Middle East and in other places.

In locations across western Europe and America, patient groups, for example, are getting together and starting to have the participation of researchers, clinicians and other experts, who appreciate, as with all medicine, the efficacy of patient-reported outcomes. Those groups are helping to develop the boundaries of what can be done and are sharing the most extraordinary information. They use a variety of devices that could be used here.

The Facebook Live facility provides the ability to ensure that you have a discussion. Someone can talk about a topic. You can have an interview with them, have questions come in and have real-time observations and comments. If you have people working here to build an audience for whom the issue is relevant, you can have a two-way form of communication and a different form of participation. All sorts of mechanisms are available to provide that, not just to get an audience for what we are doing, but to ensure that a range of voices can participate, or feel that what we are doing is relevant, or even start to understand some of the trade-offs that are required in these sorts of discussions, which are an increasingly important part of building a democratic culture. All those things are possible.

Lord Foulkes of Cumnock: That is really helpful.

Baroness Garden of Frognal: You have pretty well answered the questions I was going to ask about communication and outreach. Obviously, social media and the new technologies are a powerful part of that. Do you also see a role for face-to-face communication, for this House to make more attempts to go out and about and meet people face to face, which, needless to say, is often rather more powerful in certain communities? If so, how would we generate that? How would it work?

Lord Hollick: For a number of reports that we did in the Economic Affairs Committee, we went out and engaged with the participants.

Baroness Garden of Frognal: Did they invite you, or did you have to make the attempt?

Lord Hollick: We convened. We have quite good convening skills. On HS2, for instance, we wanted to go to Manchester to find out what people's views were. We talked to the local community and the local political and business leadership. That was very useful. On the AI Committee, we spent valuable time with DeepMind, and with Microsoft in Cambridge, looking at all their work. That can be helpful.

We have exactly that challenge at the moment. I am now on an ad hoc committee on intergenerational fairness. I have not done the calculation, but, looking around the room, I would say that the average age is probably nearer 70 than 60. A committee of that age needs to get a different perspective.

I am trying to develop ideas whereby we would have an advisory panel, or something like that, made up of 25 to 35 year-olds who have well-formed views and an interest, which could shadow us, comment on some of the issues and suggest that we look at other arguments. We would then have a great deal more credibility. That is an idea in development. It is a huge challenge. When we are dealing with an issue that impacts on younger people, we need to be able to put our hand on our heart and say, "We have listened, and we have understood".

Lord Mendelsohn: I believe strongly that you have to engage with people and meet people. You have to go out. I am a strong believer in going to visit places. A key part of the work here is to make sure that we have a real sense of what it is, whether it be by travelling to the Office of the Small Business Commissioner to meet the team and to understand what is going on, or by visiting other facilities. That is absolutely crucial.

People underestimate the capacity of social media. Social media can bring together disparate people. The fact that people do something on social media is not to the exclusion of all other forms of activity. It is the modern form of communication in which a younger generation is highly adaptive and capable, but it drives other things. It is no accident that digital companies in retail are creating magazines. No one else can work out the economics of it, but they can. It is no accident that some of the social media sites are now developing magazines, because no one else can do it in the way they can. It is no accident that, if you are driving people towards any sort of activity—meetings or other sorts of things—you do so online. Most people now assemble meetings or do all sorts of promotions online, using digital media.

The absence of utilising these things adequately or fully is something that works to our detriment. It is not a substitute, but, if we are to connect in any meaningful way, these things are waiting to be used, especially as we can do so at a relatively lower price.

The Chairman: The committees have increased their Twitter accounts, and we have had quick wins for that. Are you saying that we have to raise our sights even more as regards the technological challenge we face? During our conversation, you said that we should establish a public information office for social media; I wrote it down without fully understanding it. Can you explain that, along with your answer?

Lord Mendelsohn: People underestimate the whole digital field. A whole range of forms of social media are used. There are a few larger platforms. Some break by what they do, and some break by age. Twitter is a very good format, but it is a broadcast format. You broadcast the message, and the engagement is quite limited. It is mainly a broadcast format.

There are all sorts of other things that build groups or provide other ways to post what you are doing, be they YouTube, Reddit, Facebook, Instagram and so on. Then there are devices by which you can communicate quite comfortably with friends, groups or others, from Facebook's workplace products to Houseparty, which is a form of visual

communication for large conference calls, or for my 13 year-old to speak to all their friends and see their faces on a large platform. All those things are readily available.

It is important to understand that there are horses for courses, and what you can do with most effect. Using one form is probably too limited. It really comes down to what you want to use it for and how you want to use it. We need an office that is sufficiently skilled and has the means and capacity to do the job that is required. If you want to pull people in, to explain the work or to get out some news, you have to use the different devices. Not to use them would be a mistake.

We have to face up to certain realities. I do not want to bleed into this conversation too much, but in the most recent survey of what are trustworthy news sources, a number of online and digital sites had trust factors way in excess of traditional media for the accuracy or efficacy of news. We have to think about the world as it exists now, and how we engage with that, not the world as it has been.

Q103 Lord Low of Dalston: We have heard quite a lot of concern about follow-up to committees' work. They meet, they make recommendations that go out into the ether, and they get very little back: a late response from the Government, which often has to be chased up, and a month later a debate in the Chamber. Can you think of ways in which we might get more effective follow-through of committee reports and recommendations?

Lord Hollick: In the Economic Affairs Committee, one of the things that we did, which was quite effective, was to have almost immediate follow-up after the report with the Minister and his or her team. We then got into discussion and debate. I am thinking particularly of the housing report that we published. Bluntly, the Government were in the market for a new housing policy, so in a sense, we had some goodies they could look at. We had a very engaged discussion with them; they were amenable. The Treasury is less amenable, although the Chancellor comes before the committee and we can raise issues.

On the other side of the coin, I have had quite a lot of feedback from people who have now left various departments. They say, "When we get a committee report from the House of Lords, we work out how we can play a straight bat to it. The Minister will probably go through a rather awkward debate, and that is the end of it". That is where follow-up is important. We need a digital support group, a chorus, saying, "This is important for us. You need to follow it up". We have to marshal the resources effectively, bluntly, to keep pressure on the Government.

HS2 is now shooting past its budget, as everybody predicted. We need to have the Government in regularly to follow through what is happening, and why they are doing this or that, et cetera; otherwise, we can be kicked into the long grass. That happens all too often.

Baroness Hayter of Kentish Town: This is complete ignorance, but am

I right in saying that at the moment there is no ongoing committee on HS2?

Lord Hollick: No. There was a legislative committee to take it through, for all the permissioning.

Baroness Hayter of Kentish Town: Now there is nothing.

Lord Hollick: There is nothing as it is going through.

Baroness Hayter of Kentish Town: There is nothing that is now overseeing the rollout of HS2. How interesting. I had not focused on it.

Lord Hollick: The same is true of energy policy. It is true not just in the areas I have been involved with, but more generally.

The Chairman: A Public Bill Committee comes up at a later time, but that is different. It takes evidence and may do site visits.

Lord Mendelsohn: You must forgive me. I have a slightly more business-oriented view. No committee report is really complete without a sense of its measurement. Once you have a report, what is the measurement by which you will judge whether or not the report has fulfilled its job? If people are not going to agree with every recommendation, what are the measurements? Committee reports should have a traffic-light system that says when they should look at an issue again if something goes wrong. If it overshoots by X or Y, it means that something more material is wrong. They should look at something that says, "These would be the triggers to review it. This would be something that would suggest that it is wrong"—or, in the context of a debate, "The evidence has changed substantially, and we had an unbalanced view". They should have a sense of the terms under which an issue should be followed up. That is my view.

Baroness Hayter of Kentish Town: But somebody would have to do that follow-up.

Lord Mendelsohn: Correct.

The Chairman: We have no concept of lines of report such as that.

Lord Hollick: I go back to Lord Lang's point about sub-committees. A sub-committee could be charged with that responsibility. It could look at tax for three months of the year, but for the other nine months it could follow through on some of those issues.

Q104 **Lord Lang of Monkton:** I was going to ask a question very similar to Lord Low's. It concerns outreach after the report has been published, not when you are collecting evidence and so on. That sometimes works, and I congratulate you on what you did to get evidence and attention paid to it.

Our publicity is dire. I have certainly had that experience, and it seems to be common across all the committees. The example that Lord Foulkes gave of the BBC programme focusing on Black Rod's stockings, rather

than our committees, is a good case in point. Have you considered the possibility, subject to the availability of funds, of the House of Lords itself promoting outside conferences or debates, as magazines and newspapers do? The *Spectator* does it; I think the *New Statesman* does it. The *Times* does it occasionally. There is Andrew Neil in conversation with X. It should be possible, in most of our committees, to find somebody who would be really good at debating what the committee had concluded, to get attention, if only from a particular piece of the media, which would report its own debate and, probably, sell tickets for it. Have you thought about something like that to stimulate interest?

Lord Hollick: It seems to me that there are some natural partners in the process with whom you can do exactly that. All the people who give evidence actually become part of the committee, so, although they may disagree with things, they are a natural cheerleading group, if you can encourage them.

When we published the AI report, we partnered with the Royal Society. We had a breakfast, which Kate Rock and I went to, where we talked to the inner sanctum of the Royal Society about our findings. Two hours later, we had a meeting at which the chairman presented the report. A lot of the people who had provided evidence were there. A lot of the bodies, such as the CBI, were present. The press came along, because they were intrigued by the process. That is an example of how we could market these things, in partnership with other people, so that they have a continuing life. What followed from that was a rather large number of invitations to members of the committee to address various things, but that is part and parcel of the job.

Lord Mendelsohn: The exhibitions business is big, as we both know. There are a lot of partners out there doing it already. It seems to me that there are many occasions when these things go on already. We do not have committee structures such that somebody can go to them to offer some of the committee expertise or people, or some of the stuff that has been going on. There is more scope for what Lord Hollick talked about, which is absolutely right, but even now we are not exploiting the system as much as possible.

It is a simple point. Using effective forms of engagement, which could be physical, through social media or through the application of technology, it would be very interesting not just to have a government response to a Select Committee report, but to assemble, by marshalling the voices of other people, a civil society or a public response to our committees. That would be a very useful exercise to make sure that people fully consider what we are doing. There would also be the benefit of talking to people who may be recipients, practitioners or the victims of different problems across society, and may have very good suggestions that would add to a committee report, after full reflection on it. There is a role for that.

Lord Lang of Monkton: To build up a reputation, our input would need to be powerful and authoritative, using the House of Lords as its source of authority, rather than simply one committee giving a particular push

on a particular occasion.

Lord Hollick: We have a very strong brand, which we do not use as effectively as we should.

The Chairman: The evidence from Chairs yesterday was that we should get into areas that may be seen as controversial, but the tradition here has been to see anything controversial as party political. People should get their teeth into big public policy issues.

Lord Hollick: One of the strengths of this place is that we can take controversial things and find consensus, by reference to the evidence. We have all worked on committees where we have seen that happen, not necessarily to the lowest common denominator, either. In fact, we can be surprisingly radical.

Lord Williams of Elvel: Going back to the proposed industrial strategy committee, would it not be rather difficult to have a full policy on it without being able to engage in Finance Bills?

Lord Hollick: Essentially, Finance Bills fall under the Economic Affairs Committee, and, in detail, only under its sub-committee, which looks at the efficacy, relevance and drafting of the proposals. For instance, we wrote a very critical report on making tax digital, saying that businesses with a turnover of between £10,000 and £80,000 were simply not ready for that. We were able to get engaged, but we could not talk about the rate.

The Chairman: In fact, the Government responded to that, did they not?

Lord Hollick: The Government responded, and then delayed the proposal. In fact, they have now moved the £10,000 to a much higher level. In the small world of tax on SMEs, we have hero status, dare I say it.

We did a report on corporation tax strategy, particularly in the light of the digital world. It was something I was keen to clear with Andrew Tyrie. He said, "Please go ahead. We are only going to look at the issues of the day, or the Budget issues, so it would be very helpful if you could give us a longer-term view on that". At the moment, there is a yawning gap as regards how we are going to raise money for public services, with the potential significant decline in fuel duty, as we move to electric vehicles, and the fact that a large number of people are now self-employed, rather than employed, and pay a lower rate of tax. Of course, expenditure is going up, and tax strategy needs to be looked at. This House would be able to do that, and do it well. Although we do not want to tread on the toes of the Commons, there seems to be quite a lot of space to look at long-term or medium-strategy in all those areas.

Q105 **The Chairman:** Looking at our structure, we want a system with a bigger footprint. We want to be able to look at long-term public issues, as well as respond to live issues. Yesterday, the evidence from the Chairs was that we need a communications strategy and we need to

professionalise our committees in that area. I know you are very much in support of that.

Are there any final comments? Let us keep our mind on the big issues.

Lord Hollick: I quite like the idea of thematic areas. Obviously, the committee structure will change after 29 March next year. The committee structure for the European Union committees was a mother ship and lots of committees off it. It may be worth looking at that for other areas, so that there is a co-ordinating committee and then a number of other committees or sub-committees that fit in; we can call them what we like.

They need more resources. One of the challenges is that we have to look at how we spend our money and whether we are spending it wisely. Using business terminology, what is the best payback? We have to demonstrate to the wider world that we are relevant and can have an impact. That means that we have to put in more resources. At the other end, in the Commons, they have 10 or 12 members of staff for a committee. On really difficult topics, they often have two or three specialist advisers. Those are the sorts of resources that we need. There is some housekeeping to be done in that respect.

Should we look at electing Chairs of committees? It would create a bit of a buzz externally, that is for sure, and internally.

The Chairman: The three sets of committee Chairs who were before us yesterday rejected that.

Lord Hollick: Maybe it is just my populist side.

Lord Foulkes of Cumnock: Maybe it is because the committee Chairs got there by patronage.

The Chairman: I am surprised you did not follow up with that.

Lord Hollick: There is no question but that the election of committee Chairs in the Commons has significantly enhanced their reputation and the view of them as independent. One of the things that we do not get across enough here is the fact that we are cross-party and independent. As Viscount Hailsham said, we are not just party hacks when we go on to committees. One way of symbolising that is to vote for Chairs.

Lord Mendelsohn: There is huge quality and adaptability in what we do here. We should use the opportunity that will arise from the changes that are likely to take place with the EU committees. There is a real chance for us to be much more inventive and modern in our approach; it is time for us to experiment and to be much radical.

The Commons is much more constrained. We are in a much better position to utilise these things to the full, which would be no bad thing. As someone who, even in business, feels like a bit of a dinosaur compared with some of the young creative sparks, I have to say that it would do us a whole load of good to have some of those people challenging us to think through how we engage with people in a different

way and get our message and work out there. That would be a very useful addition.

The Chairman: I would like to come back to that with you, if you can help us with it. It would be very helpful to us. The same applies to the points that Lord Hollick made. Today has reminded us of the economic, social and, indeed, political environment in which we will exist in the future. Lord Mendelsohn, you made the point that we are doing this not for the present, but for the future. We need a number of discussions on that. You have stimulated our thoughts hugely. We are really grateful to you for coming along. We will keep that engagement with you as we go along. Thank you very much.