



Liaison Committee

Corrected oral evidence: Review of Investigative and Scrutiny Committees

Tuesday 3 July 2018

11.15 am

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Members present: Lord McFall of Alcluith (Chairman); Lord Foulkes of Cumnock; Baroness Garden of Frognal; Baroness Hayter of Kentish Town; Lord Low of Dalston.

Evidence Session No. 18

Heard in Public

Questions 134 - 141

Witnesses

I: Rt Hon Frank Field MP; Katy Stout, Second Clerk, Work and Pensions Committee.

Examination of witnesses

Frank Field MP and Katy Stout.

Q134 **The Chairman:** Welcome to the Committee, Frank. It was a pity that you could not come before because of your accident. We hope that things are getting a little better, but they still look pretty sensitive.

Frank Field MP: I hope that the settlement will be very large. It is going to Feeding Birkenhead, so it is going to a good cause.

The Chairman: Good. You and I had a coffee a month or two back, and co-operating between the House of Lords and the House of Commons was the main issue. We have looked at it from the point of view here that we should look at scrutiny as parliamentary scrutiny. That means Parliament as a whole, which has implications for the website and whatever else.

We should also think about the complementary aspect of the House of Lords and the House of Commons, but given that the Commons is sovereign and elected and the House of Lords is unelected, how do you see that development going? Baroness Hayter has a question on that.

Baroness Hayter of Kentish Town: Yes. My question relates partly to the Commons being the elected House, so we have less authority, but I am also quite interested in the fact that we do not have electors. In other words, we do not have to do all the stuff that an elected Member has to do to get re-elected. Do you feel that that alters the way we work? You see our reports. We heard that the forum had 3,000 responses in six weeks. As non-elected people, can we or do we need to deal with that? I am interested in your concept of how different we are so that we are helped to learn what our strengths are that we can play to. That is the background to what I am trying to find out.

Frank Field MP: Chairman, thank you for inviting me. Katy is our second clerk and, you will soon discover, the one who does the work. I am pleased and privileged to appear before you.

As for general introductory remarks, I would say that we ought to keep clear in our mind that you have the very important part of the constitution, which is to look at legislation that comes from the Commons, to advise, to warn, to amend, and to attempt, in extreme examples, to reject.

We ought to put that on one side, because I do not see it as relevant to the discussions that both you, Lady Hayter, and the Chairman hinted at, because there are other functions that Parliament has to undertake. If we are designing the set-up now for 10 years hence, we need to think about where we want to be. I honestly do not think that many out there—there are a few activists—would question your authority. You are here, you are part of the constitution, so until providence makes it different, why do we not make the most of it?

From the House of Commons angle, I would love to see a structure of committees whereby there are core members who will always undertake basic inquiries but we are able to invite to join our committee Peers who have special interests in the areas that we are discussing, and vice versa. Therefore, increasingly, not only would we see joint committees, as we do in the Commons now, between us and other committees, whether on BHS or on Carillion, but we would also perhaps have joint committees between two of our committees and relevant Members of the House of Lords who wanted to join them, and I would hope that we could see the same with their Lordships.

I would hope that that would do two things. One is that it would make our functions as Members of a legislature more effective in informing ourselves about government policy. Secondly, I would hope that we would also think of what legislation we can suggest that is not necessarily party-based but that would promote the common good, the public interest, in all this, and that we would see our way, in our joint committees and our single committees, to saying that proposing and drawing up legislation in draft is not the only function but it is a function and that we would want access to the legislative committee of the Cabinet in order to put our proposals for legislation. It may reject them or accept them, but I would hope that in some years, speeded by this report, we would be heading in that direction.

I do not think that the authority issue comes up at all, really; I do not think it is the public mind. It was not in my mind this morning when I was thinking about what one might actually say.

The Chairman: That is very helpful indeed.

- Q135 **Baroness Garden of Frogall:** You have sort of answered my question on the committee structure and obviously possible joint working between the Commons and the Lords. You have also touched on the other thing, which is the topics of the committees. Could you expand on that? You were suggesting that the committees could perhaps influence or suggest legislation? How would you see that working?

Frank Field MP: The Commons has had a Joint Committee—the DWP is one part of that—on the change at the bottom of the labour market, the gig economy. Prior to that, some of us suggested that the Prime Minister do a report, which was the Taylor report. We looked at it as joint committees and we proposed legislation. The Government want to take that themselves, so we are waiting for that. But we proposed a Bill jointly, and I think it would have added huge authority if their Lordships had been part of that inquiry and if we were suggesting legislation.

As well as looking to the legislative committee of the Cabinet to transform and reform that, given that government obviously tries to control our timetable we should be seeking ways of using our time as constructively as possible.

- Q136 **Lord Foulkes of Cumnock:** One of the problems that I found as a

member of two ad hoc Select Committees in the Lords—first, on the Charities Committee, when we looked at the whole structure of charities in England and Wales, and more recently on the Political Polling and Digital Media Committee—was trying to get witnesses other than the usual suspects. I went on and on suggesting it to the secretariat and to the other members of the Committee, and I kept thinking about it myself. It is very difficult. For the Charities Committee, we got the Charity Commission and all the usual people. For the polling Committee, we got the usual pollsters, the journalists and so on.

How can we find a more diverse group of people to come and give evidence to our Select Committees?

Frank Field MP: Can I ask Katy? She organised our wide consultation on PIP.

Katy Stout: It is an area that our Committee is particularly interested in. In every inquiry on the welfare state, we will hear from those directly affected. Getting them to come to the Committee can be a challenge, but the Work and Pensions Committee has really overcome that challenge and can get them to come on every occasion.

As officials, we tend to go through two main routes to find the people. We make great use of the parliamentary outreach team, who in turn use their own regional networks, because from the Committee's perspective it is also important that the usual suspects come from the same geographical area, which they often do. We make a point of ensuring that we hear from people in different regions.

We have also developed very good relationships with some of the main charity and lobby groups that have access and work with claimants who are directly affected, so we will often go through them.

It can be a challenge, because the perception of Select Committees is often what is seen on the television. They tend to be the most high-profile and the most heated hearings, so we spend a lot of time speaking directly in advance to those who are coming to give evidence to reassure them that the Committee goes out of its way to make sure that they feel comfortable and that it is a positive experience for them. It becomes a virtuous circle, because we are able to let those who are coming know that we have heard from people in very similar circumstances to them.

For example, the Committee has taken evidence from victims of domestic abuse, and we went to great lengths to make sure that their contributions were completely anonymised and that they felt secure coming in and out of the evidence session. We have also had single parents, benefit claimants—including those who have been sanctioned—and so it helps to be able to tell them that the Committee does this regularly, and the sessions have been very successful.

Baroness Garden of Frognal: Do you pay travel expenses? You talk about bringing people from further afield, but there will be people who would find it expensive to come to give evidence. Do you have a kitty for

that?

Katy Stout: We do, and we also cover, up to certain limits, loss of earnings.

The Chairman: We do here as well.

Frank Field MP: Can I ask Katy to add how many submissions we received on our PIP inquiry by using the web?

Katy Stout: We received in the region of 3,000 submissions, which was through an online forum that we worked with Parliamentary Outreach to set up.

Frank Field MP: We drew from that people who would come and give us evidence. So we broke out both from the London prison and from the same organisations turning up to give you the same evidence.

Katy Stout: Another important aspect of the Committee's work when hearing from these people is that there is a positive feedback loop, so that they do not feel that they have given up their time and gone through what can be quite a stressful experience and then do not receive anything in response. On the PIP inquiry, the Committee published a specific report dedicated to the voices of the claimants, which rounded it off.

The Chairman: What would you take as evidence? Would you take a video as evidence from people, or go out and get information to bring back as evidence?

Katy Stout: We have not yet done that.

Frank Field MP: That is a good idea. We could do that.

The Chairman: A former Supreme Court judge I was speaking to a few weeks ago said that evidence is a reported conversation.

Frank Field MP: That is a very good idea.

The Chairman: You are here to give us ideas, not the other way round.

Q137 **Lord Low of Dalston:** Just to follow up and broaden out a bit Lord Foulkes's point about hearing from all the people we want to hear from, your Work and Pensions Select Committee has employed a variety of techniques to get the views of all the stakeholders you wanted to hear from—people directly affected by what it deliberates on. Could you expand on that a little and tell us how you have gone about that?

Frank Field MP: It has been an open process, and we are making inquiries. People sometimes suggest themselves, and other times we have to negotiate that they will come. One of the problems is that some people feel that Select Committees have developed into public stocks—it is one of their functions—to give vent to the anger of people out there. That is important post Brexit; this whole question of how we try to do politics anew, taking into account the views of people out there who feel

they never get heard, is important. But it is important to negotiate in ways so that those key characters come. Our problem is not finding witnesses but how we choose from those who want to come, and in particular those who we have not heard from before. We can read the written evidence—our wonderful secretariat does work on that for us—but we do not want just to pedal grounds that we have pedalled before.

The question is how we take this committee system to the next stage and try to change behaviour out there which affronts the public, when people who have been in the stocks think that they have done their bit, that is it, and they carry on exactly the same. That is a challenge to both Houses. That is why this whole exchange of views this morning was important, and we will follow up that idea about evidence. It will be very good to take verbal evidence of people whose lives have been destroyed by Carillion as another way following up our inquiry. All this is important.

Might I also comment on a success for both our Houses, which was on anti-slavery? I do not know how the powers worked, but I am sure that it was the then Home Secretary pushing hard. A couple of us spent a summer talking with the Home Secretary's advisers about how having a modern slavery Act was important. Once she was engaged she was totally committed, and she has been totally committed as Prime Minister. She asked for two things: that there should be a cross-Lords and Commons committee and a cross-party committee to draw up the scope for a new and important piece of legislation, and then, when we had a draft Bill, that we would have a Joint Select Committee of both Houses. When you look at the contribution of the main players on both sides, you see how appalling it would be if we had done this work when only able to draw from one House of Parliament and not the other. We could have run parallel reports, but then we would have had to knit it together, and we would not have been able—as the Chairman just suggested—to take evidence ourselves, going outside and doing it via video; you do not need to have written submissions and emails coming in. All that was massively strengthened. The Act has been in place for three years, and I hope that soon we will have a similar approach to reviewing it and its effectiveness. That was just one example of what we can do as legislators, not just checking on the Government but for the Government to say, "Can you help us feel our way in this area?", and maximising that, not just by having cross-party Commons working but cross-Lords and Commons and cross-party working.

Q138 Baroness Hayter of Kentish Town: This is not a question for you to answer, but I hope that an academic is writing up that story. It will be an interesting story to tell from beginning to end.

I will ask about the opposite end of who to take evidence from. We have had some suggestions that we might have a committee on the oversight of regulators. On Carillion, I have been involved in this area, and I realise that I have been involved with the Pensions Regulator, the FRC, the CMA—which would be involved because of the big six—the PRA and the FCA, all of which have a bit to answer. It is quite interesting that, as I see it, there is no committee that would look at those regulators. Is that an

area that you could see a committee working on? Looking at it from the perspective of the failure of our regulation would be an interesting viewpoint.

The Chairman: We already have a submission from Lord Rooker about a committee for regulators. He has experience as a Member of Parliament, as a Minister and as current chair of one of the organisations.

Baroness Hayter of Kentish Town: The other FRC—the food standards regulator.

The Chairman: He said that regulators are not scrutinised enough here, and I know from my experience along the Corridor that that was most certainly the case. Parliament as a whole seems to be letting itself down in that area, so any ideas you have on that would be helpful.

Frank Field MP: Who are we sitting before, with their experience on this? That would be a brilliant idea, and it should be done jointly, with the Lords and the Commons. We have done reports that were critical of those regulators which affect our work most, and the aim of that is to get change, not to do anything else. We recently had the court case last Friday week, when Sir Philip Green was trying to get a gagging order on a regulator's report, so there is a judicial side for us to think about. I think people would know where my sympathies might be on this issue. The judge raised good points, dismissing Sir Philip Green, because he had no party to the hearing.

On Select Committees—I assume it is the same in the Lords—we always let people who are mentioned in our main report have sight of it beforehand. They cannot change it but they do see it. Of course, if they came out with something devastating, we would want to take that into account, even at the last moment. Regulators are now at a crucial stage of their development and public confidence, and given the importance now of regulators operating in a state which has such a wide remit of actions, with a lot delegated to legislators, a joint approach to looking into that would be most welcome.

Baroness Hayter of Kentish Town: It is interesting; I had not thought about the joint approach. Because the House of Commons in a number of instances endorses or has a role in the appointment of the chair—I am not sure that it does for all these regulators; maybe not on the Pensions Regulator—

The Chairman: That too.

Baroness Hayter of Kentish Town: The Pensions Regulator as well? So there is a particular Commons area which I am afraid I overlooked, therefore the idea of joint approach is interesting.

Frank Field MP: There is something else we need to push for. Sometimes chairs are very proactive and influential, and sometimes the regulator itself needs to be very active and influential. Therefore the scrutiny of our appointments would be important. I do not know why the

Government cannot let go on these sorts of things. It is no skin off their nose at all to have a strong parliamentary input to the appointment of chairs. I do not see why, if the DWP Committee and the relevant Lords group were doing reports together, we should not do that jointly. I am all in favour of that.

Lord Foulkes of Cumnock: That is an interesting question. The appointments are still made by the Government in all cases. We recently had the Charity Commission chair appointed, and the whole Select Committee voted unanimously against her appointment but the Government went ahead and made the appointment.

Frank Field MP: In the afternoon. That afternoon they stuck two fingers up at the Committee and made the appointment. We need to move beyond that stage. We want a code of conduct from the Government. We work best as a Parliament when we have codes of conduct which we all accept rather than thinking that everything has to be nailed down by legislation. Life is impossible if we think in those terms. This was a big example where the Secretary of State should have said, "I'd better think again. I may confirm my recommendation but I'm not going to snub committees in this way".

The Chairman: I was at a breakfast with Ofcom a couple of weeks ago, when the issue of the internet and regulation came up. It is not doing it, nobody else is doing it, but it is a huge political issue, and there is almost a scrutiny gap there at the moment. My opinion, based on a few years' experience along the road, is that politicians have franchised their responsibility to the regulators to the extent that the regulators are not held sufficiently accountable in Parliament. We have to fill that scrutiny gap. From the House of Lords point of view, we have been a bit ginger with the House of Commons in that we realise that it is the sovereign body and we do not want to step on toes. Is it correct to say that you are encouraging us this morning to go forward and engage with you more?

Frank Field MP: Certainly as far as the DWP Committee is concerned. We have not discussed it as a Committee, but obviously as Chair you spend time trying to get to know the minds of Members. That is why your previous evidence was crucial. Not any old person should be Chair. On the argument that you were developing about the Lords itself coming to a view about the chairs, the Whips should obviously have a role in deciding who forms the membership. But again, you know, do you not, that it was not easy to get it away from the Whips in the Commons so that the Commons rather than the Whips should decide who the chair should be? Nobody now would ever think of going back to the old system.

Q139 **The Chairman:** Frank, recently you participated, as you mentioned, in the joint inquiry into Carillion with the Business Committee, chaired by Rachel Reeves. That was to investigate the collapse of Carillion, which, as you said, has left a mountain of debt, potential job losses in the thousands, a giant pension deficit and hundreds of millions of pounds of unfinished public contracts—and these issues are still to be attended to. Previously you carried out a joint inquiry with the Business Committee

under the chairmanship of Iain Wright. Am I correct that the one with Rachel Reeves was a joint venture, whereas the one with Ian Wright was on mutual interest and benefit?

Katy Stout: Both were just joint meetings of the separate Committees, so on neither occasion did we form an official Sub-Committee or an official Joint Committee.

The Chairman: But the first one was part of two separate inquiries being together, while the Carillion inquiry was an individual one. Is there any difference, in your view?

Frank Field MP: They were the same, and we have not got over the nonsense that we should not just easily set out joint committees, with our fellow committees in the Commons, and joint committees of Commons and Lords Committees. This sort of rigid division of barriers between all of us does not serve any account. Once we have done all this, people will again look back and wonder. But they were both under the same status. I was slightly shocked that you made the distinction, because I thought, "Gosh, didn't we all work together on that?" Some days Iain would chair, and sometimes I would.

The Chairman: I was talking to the structural distinction, rather than the personal engagement.

Frank Field MP: Did we not do a joint Carillion report?

Katy Stout: We did a joint Carillion report, but it was not an official Joint Committee; it was more a coincidence of interest and time. Certain members from both Committees were nominated to form the Joint Committee, but procedurally it was a meeting of the two separate Committees at the same time.

Frank Field MP: But we did meet together to agree the report, whereas on BHS we had to do it in separate rooms and then come back together. So we have overcome that nonsense.

Q140 **The Chairman:** Good. You have answered that point. On that, Sarah Wollaston has given us evidence and has been very positive about the Joint Committee working. In fact, she even mentioned the Liaison Committees in the House of Commons and House of Lords. They are both different in nature but they could meet, say, a couple of times a year. That face-to-face engagement is important and it would help to break down any structural barriers. You have given us a lot of encouragement in that area.

You mentioned earlier how we do politics anew, and where the House of Lords and House of Commons will be in 10 or 15 years' time. Given the rapid change of technology and given R&R, after which we will come back into this building, what advice do you have for us as the House of Lords about how we should be thinking about 10 to 15 years' time?

Frank Field MP: On the technology front and how we develop that, I am a Luddite, although I do not wish to be. That is why I like your suggestion

this morning about bringing video evidence in, particularly for people who could not possibly make the journey or are too frightened to do so. Katy, what views do you have while I think further about this?

Katy Stout: The Committee welcomes the opportunity to take video evidence in the room. One of the challenges we find is if you have someone giving evidence on video alongside others in the room, which can be very complicated, so you need to keep them separate. On the use of other technology, and coming back to how we gather evidence, and in particular written evidence, the Committee has recognised that the traditional evidence forum and written evidence applications do not always appeal to the wide audiences it tries to reach. For that reason we have created these online forums. We have used surveys that make it easier for people to marshal their thoughts, as it were, and we have also promoted those through Facebook; you can pay the adverts on Facebook, and the Committee has a budget to do that. That has proved to be particularly successful at targeting those hard-to-reach groups that we try to target.

The Chairman: We are hoping to have further external technology. We had Lord Mendelsohn along just last week or the week before, and it was very interesting. Perhaps, Katy, if you looked at that evidence you could convey it to Frank. That would be helpful.

Frank Field MP: I might respond in a written note to you on that.

The Chairman: That would be great. In terms of the future and public understanding of and engagement with Parliament, is that a real issue for both Houses?

Frank Field MP: Yes, and paradoxically, it could be helped by you having chairmen who were paid, for the following reason. The public do not fully appreciate the importance of sustaining a Government, which is one of our functions—or to oppose a Government, depending on which party line we have. The public yearn for politicians who do not go down the normal route to ministerial careers and into the Cabinet. They see these as voices of independence, who both represent clearly their own views but who also encourage the views of others to be heard. If you are to develop in the Lords a group of politicians who in a sense are anointed by the fact that the whole House has elected them, has trust in them, and knows that this will take up a great deal of their time and work, the issue of pay is irrelevant. It is important for the person so that they can do the job and turn down other opportunities. But that role of building up a cadre of politicians who the public see as being on their side, trying to represent their views in this place, both in the Lords and in the Commons, who are known as spokesmen—or spokespeople, whatever the phrase is—will strengthen politics and not undermine it. The Government should welcome it for that fact.

At the same time, we have to be mindful that if we are to have responsible government, Governments have to be elected on manifestos, and come the election they have to stand on what they have done from

that manifesto, so they have to try to get that manifesto through. There is this endless conflict between “We are responsible to the public to implement the manifesto as best we can”, at the same time as having a growing group of people who are known to be such experts that with their committees they help to shape, influence and change public policy, but also whom the public feel are on their side. That is what has been missing leading up to and post the Brexit referendum. They think we are all in the same old boat. Those of us who are not in that boat have the responsibility to say that government still has to go on. Never mind the role we are playing; there is the ultra-important business of government at the same time. Given our constitution, it is about how at the next stage we marry those together.

I hope that we would see automatic working together between our two Houses in doing our reports, with you taking a lead, say, in establishing a special Select Committee on regulators and inviting some of the Members of the House of Commons who are interested to join you. I hope that we would see the development of a group of people in your House that so carry the confidence of the House that they are elected to non-government positions—namely, chairs of committees—and that that is seen as an important responsibility, to one House and then to both Houses but also to the public outside, so that they will know the faces of their champions.

The Chairman: When Lord Boswell of Aynho gave evidence last week, he made the comment that he saw the committees as making the weather outside. That ties up exactly with what you are saying

Frank Field MP: Just to add to that, our committee has always tried as one of its functions to push beyond where the Government are so that the Government can see, “If they haven’t been blown apart and blown out of the water, it’s safe for us to follow behind”. In that sense, making the weather is an important function of committees.

Lord Foulkes of Cumnock: I should know this, but does the House of Commons have ad hoc Select Committees in the way we do?

Frank Field MP: No, but we had the ad hoc Joint Committee which we established on slavery, for example. That has been the one downside of our Select Committee system. Previously we would move, as I think you can, to establish Select Committees on topics of great urgency. That is how we would have operated during the great period when the House of Commons and the House of Lords were most influential in influencing government in the 1850s and 1860s, by being able to establish Select Committees. I hope that we would look at whatever you say on that on our procedural side, not to do them regularly but on matters of great urgency. Katy will correct me.

Katy Stout: No; I was just going to say that the banking commission was a good example of that.

The Chairman: But that was set up by the Prime Minister, and it was

independent; outside staff were also engaged. It was successful in that sense, even to the extent of the legislation, because it was being stymied in the Commons by the Government. Andrew Tyrie is on record as having written to us to say, "It's up to you guys to get the legislation", and I have good news for you: we got it.

Frank Field MP: Absolutely. But that is an example of the Government being frightened and of where a special committee can give it confidence and make the weather, and of Parliament immediately responding to the anger out there about what the banking system has done to everybody, except the very rich—those who put their money into equities. Everybody suffered real cuts in living standards.

Q141 **Lord Foulkes of Cumnock:** We had some evidence—I cannot remember where it was from—that we should be able to set up inquiries. A public inquiry would be far too expensive and long, and so on, and Select Committees do not have the remit to do it, whereas either the Commons or the Lords or jointly could set up an inquiry committee to look at a particular issue. That seems quite a positive suggestion. Do you remember who suggested that?

The Chairman: No, I cannot remember.

Frank Field MP: I agree. On your point earlier about controlling the internet, one of our committees is valiantly trying to do work on that, but it has other work to get on with.

The Chairman: By the way, Ofcom is working under the Communications Act 2003, which shows you how absurd the situation is. We are sitting here, impotent on that issue.

Frank Field MP: However talented the regulator is, as it certainly is in this case, it does not make up for this huge gap in our thinking.

The Chairman: Frank, that was really helpful. We will continue that engagement both formally and informally, but it could not have been better this morning. Thank you.

Frank Field MP: A huge thank you for inviting both of us.