

# GOVERNANCE PROJECT





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### The House of Lords Appointments Commission

- R.3.1. The question of appointments to the House of Lords is central to our constitution. Those appointed become members of the legislature for life, as well as receiving the dignity of a peerage. There is rightly therefore a focus on the calibre and suitability of those individuals.
- R.3.2. Recent evidence shows widespread lack of public confidence in the system for approving and making such appointments, including the ability of the Prime Minister to override judgments of the House of Lords Appointments Commission (HOLAC), the apparent entitlement of outgoing Prime Ministers (however short their term of office) to make nominations, and the quality of some of those appointed.
- R.3.3. The Commission therefore makes several recommendations to strengthen the system, provide independent scrutiny of those nominated for appointment to the Lords, ensure that those appointed are of appropriate calibre and suitability, remove the scope for political or personal favouritism, and thereby help restore public confidence.
- R.3.4. Wider questions about the House of Lords, its existence and role, are outside the scope of this report.

#### **We recommend that:**

#### **The House of Lords Appointments Commission (HOLAC) should be put on a statutory footing**

- R.3.5. HOLAC would be created as a new, independent, statutory body (to replace the existing non-statutory HOLAC). It would have power to make decisions on which individuals could be recommended by the Prime Minister to the Crown for appointment as life peers under the Life Peerages Act 1958.
- R.3.6. The statute would make provision about the size and constitution of HOLAC to ensure its effectiveness, independence and accountability.
- a. HOLAC should consist of nine members, including the chair, of which:
    - i. at least four, including the chair, should be independent of any registered political party;
    - ii. no person may be nominated who is a Minister of the Crown or holder of a national office in any registered political party; and
    - iii. there should be political balance between those members who are politically affiliated.
  - b. Members should be appointed by the Crown for a non-renewable term of seven years unless removed by the Crown on an address by both Houses of Parliament.
  - c. HOLAC should determine its own rules and procedures.
  - d. HOLAC should have an adequate budget, staff and accommodation to ensure its ability to operate effectively and free from any external influence.
  - e. HOLAC should be given powers to obtain relevant information necessary for the performance of its functions.
  - f. The chair should be required to make periodic reports to parliament.
  - g. HOLAC could publish guidance on the conduct of its functions.

## **No person should be nominated for appointment to the House of Lords unless approved by HOLAC**

- R.3.7. The Prime Minister should not be permitted to recommend anyone to the Monarch for a peerage unless that person had been approved by HOLAC. This would apply to all categories of nomination, including:
- a. nominations by the Prime Minister himself/herself (including of individuals that the Prime Minister wishes to appoint as Ministers);
  - b. nominations by outgoing or former Prime Ministers (if they are to continue);
  - c. nominations by leaders of opposition parties; and
  - d. nominations from members of the public or from HOLAC.
- R.3.8. In deciding whether to approve a candidate, HOLAC would apply criteria set out in statute, namely:
- a. as now, that the individual should be in good standing in the community in general and with the public regulatory authorities in particular; and that the past conduct of the nominee would not reasonably be regarded as bringing the House of Lords into disrepute; and
  - b. additionally, criteria akin to those currently applied by HOLAC for the appointment of non-Party Political Life Peers, as follows:
    - i. the ability to make an effective and significant contribution to the work of the House of Lords, not only in their areas of particular interest and special expertise, but the wide range of other issues coming before the House;
    - ii. a record of significant achievement within their chosen way of life that demonstrates a range of experience, skills and competencies;
    - iii. a willingness to commit the time necessary to make an effective contribution to the work of the House of Lords;
    - iv. an understanding of the constitutional framework, including the place of the House of Lords, and the skills and qualities needed to be an effective member of the House (including an ability to speak with independence and authority);
    - v. outstanding personal qualities, in particular, integrity and independence, and a strong and personal commitment to the principles and highest standards of public life;
    - vi. residence in the UK for tax purposes.
- R.3.9. A requirement to be independent of any political party would continue to apply to non-party nominations but not (obviously) to political/party nominations.
- R.3.10. There should be provision to amend or supplement the criteria above by statutory instrument, subject to approval by both Houses of Parliament.
- R.3.11. Subject to prior approval by HOLAC as described above, the Prime Minister's constitutional role in making recommendations of peerages to the King would be preserved. The Prime Minister would retain the discretion **not** to recommend an individual for a peerage even if that person had been approved by HOLAC.

## **Transparency should be increased**

- R.3.12. For all appointments to the Lords, HOLAC would be required to publish a citation setting out the basis on which HOLAC had approved the individual as meeting the criteria for appointment.

*Certain additional, background material for this Recommendation is available on the website for the Commission (<https://www.ukgovernanceproject.co.uk>).*