

LORD OWEN SPEAKING IN THE DEBATE ON THE HEALTH AND SOCIAL CARE BILL, TUESDAY 11 OCTOBER 2011

Lord Owen: My Lords, I speak, obviously, in favour of the Motion in my name but also to explain how it has come about. My noble friend Lord Hennessy and I have been involved with the Government, and particularly the noble Earl, Lord Howe, for over two hours of very serious negotiations on two occasions. He treated us at all times with great consideration, as we would expect, and we explored the concept of a different form of Select Committee than had been earlier envisaged. We changed our position and I think it would not be unfair to say that he changed his position. As he said, we came very close to agreement. The only reason we have not been able to come to an agreement is, as he said, that we were not able, Lord Hennessy and I, "to agree to a strict timetable on how to proceed".

Now let me explain. We are individual Cross-Benchers and so do not take part in discussions on the allocation of time. We were ready to go with the Leader of the House as far as we could, in that we said that if this went to a Select Committee and we changed the Select Committee's remit just to relate to the issues raised by this all-party report of the Constitution Committee, we were ready to take account of all these things. But the one thing we could not do is form a judgment on how much time this House should spend on the whole of this Bill. We went one step further. We said that, since they were thinking in terms of two days on the Floor of the House early in January, after the report of the Select Committee came back to the House on 19 December, then that would be a fair allocation of time. But we could not go that step further. We came back and talked to the Convenor of the Cross-Bench Peers and he went immediately to speak to the Leader of the House, the noble Lord, Lord Strathclyde, to say that this was not the role of Cross-Benchers and that he would not be happy for Cross-Benchers to get involved in this area. So that is the reason.

But let me explain to the House, the Select Committee and, particularly, to the last speaker. I would like to go to the essence of the Health Service. I got into trouble when I was Minister of Health for using the words "a rationed health service". I have repeated that on

many, many occasions. Health spending is almost unlimited. We ration the health service and yet it remains enormously popular with the public. It is the one institution which no political party up until now has really threatened. Why is this? There are many reasons, but I do believe that a deep reason is that the public think that the rationing process is fair: that it is rooted in democracy, it is rooted in Parliament.

The purists have got at this Bill. I am a reformer. I was the first person to advocate an internal market in the National Health Service, but I never believed that it would lead to an external market—a pure market. Health is not a public utility. Health is different. Sometimes the health professions have talked too much about money to Ministers of Health, as Enoch Powell said, in a classic speech. We must cherish the fact that it is a pool of altruism in our society. It is different. People commit hours of time—surgeons and porters, nurses and physiotherapists—far beyond the call of duty, ignoring the EU directives, time after time. Are we going to foster that; are we going to keep it?

The other purist issue of this Bill is first to go for an external market and secondly to think that you can separate out the running of the health service entirely, in its production, from the Secretary of State. The Secretary of State's role has never been, for many years, to manage the health service, in the strictest sense. This Bill has, in my view, some good provisions relating to decentralisation of the health service and it is, of course, right that there should be some re-adjustment of the management role of the Secretary of State, making it a bit more explicit about that which is going to be delegated. But you must preserve a role for the Secretary of State.

I am very worried that this Bill does not deal with what would happen in a pandemic. In a pandemic that suddenly grips this country we will not be able to accept that the Health Service is managed by the Chairman of the National Health Service Commissioning Board. We will instinctively come back to the Houses of Parliament. When inflation was running at nearly 28 per cent in the early 1970s, we had to adjust area health budgets not just on a monthly basis but on a weekly one. That dialogue with the Treasury had to take place between Ministers. Barbara Castle was a Minister who was formidable in extracting money

almost day after day to deal with the inflationary situation. The Secretary of State cannot stand aside from all these things. I see a former Chancellor of the Exchequer, the noble Lord, Lord Lawson. He knows too that in a rationing process it is not just what you spend by the state, it is also what you spend privately. It is the total budget that health takes. And if it gets too high, as it has undoubtedly done in the United States, it takes away from other private or public sectors. So this rationing process is one in which we are all involved. A Select Committee is the only procedure that can look at the complexity of this new relationship that we are trying to establish. If we get it wrong, we will be in very serious trouble.

The whole process of how we deal with failures must be dealt with. We admit there are going to be failures in some Trust hospitals. There are going to be failures in some commissioning groups. If there was widespread failure, I think the public would find it very difficult that the issue was only being dealt with by the chairman of a quango — the largest quango we have ever created in this country.

I therefore beg the House to seriously consider this Motion. It is not a blocking measure, as my noble friend and I have made it absolutely clear. We accept that this is a reforming Chamber. Outside, at this moment, they are assembling a petition to support the idea of a Select Committee looking at the role of the Secretary of State. It is gathering momentum as I speak and I hope the House will listen to that before they go and reject this Motion. I am surprised by the tone of the Government's reply to the Select Committee, which I got just this morning before we started. I stress this is an all-party, unanimous Select Committee. I leave it to the Chairman of that Committee, who is speaking after me, to deal with these issues.

Cherish the fact that the NHS is one of the most popular public institutions in our country. Look hard at how we can retain that. Do not believe that, in adversarial debates across the floor of this House, you can get the balance right—the new balance that is needed for the Secretary of State for Health.