

The Constitution Unit

Rebalancing the Lords: The Numbers

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REFORMING THE LORDS: THE NUMBERS

As the first stage of Lords reform, the Labour government will bring forward legislation to end the voting and sitting rights of hereditary peers. Stage two involves reviewing the system of appointing life peers, with the aim of ensuring that “over time party appointees as life peers more accurately reflect the proportion of votes cast at the previous general election” (Labour’s election manifesto). The report of the Joint Consultative Committee with the Liberal Democrats (March 1997) suggested that this adjustment should be achieved “over the course of the next parliament”. Labour has also committed itself to retaining the cross-bench peers.

This note considers the arithmetic involved in fulfilling these policy pledges, in the form of various ‘options’. The options assume rebalancing of peers to achieve full proportionality between the parties, although the government has not yet made clear whether it intends to make the Lords *fully* proportional, or just *more* proportional. The current membership of the Lords is set out in Table 1.

Table 1 - Composition of the House of Lords in December 1997

<i>Hereditary peers</i>	750
<i>Life peers</i>	465
<i>Law Lords</i>	26
<i>Archbishops, bishops</i>	26
<i>Hereditary peers of first creation</i>	9
<i>Total</i>	1,274

Source: House of Lords Information Office, as of 9 December 1997.
(All the figures used in the paper are the Constitution Unit’s calculations, based on this initial data)

The size of the Lords, once hereditary peers cease to sit, is set out in Table 2. It assumes that only hereditary peers of first creation would be given life peerages. In practice, the numbers will be higher, since each party will wish to offer life peerages to a number of their hereditary peers deemed to make a particularly valuable contribution to the Lords (eg front bench spokesmen, chairmen of committees etc).

Table 2 - Minimum composition of the House of Lords after stage one

	<u><i>Life peers</i></u>	<u><i>Hereditary peers of first creation</i></u>	<u><i>Total</i></u>
<i>Conservative</i>	175	4	179
<i>Labour</i>	142	1	143
<i>Liberal Democrat</i>	44	0	44
<i>Non-party</i>	11	0	11
<i>Cross bench/</i>	93	4	
<i>Law Lords</i>	26		123
<i>Total</i>	491	9	500
<i>Bishops</i>	26		26
<i>Total</i>	517		526

Option 1 - Straight increase in peers, by 2002

To achieve the proportionate adjustment, the number of Conservative peers would need to remain constant while the number of Labour, Liberal Democrat and cross bench peers increased. Peerages might also have to be created for those minor parties currently virtually unrepresented in the Lords, notably the Scottish Nationalists, Plaid Cymru and the Ulster Unionists. Including the minor parties, the number of peerages that would need to be created to achieve full proportionality is as follows:

Table 3 - Straight increase in peers required to achieve proportionality during this parliament

	<u>Starting total</u> (Table 2)	<u>1997 election %</u>	<u>Adjusted total</u>	<u>Additional peers</u> <u>required</u>
<i>Conservative</i>	179	31.4%	179	0
<i>Labour</i>	143	44.4%	253	110
<i>Liberal Democrats</i>	44	17.2%	98	54
<i>Minor parties</i>	1*	7.0%	40	39
<i>Cross-bench</i>	123	@20%**	143	20
<i>Total</i>	490	100%	713	223

* Lord Fitt, ex SDLP. The other 10 'non-party' peers are not included in the tables; nor are the 26 bishops. Thus the totals in each table should be increased by 36 to arrive at the total size of the Lords.

** The cross-benchers currently comprise 25% of the total number of life peers, but this percentage is assumed to fall to 20%

If representativeness is to be achieved by the latest date for the next general election - 2002 - this would require the annual creation of about 55 peers: 27 Labour, 13 Liberal Democrat, 10 for the minor parties and 5 for the cross-benches.

Option 2 - Redistribution of peers by natural wastage, by 2002

The natural wastage rate among peers means, however, that a more representative balance could be achieved without the creation of as many as 223 new peers. The average annual number of deaths among life peers is 18. If death occurs proportionately among the parties¹, the government could redistribute Conservative losses between itself, the Liberal Democrats and the other parties as follows:

Table 4 - Redistribution by natural wastage by 2002, with no increase in total size

		<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
<i>Conservative</i>	(-6/7 per year)	179	172	166	160	154	148
<i>Labour</i>	(+2 per year)	143	145	147	149	151	153
<i>Lib Democrats</i>	(+1/2 per year)	44	46	48	50	51	53
<i>Minor parties</i>	(+2/3 per year)	1	4	6	8	11	13
<i>Cross-bench</i>	(constant)	123	123	123	123	123	123
<i>Total</i>		490	490	490	490	490	490

Note: All the parties will, of course, lose peers each year through natural wastage. In the interest of adjusting the balance between the parties, however, the table assumes that only for the party whose members are being redistributed (in this case, the Conservatives), is natural wastage not replenished.

Redistribution of natural wastage rates alone would not achieve a proportionate result. There would still need to be an increase in the total number of peers (from 490 to 590) to achieve complete proportionality (Table 5).

	<u>Redistribution by natural wastage alone in 2002, by:</u>		<u>Complete proportionality</u>	<u>Additional peers required by 2002</u>
	<u>seats</u>	<u>percentage</u>		
	<i>(Table 4)</i>			
<i>Conservative</i>	148	30.2%	148	0
<i>Labour</i>	153	31.2%	210	57
<i>Lib Democrat</i>	53	10.8%	81	28
<i>Minor parties</i>	13	2.7%	33	20
<i>Cross-bench</i>	123	25.1%	118	-5
<i>Total</i>	490	100%	590	100

Option 3 - Partial redistribution of peers by natural wastage, by 2007

A scheme whereby the Conservatives do not replenish the natural wastage rate among their life peers is unlikely to command political and public support. It would also leave the Conservatives with an ageing group of life peers. An option for the government would be to allow the Conservatives to replace each year about one half of their peers (ie 3-4 peers) lost through natural wastage - redistributing the rest to the other parties - and look to achieve a representative second chamber over a longer time period (say by the latest date for the next election, 2007).

Even over a longer timescale, however, Table 6 shows that 104 additional peers (11 per year) would still need to be created to achieve complete proportionality by 2007 (the figures do not take account of any end of parliament dissolution honours).

	<u>Partial redistribution by natural wastage in 2007, by:</u>		<u>Complete proportionality</u>	<u>Additional peers required by 2007</u>
	<u>seats</u>	<u>percentage</u>		
<i>Conservative</i>	149	30.4%	149	0
<i>Labour</i>	153	31.2%	211	58
<i>Lib Democrat</i>	54	11.0%	82	28
<i>Minor parties</i>	11	2.2%	33	22
<i>Cross-bench</i>	123	25.2%	119	-4
<i>Total</i>	490	100%	594	104

The targets to achieve complete proportionality would have to be adjusted post-2002, since the objective would be to reflect the proportion of votes cast at the most recent election. Table 7 gives the results from a model that assumes that Labour wins the 2002 election, but with a reduced majority.

Table 7 - Partial redistribution by natural wastage by 2007 (adjusted for 2002 election)

	<u>Partial redistribution by natural wastage in 2007, by:</u>		<u>Share of vote at 2002 election</u>	<u>Complete proportionality</u>	<u>Additional peers required by 2007</u>
	<u>seats</u>	<u>percentage</u>			
<i>Conservative</i>	149	30.4%	35%	149	0
<i>Labour</i>	153	31.2%	40%	170	17
<i>Lib Democrat</i>	54	11.0%	17%	72	18
<i>Minor parties</i>	11	2.2%	8%	34	23
<i>Cross-bench</i>	123	25.2%	(@20%)	106	-17
<i>Total</i>	490	100%	100%	531	41

Conclusion: attendance rates and the size of the second chamber

(a) Attendance rates

The figures used in this paper are all *nominal* ones, as they do not take into account peers' rates of attendance in the Lords. Yet these vary widely between the parties, with the result that the figures fail to capture the *real* numbers available to any of the parties or the cross-benches on any particular day. Table 8 shows, over the last three parliamentary sessions, the number of life peers who have attended for at least one third of the days in which the Lords has sat (a rough definition of a 'working peer').

Table 8 - Attendance rates of life peers, by party

	<u>% of life peers attending one third of days in which the Lords has sat, 1994-97</u>
<i>Conservative</i>	65%
<i>Labour</i>	84%
<i>Liberal Democrat</i>	85%
<i>Cross-bench</i>	37%

If future attendance rates continue broadly in line with these figures, then rebalancing the party strengths in the Lords by relying on nominal figures would give a clear advantage to Labour and the Liberal Democrats. But it would be difficult to rebalance the number of life peers using real, rather than nominal, figures. An alternative would be to impose minimum attendance requirements; the threshold would need to be set at a low level, however, so as not to penalise those peers who attend the Chamber infrequently, but who still make a significant contribution to its work. Also, it is not clear that any minimum threshold could be applied to existing peers, who would not have accepted their peerage on this condition. The problem will continue until the issue is resolved of whether peerages are awarded as an honour, or as a job of work.

(b) Size of the second chamber

As shown in Table 2, the ending of hereditary rights will reduce the Lords to a minimum of 490 party-affiliated and cross bench members (526 with the non-party

peers and bishops). With a wholly nominated second chamber, this number is likely steadily to increase.

We have developed a computer model to calculate the impact of different election results over the next twenty years². Two scenarios have been used: one for election results with relatively minor fluctuations between the parties, and the other (based on the actual election results between October 1974 and 1987, showing the effect of more significant fluctuations).

The first scenario - with minor fluctuations - involves the creation of fewer new peers than the second scenario. But if natural wastage is not used it would still see the second chamber increase from 490 peers in 1997 to 713 peers in 2002 and 901 peers in 2017. If natural wastage is used to redistribute numbers between the parties, the total size of the second chamber would still need to increase sharply at first, from 490 peers in 1997 to 649 peers in 2002, but thereafter might remain almost steady, with 668 peers in 2017.

Under the second scenario, and without using natural wastage, the size of the second chamber would increase from 490 peers in 1997, to 713 peers in 2002, to 887 peers in 2012 and 1,146 peers in 2017. If natural wastage is used, the size increases by about 100 peers in each parliament; from 490 peers in 1997, to 649 peers in 2002, to 676 peers in 2012 and 791 peers in 2017.

Thus, over the next twenty years, the House of Lords might easily increase from around 500 life peers to around 700-800 peers, if rebalancing took place after each election. The nature of the increase would depend on the swing between the parties at each election.

If it is regarded as unacceptable that the size of the Lords should continue to rise in this way, then there are three options which the government might wish to explore:

- to cap the size of the Lords at, say, 500 or 600 peers, and achieve only such rebalancing as was possible within this limit
- to end peerages for life and make them term appointments for, say, two parliaments or ten years
- to introduce a retirement age of, say, 75.

¹ A reasonable assumption, since there is virtually no difference in the current average age of Conservative life peers (69 years) and Labour life peers (67 years).

² These calculations are available from the Constitution Unit.