



Energy Security and Net Zero Committee

Oral evidence: [Workforce planning to deliver clean, secure energy, HC 393](#)

Wednesday 26 March 2025

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Members present: Bill Esterson (Chair); Ms Polly Billington; Sir Christopher Chope; Torcuil Crichton; Wera Hobhouse; Anneliese Midgley; Luke Murphy; Melanie Onn; Mike Reader; Bradley Thomas; Claire Young.

Questions 77 - 144

Witnesses

I: Brian Berry, Chief Executive, Federation of Master Builders; James Fotherby, Senior Policy Officer, Aldersgate Group; Anna Markova, Senior Policy Officer, Trades Union Congress; and Simon Ayers MBE, Chief Executive Officer, TrustMark.

II: David Hughes CBE, Chief Executive Officer, Association of Colleges; Andrew Hockey, Chief Executive Officer, Engineering Construction Industry Training Board; Tim Balcon, Chief Executive Officer, Construction Industry Training Board; and Katy Heidenreich, Supply Chain and People Director, Offshore Energies UK.

Written evidence from witnesses:

- [Aldersgate Group](#)
- [Trades Union Congress](#)
- [TrustMark](#)
- [Association of Colleges](#)
- [Engineering Construction Industry Training Board](#)
- [Construction Industry Training Board](#)



Examination of Witnesses

Witnesses: Brian Berry, James Fotherby, Anna Markova and Simon Ayers MBE.

Q77 **Chair:** Welcome to today's session of the Energy Security and Net Zero Select Committee. This is our second public session of our inquiry into workforce planning. It will explore some of the key themes that have been raised with us so far from the point of view of trade unions, trade associations, construction industry bodies and the education sector. Our first panel will explore issues such as how to define a clean energy job and identify skills gaps as well as consumer demand and labour supply. I will ask our panellists to introduce themselves and then we will start the questions.

Anna Markova: My name is Anna Markova. I lead for the Trades Union Congress on issues of industry, energy and climate.

James Fotherby: Good afternoon. I am James Fotherby, and I am a senior policy officer at the Aldersgate Group. We are a cross-economy membership organisation that brings together business, professional bodies and academic institutions to drive action for a competitive and sustainable economy.

Brian Berry: Good afternoon. I am Brian Berry, and I am the chief executive of the Federation of Master Builders. We are a trade association for small building companies, primarily in the repair and maintenance and the improvement sectors, as well as micro-house builders.

Simon Ayers: Good afternoon. I am Simon Ayers, and I am the chief executive of TrustMark, which is a Government-endorsed quality scheme.

Q78 **Chair:** Thank you very much. I have some questions before passing to my colleagues on the Committee. My questions are about working across Government to deliver workforce planning. Do we need a national workforce strategy or are existing cross-Government structures and policies sufficient to deliver workforce planning? Who would like to address that question?

James Fotherby: I am happy to kick off. I think that the UK needs a national workforce strategy. A strategy is essential to mitigate some of the potential impacts of the transition, skill shortages and ensuring that the benefits of the net zero transition and the job creation potential is distributed fairly across the UK and is not just concentrated in areas like London and the south-east.

It is interesting to look internationally at other countries that are developing national workforce strategies. For example, Canada last year passed a sustainable jobs Act and as part of that they are required to develop a sustainable jobs action plan every five years with interim progress reports. The purpose of that is to look at sectors where there will be job creation and job loss, and to deliver tailored policy



interventions such as skills training and income support, to make sure that workers are supported through the transition.

Anna Markova: I absolutely agree with that. It is worth pointing out that the people who we are talking about supporting and not leaving behind are people who are absolutely essential to making sure that an energy transition happens. These are the welders, the chemical and electrical engineers, all these trades and professions that are in huge shortage now. There are plenty of highly skilled, highly trained workers in the high-carbon industries now whose jobs might be at risk, whether because of the transition or because of something else. We need to make sure that these people don't end up stranded, that they are at the centre of our planning. That is a big part of why a national plan is needed.

Brian Berry: The Government have stated that they want to build 1.5 million homes and unless we increase the workforce by an extra quarter of a million workers, we will not be able to deliver that number. There obviously is a need to look at the workforce across the country. It is interesting that the Government have accepted that in part with the recent announcement of the £600 million to encourage people to come into the building industry. That is very welcome, but it needs to go further with retrofitting. The Government's other target is 5 million homes to be retrofitted. We need to bring more people into the building industry on top of the quarter of a million that have been identified.

At the moment we are seeing a slightly piecemeal approach. The call for a national workforce strategy would serve to underpin the Government's economic objectives, which are very focused on housing and infrastructure.

Q79 **Chair:** I should say that we have had written evidence and oral evidence pointing out the related but separate challenges in the clean energy mission workforce demands and the demands in decarbonising homes and businesses, which I think was demonstrated in the slightly different answers we had there. Simon Ayers, next, please.

Simon Ayers: One of the things with a national policy for skills and workforce is to think about how we ensure that there is a long-term policy for the delivery of the green areas. One of the things that we regularly find in the feedback from smaller businesses especially is that the uncertainty means that any policy that comes into play probably is not being widely accepted. We need longer-term policy in direction, as well as clarity in what we are expecting across the green areas of the energy transition.

There is a very clear need also to reflect on how our existing workforces and our new workforces can be transitioned across. That is happening now, and we are seeing greater numbers of people starting to look at moving from carbon fuel installs to low-carbon fuel. It is happening but I think that longer-term policy, probably past the five-year barrier as well, would be helpful in making sure we have the ability to transition.



Q80 **Chair:** What impact do you expect the Office for Clean Energy Jobs to have on this agenda?

Anna Markova: We welcome that the Office for Clean Energy Jobs now exists and that it is tasked with overseeing the jobs aspect of the transition. It is an absolutely essential office. We understand that it is currently working on developing a workforce plan for the clean energy sector, and we hope that plan, whenever it comes out later in the year, delivers the level of strategy that we are all talking about here. We will have a more ambitious approach not just to skills and plugging skills gaps, but also to job quality, and that is absolutely essential. If the jobs that you are creating in clean energy sectors don't pay as well as alternative jobs, or are not as safe or stable, that will also be a reason why you will struggle to attract people to those roles. We hope to see a greater role for the Office for Clean Energy Jobs in making sure of that.

James Fotherby: If I can piggyback off Anna's answer, we welcome the creation of the Office for Clean Energy Jobs. It is really welcome that the office will work closely with other Government Departments—the Department for Education and the Department for Work and Pensions, as well as the Home Office and others. That will help to alleviate some of the lack of coherence and co-ordination that we have seen in the past across Government.

We would like to see the Office for Clean Energy Jobs do two things. One is the development of clean energy workforce plans, which Anna mentioned. We think that the office can leverage the previous work of the Green Jobs Delivery Group, which was developing a green jobs plan prior to the general election. Secondly, we would like to see the office act as an analytical hub to tackle some of the data issues that we know exist. The Green Jobs Taskforce report in 2021 highlighted data issues on, for example, the quality of jobs, which Anna mentioned, but also diversity characteristics, which are important to understand. I think there is a social science aspect to understanding how people perceive green jobs and what they see as the barriers to entry.

Q81 **Chair:** Before I move on to our other witnesses, I will come back to what you said about the ability to work closely with other Departments. What is it in the way that the Office for Clean Energy Jobs is structured that gives you such confidence? Historically, the silo approach to Government Departments has been a real block to delivery right across Government, including in this area.

James Fotherby: We have seen in the past that the National Audit Office found that the Treasury and the then Department for Business, Energy and Industrial Strategy had conflicting objectives for the green homes grant, for example. For the Treasury it was a short-term economic stimulus package, and for BEIS it was about increasing the supply chain and scaling up the market to deliver long-term decarbonisation goals. I would like to see the Office for Clean Energy Jobs connecting different



HOUSE OF COMMONS

Departments and aligning together with the Government's aims, such as on the industrial strategy.

Chair: What I am driving at is your confidence that there will be this work across Government. What gives you that confidence?

James Fotherby: I am hopeful that there will be greater—

Q82 **Chair:** You are hopeful? Okay, we will take that for now. Brian Berry, back to the original question.

Brian Berry: I was lacking that confidence because, to be honest, I had not heard of the Office for Clean Energy Jobs until very recently. That seems to be indicative that it is not reaching out across all Government Departments, and certainly not with the building industry. You would have thought that the building industry would be part of this engagement. That is very concerning to me. What is a clean energy job? Is there a standard definition? I don't know. I am curious about its function, how it is working across Government and how it is supporting industry to deliver net zero.

Q83 **Chair:** I think that is a question Anneliese Midgley will ask you shortly, but before we come back to it, we will ask Simon Ayers for his thoughts on working across Government.

Simon Ayers: My thoughts are similar to Brian's, which is, first: what is the definition of a clean energy role? I think part of the process here has to be the delivery of a set of common messages. At the moment, we have different Departments and different sectors all giving different messages about their interpretation of what green energy will be. I think we have a different definition of roles. I also believe that we probably need to think about some of the behavioural aspects that we should engage with for those who are currently delivering carbon-based areas, because they are still not convinced that low carbon and green energy is the future. There is a transition piece and a project piece that we should build as well.

Q84 **Anneliese Midgley:** Thanks very much, everyone, for coming in today. I will ask questions about defining a clean energy job and also identifying some skills gaps. Anna, do you think that the Government need to adjust the definition of green or clean jobs before pursuing workforce planning any further?

Anna Markova: Rather than emphasising whether a job is or is not a green job, we think it is much more helpful to emphasise whether a job is or is not a good job. This goes towards some of the public engagement, public narrative piece as well. What polls and different types of studies find time and time again is that what people really care about—of course people care about a meaningful job—is a job that you can raise a family on. While the Government are communicating about clean energy jobs, they need to communicate about good jobs.



HOUSE OF COMMONS

There is loads of work out there—by industry, institutions like the Aldersgate Group, Government, and the Green Jobs Taskforce has been mentioned—reviewing the skills gaps, where the challenges might be in attracting the workforce of the future. For us what matters much more than a tight definition is having a plan that addresses the skills gaps with an understanding of how job quality feeds into it, with a way to make sure that people are attracted to these jobs because they pay well, are stable and they know that they have a future.

Q85 Anneliese Midgley: Thanks very much, Anna. Going on from that, we have had evidence in previous sessions that talks about the language being inclusive and supportive of diversity. What is your view on that? I will bring in others from the panel if they want to come in on that.

Anna Markova: There are lots of commendable initiatives out there, particularly in the energy industry, trying to attract a diverse pool of talent. What needs to go with that, though, is not just language. It is also practice: are companies using anonymous recruitment processes and diverse hiring panels to offer women, black people and disabled people the same progression opportunities as people who don't have those characteristics? All of these things need to be in place if the sector is going to be truly diverse.

Brian Berry: Depending on one's definition of a clean energy job, I like to think that all jobs in construction will become clean energy jobs. For a builder doing home improvements, they should all be clean energy jobs because they are improving the fabric of a home. As we are thinking about retrofitting, there are opportunities to increase people from different backgrounds, particularly women, because only 4% of those on the tools are women, and we desperately need to increase that percentage. Overall, about 14% of the construction industry are women.

I think there are opportunities, as we move towards a green economy, for women and people from different backgrounds to come into our sector. The retrofit work that we need to see more of to transform our existing building stock offers great opportunities, and we need to promote those to people who have not considered a career in construction. I hope that will tie in with the £600 million that the Government announced at the weekend.

Q86 Anneliese Midgley: Brian, particularly on what you said about women in construction, I had on my list people who think that this work may not be for them, including women, so maybe we will come on to that a bit later, time permitting.

I will move on to my second question. How can the Government prevent public investment and subsidies from funding projects that fail to create jobs, or that create jobs but have poor working conditions?

Simon Ayers: We see some interesting challenges at the moment. We have oversight of a number of Government-funded schemes, which include a level of support for training, education and development that



HOUSE OF COMMONS

will take them through that process. On your previous question, quite a lot of diversity is now starting to come into that programme. I believe, probably through the current scenarios, we will see improved delivery in ensuring that we get quality outcomes. For too long we have not measured the outcomes that a consumer receives at the end of that process, and I think that will change. I believe that the Minister will drive a level of change there.

We had research completed during December and January, and 1,200 responses came in from micro and small businesses. They indicated that there is a desire to grow, and 45% of those businesses have vacancies. We have an amazing opportunity at the moment to get the messaging right to go to self-employed, micro and small businesses to start to create knowledge of a green economy, picking up Brian's point. We are not just talking about a role that is conceptual to them; we can start delivering that within the training and development.

When we are talking about the repair and maintenance and the improvement trades, we should never forget that they are more than just the green energy sector. If you are having your home updated, you are engaging not just in low carbon or solar panels, you are having decoration and garden work. There is a whole piece that has to come together to ensure that we are messaging correctly and training correctly.

Brian Berry: Picking up on that, the building industry needs certainty. A lot of my members say they are keen to do retrofit work but there is a lack of demand, particularly in the owner-occupied sector, which makes up two thirds of all homes. The wider economic uncertainty and the fact that in the past we have had the green deal and the green homes grant scheme—the Government have brought in initiatives and taken them away—creates a lot of uncertainty. That means consumers are more reluctant to have the work undertaken. Builders are looking for those opportunities, but at the moment there is very little for a homeowner, apart from having the gas boiler taken out, that would encourage them to spend extra money to improve the fabric of their home.

There is an enormous opportunity for people in the building industry, particularly the domestic building industry. They want to step up and do it, but we have to create long-term certainty that there is a real commitment to improve the energy ratings of our homes. That is not done over a couple of years. That has to be over a 10 or 20-year period, and the Construction Leadership Council has backed a national retrofit strategy. That would give certainty to the industry and to consumers that the Government are serious over decades to transform and deliver net zero.

Q87 **Anneliese Midgley:** This has come up in several sessions, Brian. It is quite a consistent theme. Anna, would you like to build on this question?

Anna Markova: Yes. On the quality of jobs, the risk we are talking about is that Government support goes to projects that then employ people in



HOUSE OF COMMONS

really poor conditions. At the moment we have contracts for difference, for example, that have supported the enormous growth of the offshore wind industry that we have seen in the UK over the last couple of decades. It has been really successful at getting stuff built, but there are still people working on the vessels that are building the wind farms who are earning less than the national minimum wage. To take another example, there are several examples around the country of energy-from-waste plants being built and refusing to pay their workforce the nationally negotiated going rates that other construction projects of a similar nature pay.

We need to see the Government, as part of this workforce strategy and the industrial strategy, use conditionalities and say to companies, "You will get the support, you will get investment or a licence to build something, but if you do it you have to do it right. You have to treat your workforce right, pay them the going rate, make sure that these jobs are safe and accessible," and all the things that we are talking about.

In designing that, an important thing for us is engaging with trade unions and understanding what the issues are that people are facing in these particular jobs. To the credit of the Office for Clean Energy Jobs, it has been pretty good and has had consistent trade union engagement so far, but from this engagement we also need to see action. We need the incentives that the Government give companies to have the teeth to deliver the good jobs.

Q88 **Melanie Onn:** Who are the people on those vessels employed by?

Anna Markova: They are subcontracted, and quite a lot of the time it is internationally contracted crew, so they never enter UK ports.

Q89 **Melanie Onn:** Who is responsible for that area?

Anna Markova: That particular example is something that might be addressed through the Make Work Pay agenda and legislative change. There is a loophole there for offshore work, but I would suggest getting evidence from my colleagues at the RMT trade union to get the full detail on this.

Q90 **Melanie Onn:** With the changing set of jobs that come with this transition, James, do you think that there is anything the Government could do to ensure that supply and demand for labour matches across the entirety of the country? You mentioned in your opening comments that there was a risk of things being concentrated in London and the south-east.

James Fotherby: That is a good question. First, the Government now have a fairly good understanding of the skills challenge. We have recently seen, for example, the clean power action plan had an annexe on the skills challenge. There is obviously the work of the Green Jobs Delivery Group and other organisations. For example, National Grid recently



published a report that suggested that we will need 400,000 new recruitments by 2050 in the clean energy sector.

The gap, though, is in figuring out where the supply comes from, where the workers come from and the mixture of new market entrants, existing workers who have retrained and overseas workers. That is much trickier, as is understanding the availability of skills and training provision across the country. We know there are cold spots. I think there is a limit to what the Government can do at a national level, but there is an important role for local government to play. Local government can develop local skills improvement plans, together with employers, that can dynamically develop employment data-driven plans that match the skills that employers need with the training provision locally.

Q91 **Melanie Onn:** What comes first, the jobs or the training?

James Fotherby: That is a good question. I think the demand seems to come first, and then the investment in skills filters through after.

Q92 **Melanie Onn:** You just talked about the cold spots around training. We have had evidence that there is a lack of skills in specialist roles, particularly engineering, technicians and things like that. Do you think there is a need to recruit from abroad to deliver clean energy by 2030 and to decarbonise buildings by 2050? They are pretty significant targets. Brian, what do you think? Are we going to have to look elsewhere for our labour resources?

Brian Berry: The short answer is yes, because we have a skills crisis in this country. We need to think about allowing skilled workers into the country, but that is not the long-term solution. The long-term solution has to be developing home-grown talent, because for too long we have relied on cheap labour coming into the country, which has undermined our apprenticeships and vocational training. In the short term, because the Government have ambitious targets in house building, infrastructure and clean energy, it means that if we want to move on those quickly we will have to think about allowing skilled workers into the country.

At the same time, it is absolutely fundamental that we shift away from always focusing on higher education and promote vocational training. It is good to see the Government talking and encouraging people to learn a trade. We need the investment that the Government have talked about in colleges of further education. The 10 colleges of technical excellence are really good, but they are not additional—they are just building on existing colleges.

The great thing, going back to what my members do in retrofit, is this would spread economic wealth all across the country because there are homes everywhere. That means local people can stay in their locality—small builders don't tend to move huge distances—and you can spread that wealth. Research we did a couple of years ago shows that if you had



a comprehensive retrofit programme, it could contribute to about 14% of employment in areas with very low employment levels.

Q93 Melanie Onn: How long does it take to train to participate in any part of retrofitting activity?

Brian Berry: On retrofit, I think all the trades should be upskilled because you can't see it in silos. If you are improving your home, you want to make sure that your carpenter and your plasterer understand the overall energy efficiency of the home. Those trades take two to three years to make sure that they are fully competent. There is another issue there about competence in the trades. Then you upskill in learning the energy efficiency of the retrofit work, which does not take too long on top of the core skills that they should have.

The problem in the building industry, especially for a general builder, is that anyone can call themselves a builder in this country. It is not protected. That is why we have an issue with cowboy builders, and why we have programmes emphasising the damaging effects they can have on consumers. We need to tackle the competence of the trades, and that is a core part of transforming in any labour strategy.

Q94 Melanie Onn: It is an ageing workforce across construction broadly, isn't it?

Brian Berry: It is. One third of the workforce—

Melanie Onn: There is a need to get that experience passed on.

Brian Berry: There is an opportunity there. One third of the workforce is expected to retire in the next 10 to 15 years, but we know—I think this is backed up by TrustMark research—that a lot of those people leaving the building industry are keen to mentor or train local people in their colleges, and this is what we need. We need more trainers to go back in, so that would be a very good thing.

Q95 Melanie Onn: We are not going to do that until the demand is there.

Brian Berry: Demand has to come first.

Melanie Onn: Demand has to come first before we get the trainers, before we do two to three years of training for these people and then they have another two, three, four, five years to get the experience to be able to do this. That sounds like a long way off.

Q96 Chair: Brian, you talked about the long term as well as the short term. Do the people exist in the UK to develop the skills to fill the roles in the long term for the work that you are talking about?

Brian Berry: To train the workforce?

Chair: No, to do the work. Do we have the pool of labour that we need to train long term?



HOUSE OF COMMONS

Brian Berry: Looking at the figures from the Construction Industry Training Board, we don't have enough people at the moment unless we bring in people. The Government are focusing on the young people who are not in education or training, but are all of them suitable to work in the building sector? I don't know. I think it is a transition. We will still need people from outside the UK to come in to help fill some of those gaps.

Q97 **Chair:** Longer term, can we do it with home-grown talent?

Brian Berry: We need the ambition. Of course we can do it. We just have to have that long-term ambition.

Q98 **Chair:** Simon Ayers, does your data back that up as well?

Simon Ayers: It does back it up. What we see at the moment, from the research and data we already have on the work undertaken, is that we have a workforce that can manage the existing workloads. As we increase those workloads, that is where we will see the shortfalls really start to display themselves. The opportunity we must not forget is that, when we think about the Warm Homes Plan, we are talking very much about place-based improvement. Place-based improvement should allow us to stage the way we develop our workforce. We should then be thinking about assessment of properties, and we will have the opportunity to build the workforce to deliver each of those different phases. There is a combination of both to make sure that we have the capability to deliver the requirements moving forward.

Chair: Thanks very much. I will come back to Melanie Onn.

Q99 **Melanie Onn:** In terms of immediate need and if we were to require skills support from other countries, is there a sense of which countries we would require them to come from or where there is an excessive glut of said skilled individuals?

Brian Berry: It is the skills themselves we should be focusing on rather than where they come from. I do not mind where anyone comes from. It is about making sure they are competent to do the job that we are asking them to do.

Q100 **Melanie Onn:** Anna, this is my final question. In terms of the potential drawbacks of importing that skilled labour, do you think there is anything that could come from importing that knowledge that would benefit local workforces?

Anna Markova: The important thing in terms of managing any drawbacks, first, is that the Government are very clear about using their leverage to make sure the jobs are good-quality jobs. That means that the general standards of employment are being upheld.

The second thing is that when you hear businesses or industries talking about the need for more flexibility in visa regimes for recruiting people from abroad, you need to think about it in the context of how low



HOUSE OF COMMONS

employer investment in skills in the UK is. It has been falling for, I think, 15 years now, and it is very, very low as a proportion of business expenditure in comparison to other European countries. What we would like to see Government do in the context of these flexibilities is to take a holistic look at it and think, "You are asking us to give you flexibilities. Fine. Are you in return going to increase your investment in the skills of the future?"

Q101 **Melanie Onn:** Is there a risk, as we have seen in some other sectors, of the creation of a two-tier workforce and importing skills from elsewhere?

Anna Markova: Not if Government uses the leverage that it has.

Q102 **Ms Polly Billington:** What impact do you think the Government's decision to raise the standards expected in the private rental sector to EPC C will have on creating the demand that you are talking about?

James Fotherby: We were pleased to see the consultation on minimum energy efficiency standards. One of our members, Lloyds Banking Group, did some polling of landlords back in autumn 2023, when the previous Government scrapped the target, and they found that 57% of landlords were aware of the target and, of those, 42% had decided to scrap planned investment in energy efficiency measures. That shows you how strong a lever regulation is, and so we are pleased to see that consultation. I think it will help drive demand.

Q103 **Ms Polly Billington:** Bear in mind that with minimum energy efficiency measures, one of the things we know from local authorities is their weakness in being able to enforce them because they do not have the capacity. It is all very well having the standard in practice. What risks do you think there are around lack of enforcement? I am also interested in Brian and Simon's ideas on demand, but just to further press the point on the MEES.

James Fotherby: It is a good question. There are also lots of homes that do not have EPCs. I think about 40% of homes in England and Wales do not currently have EPCs. Yes, enforcement will be a challenge. Of course, lots of local authorities are under-resourced and we have seen that in other things. We have done a report recently looking at the planning system and there is under-resourcing with planning officers and ecologists.

It is a good challenge, and I think we will have to have other levers as well. You have the regulation, but you need other measures to support people—homeowners and landlords—to install energy efficiency measures. We have financial incentives such as the boiler upgrade grant and things like that.

Q104 **Ms Polly Billington:** Brian, would that create the demand that you are talking about?



HOUSE OF COMMONS

Brian Berry: This helps because 20% of carbon emissions come from residential homes, and we will not deliver net zero unless we improve our existing housing stock. That is going to be a big challenge, and we are probably already behind in terms of meeting that target.

The requirement on landlords to bring their properties up to an EPC C is positive and helps to create demand. That work tends to be done by builders, and therefore they are going to be learning those skills, which can only be good for the market. The downside, of course, is that landlords are selling up and those properties then go back into the owner-occupied sector, where there might not be the requirement to bring it up to a higher level.

Looking at it more long term, the requirement will need to come into place for all homes. You probably want to incentivise homeowners to improve energy efficiency. We have seen that to some extent in taking out gas boilers and putting in heat pumps, but that is only part of it. It is the fabric of the home, as well, that will need to be tackled.

It is part of the way, but I would like to see that, rather than in isolation, as part of a long-term strategy, as I talked about earlier, over a 10 or 20-year period.

Simon Ayers: We did some quick calculations from the data we have. Of the more than 5 million private rental properties, we think circa 3.1 million to 3.2 million will have to be upgraded to make EPC C by 2030. That is creating huge demand, on top of what we already have.

However, the piece that we should then be thinking about—Brian and I have spoken about this for many, many years—is how we bring the trades through to be able to help. In other words, we need routes of development to allow the builders within the FMB to manage those properties and help those properties on that journey, but we need to make sure that everything is meeting the requirements. Again, we are waiting to see, dare I say, what the cap may be in terms of the investment in all those areas. It is a huge opportunity, and we are expecting, hopefully, good news around things like the owner-occupier market and the support, which will create even more demand.

There is now a prime opportunity to look at the demand and match to the skills that we need, which probably brings us back to the original question.

Q105 **Luke Murphy:** My question leads on quite nicely. I am going to ask about the role of public procurement and other non-fiscal measures to drive demand. One of my questions is around how public procurement could or should be used to drive demand and numbers, but I think we have already talked about quality and wages. Brian, since Anna has mentioned it already, I am interested in the degree to which you would want to see that happen through public procurement. There are obviously some options. It could be through contract for difference rounds, or it



HOUSE OF COMMONS

could be through some of the subsidies or investment provided for clean energy schemes in homes.

Brian Berry: Public procurement is a very useful tool to put conditions in that drive demand in terms of retrofit work. My concern is that, in the owner-occupied sector, my members are not involved in public procurement. They are domestic builders who contract with homeowners, and that is two thirds of the market, or 18 million homes, that will need to be retrofitted. How do you encourage those people to upskill? That comes back again to having certainty and long-term strategy.

Public procurement will be very good for social housing. We are seeing the Warm Homes Plan and various initiatives happening in other countries, in Wales, for example, where it has been very successful. However, it is only one tool. The bigger market is the owner-occupied market, and we will need to think more creatively there with some long-term strategy, plan or incentive to encourage homeowners to improve the energy efficiency of their homes.

Q106 **Luke Murphy:** What would you want to see in that long-term plan?

Brian Berry: What would I?

Luke Murphy: Well, you have talked about a long-term plan. Are there any particular measures that you are promoting that you would be keen to see?

Brian Berry: What I would like to see in that long-term plan is, first, for homeowners to have access to better information. What can they have done to their homes? We know there is a consultation on the EPC. The EPC could be a much more practical, useful tool to enable homeowners to understand what can be done to their properties over a period of years. Whole-house retrofit is expensive, and it is unlikely that people could afford to do it in one go. Better information with some improved EPC attached to the property would be one feature.

The other would be some form of incentive to homeowners. We have seen the £7,500 to take out your gas boiler and put in a heat pump, but we probably need something else to encourage homeowners, particularly those who live in pre-1919 homes—the solid brick houses that are probably not very good for heat pumps because of the space and the lack of efficiency because of the solid bricks.

Then you are going to have to think about some sort of compulsion, some requirement, rather similar to the private rented sector, to give people warning that in five or 10 years the energy ratings will need to go up. You will need that stick at the end. I think it is information, incentives and then regulation.

Q107 **Luke Murphy:** Simon or James, do you have anything to add?

James Fotherby: I would like to pick up on the point around consumer awareness of green products and services. In the UK we have very low



HOUSE OF COMMONS

public awareness of energy efficiency. Polling by Santander, for example, has found that just 10% of UK adults have a good understanding of energy efficiency measures. About 64% are not aware of their home's EPC rating.

It can be really difficult to navigate the planning system to find reliable and accredited suppliers, and to pick which energy efficiency measure is the most appropriate for your housing type. What we have been calling for for a while is an independent energy advice service—there is a similar service in Scotland and Wales—to help households and to streamline the process, because that is currently a big barrier to action. There are other international examples that the Government can draw from. Ireland, for example, has seen quite a lot of success with its One Stop Shop approach and has seen a sharp increase in deep retrofits.

Simon Ayers: On the original question about public procurement, you have a number of larger businesses that will absolutely be looking at the procurement process, and the longer-term policy around that will probably allow them to create a subcontract market that comes all the way down through the tiers.

Outside of that, I would support Brian's view: the majority of the 280,000 to 300,000 small businesses that operate within the sector would not even know about public procurement, let alone think about how it would impact them. What we have to do is think again about that communication and messaging to show that there is a top-down, bottom-up style of approach to ensure that everyone will see those benefits, so that we will see that feed all the way through.

On the benefits, it is an incredibly difficult story to convince somebody who may have just retired, who has no mortgage and no loans, who is asset-rich and cash-poor, to suddenly borrow money to upgrade their property. I think we have to think about all of those—the able to pay, the unable to pay, the unwilling to pay—within the owner-occupier market. That will drive our demand.

Anna Markova: Just to add a little bit in terms of the procurement that happens through local councils on, for example, retrofit projects, we think there is a big and important role for direct delivery by local authorities, particularly in the bits of work that are about assessing homes, providing information and long-term follow-up with people in their homes about how these measures are working for them and how to take care of them. All of that sort of stuff is something that local authorities might well be best placed to do, and to build up the knowledge and trust. That also helps to ensure that these measures work for people in their homes. There is a really important role for direct delivery.

The other thing I would just say about procurement is that large-scale procurement, if you procure it as a large project, enables you to train up a workforce like nothing else does. If you think of, let's say, Hinkley Point C, the largest construction site in Europe or whatever it is, that is not just



HOUSE OF COMMONS

a new nuclear power station; it is also a site where lots and lots of people are training up, all the way from manual labourer through to engineer or other highly qualified trades. That is also how we would like to see large-scale procurement as part of retrofits. How can you use these projects? How can you think of them on that large scale in order to pull the workforce in, in order to take people through from not having any relevant qualification to being skilled?

Q108 Luke Murphy: I would like to come back to the safety point in a second, but I just want to ask Brian how it can be made easier for smaller companies and businesses to access public procurement. Quite often they are blocked out because it is harder for them to navigate. Simon said that many of them do not even know about it.

Brian Berry: No. It is about information and making it easier for micro-companies to undertake the procurement process. There is the Procurement Act, which I am sure you are familiar with, and I think that came into force in February, last month. It will be interesting to see the impact of that Act, which is about providing clearer guidance to local authorities about splitting up larger contracts into smaller ones. That will hopefully improve access to SMEs.

That said, a lot of the companies have only two or three people. I cannot see that they will want to engage in the public procurement process. They prefer to carry on engaging with homeowners. It will certainly help, but I think what we need to do is monitor the impact of the Procurement Act.

Q109 Luke Murphy: Just on contracts for difference, could you say a bit more about how you think they could be used to drive job quality and, potentially, higher wages?

Anna Markova: Right now, in this year's round of contracts for difference, we have the clean industry bonus for the first time. Our understanding is that it is possible to build on this and for future rounds to attach extra conditions on these subsidies. Effectively, Government would be saying that, in order to access this subsidy in the future, you are going to sign a 15 or 20-year contract. What you are going to have to do is commit to investing in a particular way in skills and apprenticeships. You are going to have to commit to treating your workers well, to a certain standard.

This can be made really simple, by putting it into a fair work charter or something like that. That means that you are creating a level playing field on which the companies that are asking for these subsidies need to play. That means the competition is still fair but people are getting treated well.

Q110 Luke Murphy: Do other countries have similar models?

Anna Markova: I believe Germany has conditions like that, yes.



Q111 **Claire Young:** Anna, how might the Government redirect existing funding pots more effectively to deliver the workforce for clean energy by 2030 and decarbonisation of buildings by 2050?

Anna Markova: In terms of existing funding pots, it is important to distinguish between spend and investment. Some things are funded through grants, which is money that Government does not get back. Other things, like the investment in Great British Energy or the investments through the national wealth fund, are investing for a future return. That approach has been indicated through last year's change to the fiscal rules, and I think it is important in this context. Government ought to see the investment for future return as a separate thing and as investing in future prosperity. In that context, we would like to see the investment pot grow, particularly for the long-term plan that Brian was talking about. Again, some of this will be for a return, and it is important to commit to a greater scale.

In terms of the use of existing funds, I would say again that it is about using conditionalities to make sure the jobs are actually there. The choice that we have at the moment is that you could be delivering your climate targets with a smaller workforce, potentially with fewer manufacturing jobs here, by manufacturing more of your wind turbine parts or building materials elsewhere and importing more and more things from China, or you could be building up the industrial manufacturing capacity here, and that is the bit that really requires investment.

Q112 **Claire Young:** James, some of the evidence we have heard suggests that, rather than tax incentives and so forth, more funding should be directed directly into training initiatives, further education colleges and so forth. Would you agree with those who suggest that incentives aimed at consumer demand should be rebalanced towards labour supply more directly?

James Fotherby: I think the limited financial incentives we have currently, like the boiler upgrade grant, are absolutely crucial for driving demand, and removing them or rebalancing them could dampen demand and therefore investment in skills.

We are obviously operating within a tight fiscal environment, and so there is a premium on using limited public investment strategically in order to crowd in much larger sums of private investment. The Learning and Work Institute has found that employer investment in training has declined and is less than our OECD counterparts. It has fallen by about 28% since 2005 in real terms, so I think we need to be laser-focused on increasing that.

Part of that equation is about providing long-term policy certainty and regulation, which we have already spoken about. Again, on the public investment side, it has been interesting to see how the national wealth fund has been operating. One of the first investments was a £750 million guarantee that will enable Lloyds Banking Group and Barclays to provide



HOUSE OF COMMONS

£1 billion in lending, which is flexible and competitive, to the social housing sector for retrofit. We could look at those partnerships, focusing on how we can use our limited pot of public money to crowd in larger sums of private investment into skills and training.

Q113 Claire Young: There is a good local example where we have further education colleges wanting to work together on the possibility, or maybe even the likelihood, that we get new nuclear at Oldbury. Now, if money were invested directly in further education and so forth, you would deliver a pipeline that is not needed at the moment but is potentially going to be needed in a few years' time. Taking the point you have made about all the incentives, I agree, but is there a place for funding that allows you to develop the pipeline ahead for new industries that may be coming to particular localities?

James Fotherby: In the conversations I have had with training providers, they said that one of the challenges is that it can take four years, for example, to train an electrical apprentice, and they need to know that when they are providing these courses, the skills those apprentices will be gaining are useful for the future net zero economy. That demand piece is absolutely essential, but of course we need more funding for further education.

Q114 Claire Young: My final question is for all of you. Will the Government hit its targets for clean energy 2030 and decarbonising buildings by 2050 without increases to existing funding?

Simon Ayers: I wish I was on the other side. I think it is going to be incredibly challenging. We have talked a lot today about how we have to develop a workforce that understands the whole concept of the transition and transformation into green areas. The position for me at the moment is very much that we now need to be thinking about implementing rather than talking about just the solution. We need actions. I believe we have to run proof of concept.

To your earlier question, the investment should probably be in low-level education programmes so that we are creating a society that wants to move to a clean energy environment. I think with that, and with what we have talked about today, it is achievable with current investment, but it is incredibly challenging.

Brian Berry: It is highly unlikely unless we have long-term thinking and it becomes a cross-party issue over the next 20 years. Otherwise, I cannot see how it will be delivered. Obviously, the mood music is that some people are being very critical because the emphasis is much more on the economy, so it is going in the opposite direction from the one you might want it to go in.

James Fotherby: To be brief, I do not think we will be able to hit the targets without additional funding.



Anna Markova: Maybe you could hit the targets, but the only way that you hit the targets, get economic growth and also get jobs is by investing more. You can look to the likes of Canada and Germany for proof of that.

Chair: A final, final question from Polly Billington.

Q115 **Ms Polly Billington:** Forgive me, but a lot of what you said I have heard before. Why do you think it has not happened before now? The long-term strategy, the implementation, the targets, the investment—literally, the things that you have said—I have heard since 2008. Why is that? Why haven't things changed?

Brian Berry: My guess is that there has not been the political will to do it. It is in the hands of Government. If it wants to have a long-term strategy that will meet the targets—any Government could be setting out those targets, but it has not happened.

Simon Ayers: I think some of that will change now. I think we are now seeing this desire almost to innovate more, which we have not seen in the past. We are now seeing more innovation coming through, which means there is a greater desire to run the proof of concept. Rather than talking about the problem, which we have been for many, many years, we are now moving into solution mode, which is allowing us to test and learn, to then develop and move forward. Probably, as a whole sector, we have to accept that sometimes we will try things and they will not always work effectively, but we can learn from them to deliver correctly.

James Fotherby: Possibly a reason we have not seen that long-term policy certainty in the past is an issue to do with governance. As I mentioned earlier, in the past we have seen a lack of coherence and co-ordination across Government. I am putting a lot of pressure on Skills England and the Office for Clean Energy Jobs to deliver here, but I think having that central co-ordination is key.

Anna Markova: It is easier for Government to do nothing, and then when the Government do nothing and let things run their course, you get decarbonisation by offshoring your emissions, your jobs and your industries elsewhere. We finally have a Government that, at least in writing, are committed to not doing that and to decarbonising by growing our industries, our clean energy industry, our advanced manufacturing industries and so on. However, like I said, it also requires investment.

Chair: Anna Markova, James Fotherby, Brian Berry and Simon Ayers, thank you very much for your evidence. We will take a short break while we change panels.

Examination of Witnesses

Witnesses: David Hughes CBE, Andrew Hockey, Tim Balcon and Katy Heidenreich.

Q116 **Chair:** Welcome back to the Energy Security and Net Zero Committee



HOUSE OF COMMONS

hearing in our workforce planning inquiry. I will ask our second panel to introduce yourselves.

Tim Balcon: My name is Tim Balcon, and I am the CEO of CITB.

Katy Heidenreich: Good afternoon, Chair. Good afternoon, panel. My name is Katy Heidenreich, and I am the supply chain and people director at Offshore Energies UK. We are the leading trade association for the integrated offshore energy sector. We have over 400 members, operators, developers and supply chain companies. Most of our members are supply chain companies, in fact. We employ around 200,000 people, 154,000 people employed directly or indirectly. These people have highly transferable skills. They are proud to be playing a role in helping the country meet its own energy needs now, and to be playing a role in the new energy projects of the future.

Andrew Hockey: Good afternoon, Chair. Good afternoon, panel. My name is Andrew Hockey, and I am the chief executive officer of the Engineering Construction Industry Training Board, which is the industry-led skills body. It is a specialised industry that operates across sectors such as nuclear, renewables, oil and gas, and other process industries. In a nutshell, the engineering construction industry is vital to meeting the country's net zero needs.

David Hughes: I am David Hughes from the Association of Colleges, representing about 60% of the construction skills training in this country.

Chair: Thank you very much. You are all very welcome, and we look forward to hearing from you.

Q117 **Luke Murphy:** Thanks very much, and welcome to the Committee. There are a number of institutes across the country, including, at random, the Basingstoke College of Technology, which is very forward-thinking. It has a green energy centre and a electric vehicle centre, and it is a fantastic institute.

Do you think it is clear enough, either to existing workers or new entrants, what learning and training they will need to enter a career in delivering either clean energy or decarbonising homes?

David Hughes: I do not think it is clear enough. If you look around the country, Basingstoke College is a good example but there are colleges in all of your constituencies doing the same sort of work to try to push green skills through some of the traditional trades and the new jobs that are there.

However, there is not enough going on in schools to inform the choices that young people are making. There is not enough work going on in the curriculum to make sure that all the relevant qualifications have green skills embedded in them for the future. There is not enough work going on for the existing workforce who might need to transition, whether that



HOUSE OF COMMONS

is with the same employer or another. There is not enough work on the pathways that will support them.

There is also not enough work going on for unemployed people, so we need to get Jobcentre Plus careers and work advisers to promote the industry. The industry does not have a fantastic perception. People think of many of the green jobs as dirty jobs, as overalls-type jobs, the sorts of jobs that aren't paying well. It is not true, but the perceptions are going to get in the way of people making good decisions.

Once people might be persuaded of a green job, there is a whole lot more to think about: what the pathways are and what support is needed for those different groups. If you are in a job that is perhaps not going to be there, a high-carbon job, the transition for you is quite complex. If you are unemployed, you are going to have to get up to speed quite quickly. If you are already trained and working as a gas boiler fitter, what is the incentive for you to train in heat pump engineering? There are some important questions that are quite basic and fundamental, and that are not about strategy. They are not about need. They are about the simple choices that people can make to be able to get the skills that we all know are needed. The analysis of need is strong, but the analysis of the pathways individual adults and young people can take, I think, is weak.

Andrew Hockey: I would back up a lot of what David has said. Entry routes are sometimes unclear. If you are a young learner, you are faced with quite a panoply of opportunities. It could be T-levels in England. It could be apprenticeships or other qualification, so the awareness and perceived attractiveness of engineering careers could be improved. There could be more work on that. We are doing some ourselves, and I think the alignment between education and industry could be improved as well.

Katy Heidenreich: The small build I would have is to reiterate the integrated nature of the energy workforce. Many of the sectors we are talking about today share the same requirements—in terms of engineers and technical trades, for example. I do not think it is helpful to place a value judgment on whether a job is clean or not, and it can be confusing for people when they are trying to look for a career, or decide which sector to join, to see that a value judgment is being placed on that role. In fact, it is demoralising for the current workforce to hear value judgments on whether their job is clean or not.

Tim Balcon: I would agree with all of that, but if you look at how skills are developed within qualifications, you have a clue as to why the industry, the education and the training system are not as forward-looking as they need to be when you are looking at something like the transition to clean energy. The point about definition is right. Every job is a clean job, and we should approach it on that basis. But when you develop those occupational standards, employers often come together and describe the jobs that are happening now. They rarely describe the job that is going to be happening in the future. Consequently, the



HOUSE OF COMMONS

educational qualification system is always lagging behind either where the industry is or where it would like to be. When you need a transition, there is always a catch-up, and then you have to circumnavigate the formal qualification and education system or create something new and specific for that particular problem.

Q118 Luke Murphy: Picking up on Katy's point, would others agree that it is better just to talk about "good jobs"? The previous panel, making a slightly different point, were calling them "green jobs" or "clean jobs."

David Hughes: I am not sure there is a binary right or wrong on this. There are a lot of young people who are quite attracted by working in a clean energy system and are quite attracted to that route, so I think selling it to them in that way is important. Today's gas boiler installers might need a different method of persuasion to train in new jobs. For them it will be about, "Can I make as much money from heat pump engineering as I can from gas boilers?" A nuanced approach is right, but there is an attraction of green energy and clean energy.

Q119 Luke Murphy: David, you talked in your earlier answer about career pathways and training. How can the Government ensure that they are fit for purpose, and is more money needed to deliver them?

David Hughes: You very rarely hear me say that more money isn't needed. The FE sector has been massively under-resourced and under-funded for too long. What we have seen all around the country—as I said, I could bore you with examples in all of your constituencies—is small amounts of capital, small amounts of revenue, going into colleges where they are partnering with groups of employers to meet their needs and to do that curriculum development, which Tim talked about. That is so important in getting that lockstep between demand and the delivery of skills.

It is difficult, isn't it? If we leave it to the market, the market won't work so we must intervene. We have hundreds of examples of colleges doing that. The partnership is so critical because people need to see the job that they are preparing for and believe in that job, and you only get that if the employer is committing. Then the college needs to be very agile and responsive in developing the courses quickly. I could take you to lots of colleges where we are seeing that, but it needs money.

The money announced this weekend by the Chancellor, the £625 million, is a good package because it gives colleges some capital and revenue. There is some money in there to incentivise employers, who have said they will back it. A big part of it is about marketing to try to persuade people that construction is a good sector to work in. We need that kind of package across the whole of clean energy, not just the construction part of it. So, yes, we need more money, but more money at a local level. We do not need more national strategy and national analysis. We know that. We have to get down to the locality.



HOUSE OF COMMONS

Luke Murphy: Later, someone will be asking about devolution, but it is a very good point.

Katy Heidenreich: I would like to highlight a piece of work that we conducted last year that highlighted just how much is going on in the skills landscape. There is an enormous number of skills initiatives up and down the country, across sectors. We counted 200, and I am sure we didn't count them all. It is an incredibly fragmented landscape so, before any more money is committed, I think it would be good to take stock of what is already going on and roll in behind some brilliant initiatives that are happening at a regional and a national level before we take any further steps.

Andrew Hockey: I come at it a slightly different way from Katy. It isn't necessarily about new money; it is about better deployment of what we already have, and we do that through collaborating. Our Work Ready programme is an example. We have used no new Government money, but it is bringing in the long-term unemployed through a joined-up approach with DWP where learners can continue to claim their benefits and universal credit, and employers guarantee them a job at the end of the 16-week programme they undertake.

It is joining up and bringing in local authority money as well, collaborating, making sure that we use what we already have and co-funding. For example, we have invested in the CATCH facility in Grimsby for a further education facility. It doubled its capacity to turn out welders in the course of a year, and we did that through a partnership between ourselves—we put some seed capital in—local government and local industry, including the Phillips 66 refinery on the coast, putting all that together to create a package and genuine capacity. I think it is also about deployment of what we have already.

Tim Balcon: If I can answer two sides of that question, your first one on clean energy and attracting young people. In a previous life, when I worked for an environmental professional body, we did some research and it was very clear that if you are attracting generation Z into a sector, they are more likely to look at a purpose-led or values-driven role, rather than a financial role that does the same thing. The clean energy package is quite appealing in some ways, but when you look at the previous panel's conversations and evidence on building, it doesn't translate to that level where the skills in the workforce are already there to transition to what we would call clean energy roles, whether it be insulation, heat pumps and so on. For the last 10 to 12 years, I have been dealing with the definition of what a clean energy job is. I have never produced one that works, so I don't think it is nuanced.

Going back to Andrew's point, I think there is lots of money in the system and there is a lot of wastage. What we are seeing in FE training, and I am talking specifically about construction, is that around 70% of people who start a construction-related qualification do not complete or do not end



HOUSE OF COMMONS

up in the construction industry. If you total the amount of cost, it is better that it is more targeted.

Q120 **Luke Murphy:** There is obviously a bit of disagreement about levels of funding in the system. We have talked about public funding, but we have also been told that the level of investment by employers in ongoing education and training is half what it is in many European countries. What is the reason for that?

Katy Heidenreich: Employers need to see viable projects for people to work on. With the confidence and certainty of a pipeline of work, employers will be better placed to make the investment that they would absolutely agree is needed. Certainty of projects and certainty of work are essential.

David Hughes: The structure of the industry does not help. We have a set of tier-1 employers who are very committed, but there is an enormous number of very small enterprises and lots of self-employed people, which makes it harder to make the investment work.

On Tim's point about there being money in the system that is not being used effectively, the other thing that is clear to me is that it requires partnership. The colleges can pump out people with skills, but unless there are employers willing to take the risk with them—and there is a risk—and actually give them the on-site skills and help them to learn about delivering those skills on site, there is a break point. It is about that partnership and commitment. The Government have a massive job to do in making sure that, as we heard from the previous panel, the supply chain and the procurement include the apprenticeship programmes that are going to be necessary.

Lots of young people want to do apprenticeships in this sector, but there aren't the opportunities out there, so there are quite a few things that need to be done.

Q121 **Ms Polly Billington:** On the 200 different skills programmes across the country, I am all in favour of letting many flowers bloom, but that sounds to me like a huge lack of strategy. Would somebody like to express some views on that?

David Hughes: There is a lack of strategy. What we need is to translate all the analysis of what is needed by industry into a strategy that works, and it comes on to the devolution question a bit: who convenes that? You cannot do that nationally. It must be done at a more local level, so the elected mayors are a good level, and there are some good examples. The Liverpool city region has six colleges working together on a clean energy programme that meets all sorts of different needs, from heat pump engineers through to EV motor vehicle mechanics. So starting to provide some simple strategy for the region, so that employers know where to go to get the expertise, rather than all six competing on everything. It can be done, but it must be done at that sort of level, not nationally.



Q122 **Ms Polly Billington:** We have heard that 70% of learners are not finishing. Is that because they get a job before they finish, or is it because they do not like it?

Tim Balcon: It is hard to track, but we suspect that—

Q123 **Ms Polly Billington:** That is literally what colleges should be doing, finding out why people are dropping out. That is their job, isn't it?

Tim Balcon: What I am hearing is a fair proportion of them have a job in a construction-related sector, but I don't know entirely what that means. What we do know is the construction industry is screaming for skilled workers, but the point about employers not employing is also part of the equation. There are two halves of the equation here. We are training people that don't get jobs, and employers are not employing people. They are not employing trainees. They would much rather employ skilled workers and not the trainees, so that investment in training is not happening at the employer level—David has alluded to that quite accurately. The training process is not adequately aligned to what our employers are asking for.

Q124 **Ms Polly Billington:** We have heard that this is an ageing workforce. I am also aware—and we have been told this before—of how spectacularly underpaid FE teachers are in comparison with other parts of the education sector. If you have a whole load of skilled former construction people who might not want to climb up a ladder anymore, would there be some kind of programme that might help them?

David Hughes: Yes, there is.

Q125 **Ms Polly Billington:** Good. Tell me about that.

Andrew Hockey: This is something that the ECITB is particularly keen to work on. We are doing it up at Sellafield with sector experts, so we are bringing people back in. I can write to you afterwards and give you more detail, but we are bringing experienced people back into the Lakes College up there to teach nuclear skills. We have seen that. We are working with the DfE. There is a dual professionalism initiative that the DfE is running, and we are working very closely with them on precisely that issue. There are initiatives up and running, and there is a lot we can do.

David Hughes: Can I answer your previous question as well? The progression rate of FE students into work is incredibly high. The issue is that they are not going into the trades because they are not getting the opportunity to translate the skills they have on to site. Hence my point about the employers needing to help with that.

On the pay issue, the good news about the £625 million is that there is a recognition that colleges already pay more in construction, but they are very constrained because they are funded at a very marginal rate. There is a rate increase for construction training that will allow them to pay a



HOUSE OF COMMONS

market premium to attract staff. It is important that we get the pay right. There are not many construction workers who want to become full-time lecturers and trainers, but there are quite a lot who will offer their experience to the students and there is a lot of that happening. A day a week helping curriculum development sounds a bit boring, but there is a lot of that happening.

Andrew Hockey: The other thing that is very effective is bringing in recently trained apprentices to come back and give the benefit of their two or three years' experience to new entrants to the system.

Q126 **Ms Polly Billington:** Are these things that need to be done more systematically?

Andrew Hockey: Yes.

Tim Balcon: Some of the activity that we deal with, and the work that Andrew is doing as well, is to make sure that we have a co-ordinated approach. To highlight some of the challenges we are facing here: the average construction salary is about £45,000. Within a college you are looking at not much more than £35,000, so there is already a gap. What we are also hearing is that, for those who go into college, it is probably a lifestyle choice rather than anything else. A number of college principals have said there is a revolving door in construction trainers for the simple reason that what they want to do is teach students the skills that they have. When they are embraced with all the educational demands, it becomes, "That is not why I came into education in the first place. I just wanted to pass on my skills." There are challenges and barriers.

David mentioned the package that was presented over the weekend, which starts to target and give some support to be able to do that. The work that we are doing with DfE and ECITB is focused specifically on that area, which I am more optimistic about.

Chair: It would be helpful to get some more detail on what you have been talking about on those last questions, perhaps between all four of you. There is an important thread in some of the recommendations that we would like to be able to pass on to Government. That is a general point, but it was very insightful, so thank you.

Q127 **Mike Reader:** My question is about skill levels and occupational barriers to access. Tim, does the Government need to establish a stronger baseline quality on standards and competency?

Tim Balcon: I would like industry to establish a stronger baseline of competency, and CLC is doing a massive programme of work at the minute around competency. What is behind that is having one definition of competence, which is the first thing. I hear different numbers, but somewhere between 600 and 1,000 people from industry are contributing to that programme. It is a phenomenal programme of work, and CLC has led that. What we need, though, is for Government to embrace those standards through their learning pathways. For example, at the minute



the diplomas that the colleges teach are not aligned with the apprenticeship standards, which is why employers have a difficulty with them, because they are not quite sure they are the skills they want. I would much prefer that industry leads on that where possible, and that Government embraces the standards determined by industry.

Q128 Mike Reader: Do you think the specialists at the DfE who do the strategy around curriculum listen to industry? Have you seen that in the past?

Tim Balcon: I can tell you that, from what I have seen over the weekend, it is a good example of where DfE has listened hard to what we are saying because we have a platform with them; 1.5 million houses. We have an infrastructure plan coming out, and the previous panel spoke about that long-term pipeline of work. I am pleased that we are all starting to listen and work together on that one. I think it is a collaboration. The admissions board concept, which is where you have industry coming together with Government—it is led by the DfE, and, importantly, other Government Departments are part of that—is a mechanism to address some of the challenges we are talking about today.

Q129 Mike Reader: Andrew, how might the Government widen access to green jobs without compromising quality?

Andrew Hockey: First of all, I do not accept that there is a need for a trade-off there. “Green jobs”—as Katy said earlier—is an interesting term. We already have, as a result of the energy transition, a great opportunity to create a whole range of entry points into industry for everyone from the long-term unemployed, through apprentices, through post-graduates, as well as older people looking to come back in. I have mentioned our Work Ready programme, and we supported 100 long-term unemployed last year, with another 130 coming this year, to help bring them into the labour market. They are providing skills that are in demand. We are also getting a more diverse talent pool that way, so I do not think we need to have that trade-off between access to green jobs and hampering the quality of skills. I do not think it is there. There is a lot we can do across the piece to bring in a more diverse talent pool. We will, of course, work with Skills England as time moves on to make sure we pin that down.

Q130 Mike Reader: Yes, once we know what Skills England’s final set up is. David, does the Government need to establish a new body with responsibility for training accreditation and delivery, or does this greater collaboration of industry and Government suffice?

David Hughes: We do not need another body. We really don’t. What we need is much more alignment. Everything that Tim and Andrew said is right. But let’s be clear, once you try to centralise and nationalise standard setting, you miss out hundreds of thousands of SMEs that feel completely disenfranchised from that. The Institute for Apprenticeships and Technical Education was pleased if it got 80, 90 or 100 employers



involved. There are a couple of a million in the development of the standard.

The commitment was made over the weekend to set up 10 technical excellence colleges. Why don't you give them some of the role of engaging to make sure the standards are right and to give them some flexibility. Very often SMEs are saying that the rigid standards we have in this country do not quite work for the jobs they have. In other countries, there is much more of a modular approach, and much more of a core and margin approach. There is an ability for local colleges, with employers, to bring in modules from different standards to meet the jobs.

We do not allow that in this country, so often an SME will say, "The apprenticeship standard that you have does not quite work for us. We need a bit of this one and a bit of that one," and there is no facility to do that. We have to have a system where there is more agency at local level, between an employer and a college, to design something that works for them and the workforce they have.

That is also true for the retraining bit. A lot of this is not about new entrants to the labour market; it is about existing people getting modules of training. If you modularise the apprenticeship standards and use the new growth and skills levy, you can start to retrain some of the people who were trained under the old standard that is a bit out of date. But if you do not do that, if you do not modularise it, what do they do? Do they start again? We need agility in the system, so it is important that standards are national, but they need to be tailor-made as well.

Q131 Mike Reader: Do you think industry now has to modernise quite quickly? We will hopefully see modernisation in the construction industry. We are nine years past "Modernise or Die" by Mark Farmer. Can curriculum, accreditation and so on keep up with the modernisation that is needed in the industry? You have people coming into the sector to teach, but they are teaching the skills they probably had over the past 20 years rather than the skills we need in the future. Is the ecosystem there so that the curriculum will continue to evolve quicker and quicker as modern methods of construction come into the sector?

David Hughes: Our line to the DfE at the moment is that the 10 new technical excellence colleges in construction should help to make that happen, because they will be on the ground, they will be talking to the employers and they can work nationally. You want one system, but you need it to be out there listening to what is needed.

Katy Heidenreich: If I can build on what both Tim and David have said, what we have learned as part of the energy skills passport work that we have been doing together with RenewableUK is that more modular approach, that standardisation, will help make it easier for people to move back and forth between the sectors. It will make it much easier for people going into the workforce to see how they will be able to move back and forth between sectors.



Q132 **Mike Reader:** Tim, is the Government recognising that in the direction they are moving? I think you are right that we are going to see different trade experiences come and go, and we need that agility. Do you think Government is recognising that in their strategy?

Tim Balcon: I think the admission board would meet that challenge. The building platform is the 1.5 million houses and the infrastructure, all that coming down the line. It is very clear that this Government wants to build 1.5 million houses, and it is pulling out all the stops to be able to do that. In recognition of that, we need a much more agile response from the skills system. The admission board concept was a direct reply to that particular challenge.

If I could go back to your previous question regarding the lag between the workforce and how industry are working. You mentioned Mark Farmer and the "do or die" report. That was based on the industry needing to transition to modern methods of construction. That did not happen in the way presented, so the danger is that you equip a workforce with skills that will not be needed. There is a demand-led approach that has to be delivered here, and the only way you can properly give foresight to that is for the industry to come together so that you get an industry view, not an individual view from one company that is investing in modern methods of construction, and so on.

I know the NHBC has put £100 million into this, and it is bringing all the house builders together so we can determine where the demand is. Once we have confirmed the demand, we can put a skills solution in place. You can then adapt that model quite quickly to the demands that you have, but I do not see that happening across other sectors in the same way.

Andrew Hockey: There are things you can do. In answer to the last couple of questions, we initially started off talking about baseline competence. With Katy's involvement, we have run an initiative called Connected Competence with a North Sea workforce where we have measured competence of an individual. That is tested, and they are then able to move and transfer within the offshore workforce quite easily. We have given them transferability, which helps with the agility point.

I always like to give solutions. There are a couple of initiatives that we are involved in. We have kicked off two pilots up in Scotland, one at NESCol and one at Forth Valley College, for transferring oil and gas technicians in mechanical, electrical and project controls across into the wind sector and back again. They will be tested on a six-week basis, and they will be able to move across into offshore wind, and come back into oil and gas if they need, but they will have a badging and a clear definition of their competence to do that. These are initiatives that are happening.

Katy Heidenreich: We are starting to hear Government recognise the integrated nature of the workforce and the supply chain. The Clean Energy taskforce that was co-chaired by the Secretary of State and



HOUSE OF COMMONS

Minister Jones in January saw sectors coming together—oil and gas, nuclear, wind, colleges and unions—but there is more needed.

Q133 **Chair:** You mentioned the skills passport. I am very interested in your assessment of its effectiveness.

Katy Heidenreich: We are in the very early stages. It was brilliant to see it launched in January, and the Government's support. The Office for Clean Jobs has played a strategic role in making that happen, and we are grateful for that support. What we have learned—and I mentioned this earlier—is that the more we can talk about an integrated workforce, the more we can standardise how we describe jobs and the training that we need across sectors, the easier it will be for us to make sure that the current workforce can easily move back and forth and that we build the energy workforce that we need for the future.

Q134 **Chair:** I heard a story yesterday about there being almost identical lifejackets in renewable activity and in offshore oil and gas needing entirely different training courses for you to be able to wear them. I take it that is an example of the challenge you face that you would like to standardise.

Katy Heidenreich: Indeed. The skills required, the jobs that are being done between oil and gas and hydrogen or nuclear, for example, are very similar. We are at danger of overcomplicating what is required in order for us to get to where we need to be.

Andrew Hockey: I can back that up with some numbers. Certainly our census last year and the work we have done suggests that pretty much 90% of the skills you need are transferable. What you need to do is supplement those with specialist skills, where applicable, whether in hydrogen or CCUS. A hydrogen engineer really is a chemical engineer, so there is a lot that is common, and we work off that base.

Tim Balcon: It is quite normal for suppliers of business activities to do a training course for one client and have to do the same training course for a different client, and then do another similar training course for another client. The problem is that the currency of skills is not transferable from one to the other, and there is an enormous amount of waste in terms of investment that goes into that example.

Q135 **Torcuil Crichton:** Thank you all for coming in. Your evidence is fascinating. Katy, you have said that the skills passport is about transitioning from oil and gas into renewables, but I want to push David a little on what you and some of the panel have said about skills and training, about a fragmented workforce, about losing people from college, about some coaches who are really good, and about taking people from the DWP system and putting them into work. I have seen that in my own constituency with Harlan & Wolff, now Navantia, and it does work. David, you said there isn't a need for a national co-ordination list, that it is better to be devolved. Do you not think there should be a national body,



or a UK body, to set out what the skills level should be and what skills portability there should be?

David Hughes: I think trying to get a UK body, given the way devolution has gone, might be quite ambitious.

Q136 **Torcuil Crichton:** What about the Office for Clean Energy Jobs?

David Hughes: The Office for Clean Energy Jobs and Skills England are the bodies that we have to work with. In Scotland, obviously, that doesn't quite work.

Torcuil Crichton: You anticipated my next question.

David Hughes: Completely. We work with colleges across the four nations and in the Republic of Ireland, and there is an enormous amount in common. We can work with the supply side to get that consistency, rather than requiring some new body to try to do some kind of monumental job of bringing together four nations with very different politics and very different history. I do not think that is the way to go. Employers also need to work with that complexity.

I was in Australia recently, which is a federal system—there are different systems. In Germany, it is a federal system with different systems. Employers recognise the shortcomings of that, but they are willing to work with it. We have to ask our employees to do that, because trying to get some national UK-wide body is too ambitious. There is an enormous amount that colleges can do together to make sure there is commonality. The core competencies are the same elsewhere, aren't they?

Q137 **Torcuil Crichton:** David, as you have mentioned, we have a devolved set-up, and we will hopefully have some more devolution within England, but there is devolution among the four nations. How do you get people to cross from the south-east of England, where we have heard that there might be a concentration of trained, skilled workers, to the north-east of England, Northern Ireland or Wales?

David Hughes: That is where the employers come in. In the previous conversation there was a really big question about people transitioning from one sector to another and the attitude of employers to looking at the 90% of skills that are common and to commit to doing that 10% top-up. In the Netherlands, a lot of their national qualifications are 70:30, so if you train in logistics in the Netherlands and you are in Rotterdam, it is all around the harbour and the port, and that type of logistics. If you are in Amsterdam, it is around Schiphol and the airport. The employers recognise that the 70% is common and the 30% is particular. We need more of that type of system, where the employers say, "Well, okay, there is a commitment from the state to train people to a certain level, we want some agency to design the other bit of this, to make it specific to my industry, whether that is in Scotland, Northern Ireland, Wales, England, the south-east or the north-east." We will do that. It is a quid pro quo and I think we need Skills England to commit to that type of approach. It



is a new body, I think it has a new team, let's really push them to commit to that type of flexibility.

Katy Heidenreich: A couple of points. The work we have been doing with the Office for Clean Jobs on the energy skills passport has involved very close working with the Scottish Government. That is a really great example of where Governments can work together to make skills initiatives really effective. Employers will move people where they need to be. It is important that we do not put up artificial barriers that simply are not there in real practice.

Q138 **Torcuil Crichton:** Katy, I am glad you have described how Offshore Energy UK is very proud of the workforce, and how the workforce is very proud of what they do. We are proud of them too. They have kept us secure for two generations, they have kept communities like mine afloat for two generations. But if they are going to transition, it is going to be quite hard, because if you are an offshore electrical engineer, you can earn £20k more than you can if you are a solar panel engineer onshore, for obvious reasons—the risks and the time offshore. How is the workforce going to transition if we do not get more equalisation in pay? These people might just go abroad.

Katy Heidenreich: Pragmatism is essential. In today's environment, we need economic resilience. We need to rebuild manufacturing capability. We need to bolster our defence sector. It is essential that the energy transition is achieved in a pragmatic way that sustains jobs, investment levels and economic contribution at the same level or better. I have talked about the work that we are doing, comparing pay and terms and conditions across sectors to make sure that—irrespective of which energy sector somebody is working in—they are paid well and have good terms and conditions.

First and foremost, it is important to recognise the important role that the workforce plays in delivering the energy that we need today. We bring £20 billion of investment to the economy every single year. We need to sustain that. The reality is that we will continue to need oil and gas for many decades to come. We have a brilliant opportunity in the UK to meet up to half of those needs.

Q139 **Torcuil Crichton:** I mentioned electrical engineers, but are there any sub-sectors, any skills or any places—when I think of Aberdeen, I think of Grangemouth—or locations that the Government have to focus on when they are transitioning the workforce? Maybe this will be felt evenly across the country, certainly down to Tyneside, down that east coast and across the west where North Sea oil workers come from.

Katy Heidenreich: What is essential is that we avoid a jobs gap, that we do not see any one sector declining faster than new sectors build out. That, again, comes back to the point around pragmatism and the pace at which we move so that we sustain jobs, economic contribution and investment.



Andrew Hockey: I agree with Katy. Obviously, Aberdeen's going to need a very targeted approach to reskilling to transition workers to offshore wind, CCS or hydrogen. The pace of the projects as they happen is going to be really critical in how that plays out. I have mentioned our pilot programme, so again there are things that you can do here to make sure that we avoid the job gaps. I think someone mentioned Teesside and Humber, which is a key industrial cluster for hydrogen and CCS, and that is going to be subject to project timescales as well. That is going to need rapid expansion, the workforce cross-skilling. Again, there are things we can do.

I mentioned our regional skills hub initiative up at CATCH on Humberside. That is putting capacity in the system so that we train more new entrants to come in to smooth out the gaps that Katy mentioned. Nuclear as well. Nuclear is really important in needing continued investment in skills so that we can not only support what is going on at Hinkley Point but also the transfer across to Sizewell C over time, where there are huge projects going on. With that in mind, Tim and I, back in January, signed a skills charter with East Suffolk District Council, Suffolk County Council and Sizewell C so that we can start to plan long term for what the skills map is going to look like over the next 10 or 15 years at Sizewell.

Katy Heidenreich: I reiterate how important it is for sectors to work together, and Governments can help to support that. We talked about that at the Clean Energy Taskforce in January, and I think there was a commitment there to work towards a cross-sector workforce demand planning model. That is what is going to help us ensure that we meet each sector's needs at the time when they are required.

Q140 **Torcuil Crichton:** Katy, the Chair mentioned the skills passport and so have you, and that is an example of collaboration between Government and industry. It is a good title, is it working? Is it going to work for real for workers?

Katy Heidenreich: It has huge opportunity, and it has huge potential. We are excited to start working on the second phase and, in fact, next week we are coming together—RenewableUK, Offshore Energies UK, together with the Office for Clean Jobs and the Scottish Government—to look at what the second phase will entail. We want to bring other sectors in, the nuclear sector, there is a huge opportunity there—they have a skills shortage—for us to look at how we can meet skills demands now and in the future.

Tim Balcon: I think it is emphasising this conversation and emphasising the importance of workforce planning, particularly in Sizewell. Andrew and I talk about Sizewell on an almost weekly basis, but in meeting the skills needed for Sizewell, it would be really easy for it to suck all the skills out of all the other sectors. The skills to do Sizewell, a lot of those people have fluidity in how they apply their skills. On the one hand there could be a scaffolder at Sizewell and, on the other hand, there could be a scaffolder at Mrs Jones's house putting on an extension. It is that kind of



HOUSE OF COMMONS

fluidity. If we are not careful, we will satisfy one demand and create a vacuum in another.

David Hughes: I just want to make a point that, with all due respect to all the bodies that exist, if you look at Hinkley Point, one of the successes is a very simple partnership between EDF and Bridgwater and Taunton College. That partnership did not need anybody to tell them what to do, and they did not need any kind of intervention. What they needed was some investment in the college to get on and do it. Bridgwater and Taunton interestingly is now saying to the Government, “We are essential to the investment in the gigafactory in Bridgwater and what we actually need is just a bit of cash to be able to put a learning centre on site to train people.” Sometimes we need to cut through all of the noise and just fund the partnerships that actually deliver this, as well as doing some of the work nationally.

Andrew Hockey: We have been very proud to be part of that and invest in Bridgwater and Taunton.

Torcuil Crichton: That is a good lesson if nuclear comes back to Scotland.

Q141 **Ms Polly Billington:** It is interesting that we started talking about devolution, moved on to place and quite quickly ended up talking about very specific places with very high-end jobs attached to very big bits of kit. In the previous panel, we were talking about how we have to do retrofit across the whole country. I am interested in the fact that we have an hourglass workforce economy, with high-skilled jobs like those at Hinkley. All the chippies in Somerset, you are right, are basically busy at Hinkley and you cannot get your kitchen done, and then there are the low-skilled jobs at the other end, of which there are many, yet we also have a shortage. I am interested in how we build out, fatten that waist of non-graduate jobs, which is vital for this transition.

The devolution plans at the moment are focused on metro mayors in big conurbations. Forgive me for being parochial about this, but I represent East Thanet, which is at the end of England before you get to France, and it is a long way away from any of those big conurbations. We have talked about this a lot for obvious reasons. What model of governance and delivery would help us to get those non-graduate jobs and non-graduate skills we need to do that transformation in every single place in the country, including those that do not have a big capital river by it, as it were, where you have a big piece of energy kit or industry development happening?

David Hughes: That is my point about investing in colleges. There are colleges all over, East Kent Colleges is a great example, doing some superb work. It is not enough because they cannot scale it quickly. What they need is—

Ms Polly Billington: I am interested in the scale and strategy point.



David Hughes: Don't come up with some wonderful governance model. We have 160 general FE colleges, most of which have construction, most of which are doing superb work on this. I mentioned the Liverpool city region, which has six colleges. I do not know if you have seen it, but it is doing brilliant work deciding who does what. The four colleges in Kent can do the same if they are given a small amount of capital and a small amount of revenue to engage with the employers.

Q142 **Ms Polly Billington:** Also a small amount of responsibility?

David Hughes: Yes, and some trust. That is what is missing from the system. They have not been trusted in the last 15 years, and we are saying to the Government, "Trust in them, make them accountable for it. Absolutely make them accountable, tell them how to do it, support them to do it but trust them to get on with it."

Ms Polly Billington: Obviously it will create the demand.

Andrew Hockey: Again, it does not need a fancy model, it needs someone to stand in the middle and make it happen. That is what we have done at CATCH.

Q143 **Ms Polly Billington:** It tends to end up being a fancy model, because we need to have accountability and governance.

Andrew Hockey: Yes, but we have been able to invest nearly £500,000 in CATCH at Grimsby, for example, and pull in local industry, pull in local authorities, crowd in the private money and the public money together and make that happen. We are doing it at four other places, and it makes a huge difference. But the defining thing each time is having a committed bunch of employers, which is what really makes it happen.

Tim Balcon: Broadly, construction employs about 2.6 million people. And 90% of those working in construction work in an organisation of nine people or fewer. Their recruitment approach is recruiting from friends of family. They recruit from someone they met in the pub, somebody who has put a note on Facebook and so on. While I am a big fan of FE colleges and am happy to support everything that David is saying in terms of that investment, there is a disconnect because that 90% of construction doesn't look at FE to provide their workforce because it is too hard. When they get a trainee, they have to look after him, they have to pay full wages where they are not being productive. They would much rather go out there and get a labourer and leave the skilled workforce to do this.

Now, this was the narrative that we have been talking to DfE about over the last few weeks, and it is why we got the package over the weekend, to address exactly that to make sure that the colleges are better integrated into the smaller business, and the smaller businesses look towards the FE colleges to provide some of their solutions. In addition to that, CITB put a programme together, which is a new entrant support team. In effect, it is people going out there talking to small businesses and saying, "Do you want an apprentice?" and I think we heard at least



HOUSE OF COMMONS

half of the last panel say yes, but that they haven't got the wherewithal or investment to be able to do it.

What the new entrant support team does is it takes away all of the barriers that those employers face, "I don't know how to do it, I don't know who to talk to, I don't know where the funding comes from, I don't know what to do when I get them." All of that rests with the new entrant support team. Since we have put that team in place, it has resulted in at least 5,000 new apprenticeship starts. Of those who have started, 90% are still retained.

The announcement on Sunday was that CITB will double the new entrant support team, so what you have is a team that is trawling local demand from small employers and bringing it to the colleges so that we have that interface. It is a labour-intensive model, don't get me wrong, but when you talk to small businesses, there is no other methodology to do that.

Katy Heidenreich: A couple of small points, which are hopefully relevant, to the point you made earlier.

Ms Polly Billington: It is okay, we have wind farms as well, so go on.

Katy Heidenreich: What we are hearing from regions like yours, and we have worked with Great South West and Celtic Sea Power, is if we do not have a metro mayor, if we do not have a freeport, then how do we get attention? So there is a really important role to make sure that every region has an important part to play, from the Great South West to Inverness, for example, and can see clearly that they have a role to play in the nation achieving its ambitions.

We also have not talked about the need for parity of esteem with apprenticeships. I think there is much more that needs to be done to educate employers, parents and kids that apprenticeships are a brilliant route and do not place any ceiling on your career potential. I think that can also help in that middle.

David Hughes: There is a big job to be done on equality and diversity as well. This is a very male sector. The big opportunity is to break down some of those barriers so that you get more women working in the sector and you open up massive opportunity, but that is a perception. The only way you really change that is through employers changing the way they behave, and I think that is a massive challenge.

Q144 **Chair:** Thank you. David, thank you very much for extolling the virtues, twice now, of the Liverpool city region and how the FE colleges there combine, putting the case for the good things that are going on in our city regions but, and this Katy's point, also to support my colleagues who need this in every part of the country, not just in the big regions.

Just a final question for me. Is there anything the Government can do—because we are primarily here to make recommendations to the Government—to improve the collaboration and to address the significant



HOUSE OF COMMONS

challenges that you have been collectively highlighting?

Tim Balcon: There is one ask, and that is the certainty of what the future looks like, because people can plan for that, and then having the pipeline of work and activity being transparent and making sure that particularly smaller business can get access to that. At the minute, the procurement hurdles are too high for a small business to get involved, but if there were a 10-year infrastructure planning horizon, for example, that would mean that businesses will have more confidence to invest in skills. I think that would be a game-changer.

Katy Heidenreich: To the point around certainty for the future, we would welcome the Government recognising the reality of the energy mix today. To champion our supply chain and the workforce, we need a stable, responsible energy strategy at the heart of industrial strategy. Governments need to prioritise home-grown energy, home-grown oil and gas over imports, and that is going to help build the path to the new energy sectors of the future.

Andrew Hockey: I would back up what Tim said about an understanding of the future, by having the best labour market intelligence you can. There are a lot of choices that Government can make to use existing labour market intelligence, including ours, to have a really good view of the future and an understanding of what project timescales are and what the project pipeline actually looks like. That will give employers greater confidence.

David Hughes: I would add just one thing on English devolution, so apologies. English devolution needs a system approach, and we need Skills England not just to determine how many heat pump engineers we need, but to work with the elected mayors and the strategic authorities to make sure they have the ability to take ownership of that and are accountable for delivering their share. Within that, they can help to develop partnerships between employers, colleges and others that are needed. So Skills England and a devolution approach. We have a report coming out next week, which we can send to you, describing the system that is needed. It is very simple.

Chair: Thank you all very much. As I said earlier, we are very keen to hear your written follow-up evidence. There are some really key challenges that you have identified. Between you, we have heard a lot of very productive ideas not just from your own organisations but from industry and your sectors more widely that we would be very pleased to hear about, because it is going to add value to what we put into our final report to the Government. I thank you all for your evidence today.