

Energy Security and Net Zero Committee

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

Tuesday 13 May 2025

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[Watch the meeting](#)

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

Questions 207 - 276

Witnesses

I: Sarah Jones MP, Minister of State, Department for Energy Security and Net Zero; and Hugo Jones, Deputy Director for Green Growth, Department for Energy Security and Net Zero.

Written evidence from witnesses:

- [Department for Energy Security and Net Zero](#)

Examination of Witnesses

Witnesses: Sarah Jones and Hugo Jones.

Q207 **Chair:** Welcome to today's Energy Security and Net Zero Committee session on the clean energy workforce. We are joined by the Minister for Industry, Sarah Jones MP, and the deputy director for green growth at DESNZ, Hugo Jones. You are very welcome. I shall start the questioning, and my colleagues will then take over.

Minister, do the Government intend to publish a national workforce strategy covering both the clean energy sector and the decarbonisation of buildings?

Sarah Jones: Yes, we do. We are working on it now, and it is exciting.

Q208 **Chair:** Do you have a lucky date or time?

Sarah Jones: I do not have a lucky date, but everything is aligning around the spending review time because, obviously, there are a lot of decisions in terms of what we can and cannot do. There is also the industrial strategy but, of course, we have had the migration strategy this week saying that if we want to have some of the skilled workforce entry into the country we also have to have a workforce strategy. All the policies are aligning, and we are developing it now, so it will not be long.

Q209 **Chair:** Thank you for confirming the plan, and we have had announcements in the last few days. We saw the White Paper published yesterday, and you have just mentioned it. What impact will that have on the workforce strategy and the ability to deliver the workforce needed for the Government's clean power plans and beyond?

Sarah Jones: The overall picture of the White Paper is putting into practice what we talked about in opposition, which is that there has not been a join-up between an industrial strategy, the Department for Work and Pensions, a migration advisory strategy and Skills England in the past. What we have seen over recent years is a quadrupling of migration, a massive reduction in funding for skills and a massive reduction in the skills that employers are providing, and we know what happened as a result.

I think the overall plan in the migration White Paper to have a quad, where you have the Industrial Strategy Council, Skills England, DWP and the Migration Advisory Committee bringing together what we need and how that matches with what we then need from abroad is exactly the right way to do that. Of course, this agenda, as one of the core missions for Government and one of the eight growth sectors in the industrial strategy, will be a really important part of that. Some of the people we bring in from other countries will need to be brought in for hopefully shorter periods of time, but we need to put much more focus on training people here in the UK to do those jobs.

Q210 **Chair:** We have had evidence—I have had people writing to me as



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recently as today making this point—that there is a significant delay between people going through their training and being able to operate independently. In fact, I have just been told that candidates must have three to five years’ experience before they have the right to install heat pumps, solar panels and battery systems. That must put a lot of strain on the ability of the Government to deliver the agenda as fast as you want. Have you picked up this concern? What is your response to it?

Sarah Jones: There is obviously training for people to deliver heat pumps. If you are an existing gas fitter, the training is less than a week and you can then be trained to install. I do not know if you are talking about people training from scratch or a slightly different system, but my understanding of heat pumps is that there is loads of work going on to try to incentivise people to do that training, and we offer people £500 towards that training. You can transition from being a gas boiler installer to a heat pump installer with a week’s training.

Q211 **Chair:** I think this is about being a full scope electrician.

Sarah Jones: Full scope, yes.

Q212 **Chair:** Until level 3 is achieved, everything must be signed off by a qualified supervisor or third party.

Sarah Jones: There are lots of complexities in the training system, and part of the reason for having a workforce plan is to identify those and to work out how to fix them. I know you talked a lot about construction in previous sessions, but the Government have made an announcement on the construction sector and how we are putting in funding to try to navigate our way through some of the problems, whether that is trying to get teachers or facilities in colleges, or whatever it might be. We are going to have to do that work across all our different sectors, and we will do that through the workforce strategy.

Q213 **Chair:** Hugo Jones, have you and your colleagues picked up this concern about how long it can take for people to be able to operate independently if they are going for full scope qualifications?

Hugo Jones: We have certainly heard concerns around time lag on training. As the Minister said, quite a lot of the workforce here is already in employment in relevant sectors, so we have quite a big focus on reskilling and transferability as a way to mitigate that in the short term. We are obviously conscious that there is also competition for a lot of these very skilled trades among other priority sectors that the Government are looking at. We are working closely with DBT in the context of the industrial strategy on how the Government as a whole take a co-ordinated approach on that. I do not have any specific data on the time lag that you mentioned.

Chair: Melanie Onn has some questions about the regional and local aspects of the workforce strategy.

Q214 **Melanie Onn:** Absolutely. You say you are going to be publishing a



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national workforce strategy, but we have had a significant shift in the shape of the country through devolution, with mayors receiving significant powers when it comes to skills and training, and local authorities, of course, have their local skills improvement partnership organisations as well. How do you envision Government policy being delivered at those different levels, the co-ordination between them and whether that will be in line with the industrial strategy and the workforce strategy?

Sarah Jones: You had some interesting evidence in previous sessions on this and on the need for training to be delivered in the places where it is needed for the employers that are growing or expanding, or for whatever schemes it might be. Clearly, training and understanding what is needed is best done at a local level.

There are layers. There is Skills England and the national bodies in Wales, Scotland and Northern Ireland that look at the big strategic picture. Skills England is working a lot with the nations to look at the big national gaps in welders, engineers or electricians, or whatever it might be. The mayors—obviously depending on the agreement with them, how long they have been in place and how established they are—are playing an increasingly important role on skills at the regional level. I know you talked previously about the Liverpool city region, for example, working with the six colleges in the area on clean energy and how that can work. We are trying to navigate that landscape, navigate what local authorities are also doing, looking at what works and then add value ourselves.

The Office for Clean Energy Jobs is doing some regional pilots where we are homing in on five areas, Grangemouth and four areas across the country, working with either the devolved Government or the local area and employers to try to identify what some of the gaps are and what courses we need to be put on, and putting those courses on and learning from that. I think we are in a learning stage. It was really clear from all the evidence you heard that there is a plethora of courses and structures.

Q215 **Melanie Onn:** Do you think that relies on everybody being an honest actor in all of this?

Sarah Jones: I think there are things you can do to incentivise the behaviours you want to see. For example, central Government are putting in £625 million to develop 10 technical excellence colleges on construction around the country. We are putting in the funding, we are working with local organisations and we will make sure that is done properly.

The colleges are obviously crying out for support in terms of the skills provision and the cuts that we have seen over many years. I think there is good faith there. A lot of employers want to increase their skills provision, and there are things that we can do to help, such as reforming the apprenticeship levy and making these things easier. We can learn from the examples of best practice. But, as you have heard, there are a



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huge number of different providers, so part of the job that we need to do is look at that mix and see if there are people who are not acting in good faith. There is a willingness to do this, so we just need to get it right. The Government should not try to do everything at the national level, because we need to understand that need is best known locally.

Q216 Chair: I hear what you say, Minister, but there are mayors now who say they completely oppose the Government's agenda and say they will reverse policies. How will you operate in those circumstances?

Sarah Jones: That is a question on every single topic not just this one. How do you work in a devolved system where you have people who have powers, a voice and authority? It has proved to be a system that works. A lot of our mayors are doing very good things, understanding their area better than central Government could, and there will be a difference of views, so we have to have those agreements. Through the industrial strategy, the Industrial Strategy Council and I meet the mayors. We are trying to make sure we are doing things that work in the collective interest, and we will continue to do that.

Q217 Chair: Given this is such a fundamental part of the Government's agenda, are you relaxed about the consequences of people having very different policy objectives?

Sarah Jones: People have different views, and that is always going to be the case. For the first time, Skills England is bringing together that workforce need and, in the green energy and clean power spaces, having a national idea of what we need and do not need, and then working with our mayors and our local authorities to deliver that. I think that has to be the right approach.

Q218 Ms Polly Billington: I would just like to follow up on that because, as you will be aware, a lot of places, particularly on the coast, where we are going to have a lot of this energy infrastructure and job opportunities in energy, do not have that combined authority or mayoralty structure and therefore are losing out on things like youth guarantee trailblazers and other opportunities to develop this. What is the Government's approach to tackling the skills gap, particularly in coastal areas where we really need to skill up our communities?

Sarah Jones: If you look at where the adverts for clean energy jobs are, they are quite good in being spread across the country. There are clusters in Scotland and the south but, as you say, the opportunities are there, so it is about making sure we deliver the skills in the areas that we need them. Some of the evidence you heard was about colleges providing training that is not meeting the demand. We need to work on those models. Some of that work, for us, will come through things like the regional skills pilots that we are looking at. In some of those we are working with the local authority because there isn't a mayor, and each is looking at different aspects.



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Aberdeen is looking at how we support people who want to transition from oil and gas. In Pembrokeshire we are looking at NEETs, the younger people not in education and employment. We are trying to do different things in different areas to see what we can do that works. We are not going to get all of this right immediately. There is a much wider challenge around skills provision and funding for it. A lot of that will come out of the spending review, but we want to try to make sure we are pushing things on the right paths.

Q219 Torcuil Crichton: Minister and Mr Jones, thank you for coming in. I want to ask the question a slightly different way. The immigration parameters, the Migration Advisory Committee and the skills gap—who is going to be in charge? In terms of working with people with diametrically opposite points of view, you work with the SNP Government in Scotland on Grangemouth and on the skills passport. Can you tell us how that is going? Is it working at all?

Sarah Jones: Yes, we are working closely with the Scottish Government on Grangemouth and, of course, there is a really big skills guarantee offer there. It is different from the other work that we are doing in the other pilots. We have worked very closely with them on making sure that people who are leaving Petroineos are getting one-to-one support and are getting the skills they want.

Who would you want to be in charge? You would want the employer who needs skills and the employee who needs to transition. You would want those people to be in charge, and what is clear from a lot of the landscape at the moment is that it is hard to understand what is available for employers and for people who are interested in transitioning. We know that people are interested and we know that people want to work in clean energy jobs, so we want to navigate that so that the system as a whole works for those people, not with any one particular person in charge.

Of course, we are navigating something difficult and we are trying to bring order to something that has been just market-led, which has led to the challenges that we now face.

Q220 Torcuil Crichton: There is the skills gap, there is attracting people in, there is building the workforce. Will the mission of the Office for Clean Energy Jobs be expanded to fill this, to take that responsibility?

Sarah Jones: The Office for Clean Energy Jobs is in DESNZ, and it is quite an agile group of 20 policy analysts and policy people. It is connected very strongly to Skills England in all its work. There are groups across Government that come together to look at skills across the board but also in the clean energy space. It is gathering all that data and doing all that analytical work so that we have the tools we need to make policy decisions. Whether that will ever morph into being a delivery organisation or something wider is not something we are looking at now, because we have other structures across Government to do those things.



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In the clean energy mission for 2030 and beyond to 2050, we need to understand where the skills gaps are, and we need to make sure we are meeting them. That is what the Office for Clean Energy Jobs is there to do. It fulfils an important function, but at the moment it has 20 people.

Q221 Torcuil Crichton: One of the big gaps is in domestic retrofit. We have had evidence that no domestic retrofit, no net zero. Are the Government considering expanding the office's remit to cover retrofitting homes?

Sarah Jones: The warm homes plan, which Miatta Fahnbulleh is leading on, is coming out. It will be looking at retrofit, all the upgrades to homes and how we incentivise the right things in the right areas. Lots of work going on in terms of heat pumps. There are lots of small businesses in this space, and we know there are all kinds of barriers to people wanting to move across from doing whatever they are doing into something in this space. We know there are incentives we can put in place to help. I do not see the Office for Clean Energy Jobs doing that, but I think developing the policy, the warm homes plan, is a key plank.

Q222 Torcuil Crichton: My sense is that the whole area needs direction. You are coming up with a plan, and you are saying that is not going to be part of this?

Sarah Jones: There are lots of things we can do in terms of policy interventions that we will work on. We will be part of the warm homes plan, but what I am saying is that the Office for Clean Energy Jobs does not have millions of pounds to give out to different bodies to do different things. In the same way that people can now get £500 for doing the training to install heat pumps, and that we are encouraging heat pump manufacturers to incentivise people to install them, there are all kinds of different behavioural shifts we can encourage to get people trained and doing what we want to do. The warm homes plan will come after the spending review, and obviously a lot is dependent on the spending review.

Hugo Jones: Just on the technical scope of the office and the sectors that it looks at. It also looks at heat and buildings within the clean energy space. There is then a separate larger skills team in the Department focused on the heat and buildings sector specifically. As the Minister said, we have some mature schemes that are already disbursing funds. The office will work in a slightly different way with different teams in the Department, depending on the maturity of the skills function within each sector team. It is definitely something the office looks at in terms of data and will be considered as both part of the clean energy workforce strategy and, as the Minister said, the warm homes plan after that.

Q223 Chair: How will the warm homes plan link into the skills agenda?

Sarah Jones: The warm homes plan is fulfilling our mission to upgrade 5 million homes. Obviously you cannot do that without the people to do it. A lot of the funding mechanisms incentivise people either to make the choice to do whatever it is we are offering or to get the training so we



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have the right skilled roles. A lot of that funding pot sits within the warm homes plan.

Q224 **Melanie Onn:** I want to follow up on the OCEJ. Should we be concerned that the Federation of Master Builders does not feel familiar with that group within the Department?

Sarah Jones: I saw that, and having met him several times, I felt I had let the side down by not talking enough about this. I do not think it is the end of the world at all. When it comes to construction, and I am the Construction Minister in DBT, there is an even bigger plethora of organisations, bodies, training providers and set-ups that we have to navigate. I will talk to them about what the Office for Clean Energy Jobs does.

Q225 **Melanie Onn:** It will not just be that organisation. There may well be others that have latterly heard about it, now that it is starting to get out there, and thinking, "Well, what does it do? Where do I fit into this? Have they got all the data that my organisation can provide to aid some of the analysis work that is being undertaken?"

Sarah Jones: Yes, for sure. You do not want organisations to have to feed into multiple different bits of Government. They will definitely be feeding into Skills England, they will have provided that information, they will be working with the Construction Leadership Council, they will be working with other bodies, so I do not want to tell everybody that they all have to come and talk to the Office for Clean Energy Jobs.

On the flip side of that, we have done a lot of outreach, particularly with trade unions, because we are very interested in what good quality jobs are. When you are talking about things like the transition, it is really important to have trade unions in the room. We have talked to a lot of industry, we have talked to a lot of trade unions and we are doing that outreach, but we will not have talked to every single person.

Q226 **Mike Reader:** This is a question for Hugo. Anecdotally, through lots of discussions and a bit in this Committee, I have heard a frustration from industry that there is a lot of consultation and they provide a lot of information again and again. You touched on this a bit, Minister. They have consulted on the industrial strategy, which asked about skills, and the warm homes plan consultation asked about skills. It sounds like the Office for Clean Energy Jobs is going to ask about skills. Skills England has asked about skills. And before this new Government, there was years of engagement with industry on what skills we need. Does the Department not have enough data to get on and publish the workforce strategy? What more does it need from industry? If you keep asking, they will just give up.

Hugo Jones: That is exactly why, as the Minister said, we are looking to publish the workforce strategy as soon as possible, and that is a consistent message that we have had through industry as well. Publishing the data that we published in the clean power action plan annexe in



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December was our attempt to make sure that we were showing industry that we were engaging with them and that we were keen to move on to the next stage of the conversation about what we actually need to do as a result.

One thing we are also trying to do to reduce the burden on industry is that when there is reporting, for example, into Skills England, we are making sure that the information we and Skills England are asking for is aligned, and when they are doing industry engagement, officials from the Office for Clean Energy Jobs join that, so we have a single conversation.

I definitely would not say it is perfect, but we are aware it is an issue, and hopefully the strategy will address that shortly.

Q227 Mike Reader: What do you need to finish the workforce plan? Do you still need more data to finish this plan? You are not sure when it is going to be published. What is the piece of the puzzle you are missing to finish it?

Sarah Jones: The spending review. The workforce plan has to sit within the wider skills agenda. A lot of work, whether on FE college funding, apprenticeship levies or the funding that might be available for wider schemes, relies on that spending review. We want to get this done, and we will get it done because the opportunity of the clean energy transition and the jobs and skills that can come with that across the whole country is too important not to do this.

Q228 Chair: As with any Minister giving evidence to a Select Committee at the moment, we should be saying that you should come back after the spending review and see what your answers are then. Failing that, perhaps you will write to us at that point.

Minister, you spoke about employees who want to work in clean energy when Torcuil Crichton asked about Grangemouth. What is your message to people who do not want to work in clean energy?

Sarah Jones: They do not have to. I am not going to force them. You had some really interesting conversations about the definitions of clean energy, green jobs and all of this, which you might want to talk about a bit further down the line. The trade union view is that we need to be providing good jobs. If you look at the jobs in clean energy, they tend to be well paid—higher than average. They are growing in number. We know that the number of jobs in clean energy has grown much faster than the wider economy. There are huge opportunities here. There is a huge, diverse range of jobs that people could get involved in.

There is some evidence that younger people, in particular, like the idea of working in a green job or something that has a mission they understand, where there is a wider goal. There are lots of advantages of working in this sector, but there are multiple jobs that are very different—from managers to welders and engineers, and everything in between.



Q229 **Chair:** There are people who want to stay working in oil and gas. What is your message to them?

Sarah Jones: We know the North Sea is a declining basin, and we have lost 70,000 jobs over recent years. With the best will in the world, even if there was no climate change and we were not trying to make a transition, the number of jobs would decline over time just because the oil and gas in the basin is declining. We know we need to make that transition.

There will, of course, be people working in oil and gas who are perfectly willing to work in other countries, but we want to keep them here and we want to help and support them into other roles. I know there are challenges that come with that, which is why we have set up the passport scheme to make it easier for people to understand, navigate and do the minimal amount of retraining needed to get them into an offshore wind job, for example, where the skills mix and the competencies are very similar. It is a very similar role.

Q230 **Ms Polly Billington:** I was just going to follow up on that. We have taken evidence from trade unions and others that comparable jobs in the offshore wind industry are paid less well than the ones in oil and gas, which is obviously contributing to some of the challenges around the transition. What do you see as the Government's role in workforce planning to change that to create the incentives to shift?

Sarah Jones: That is the reality, you are absolutely right. There is a £70,000 average for oil and gas, £50,000 average for offshore wind. There is a gap there. Nobody is going to make a decision other than to take the higher salary, you would think.

Of course, we are working on that with trade unions and others. We are working on the quality of those jobs, trade union recognition, and rights. There are particular and peculiar issues, which I know you touched on, that we are trying to sort out, but we will need legislation, in terms of people's right to minimum wage if they are more than 12 miles offshore. That is a slightly niche issue. We are looking at how we make those jobs more attractive, more appealing, better-quality jobs, and how we help people who want to transition by minimising the amount of retraining they have to do. A lot of jobs in other clean energy sectors pay more than the local average for other roles, but you are right, there is a challenge, and we cannot force people to make that change.

We have to make these jobs as attractive, as satisfying and as secure as possible. The Government's long-term planning through the contracts for difference, the strategies, the clean energy action plan and all these things give people certainty that, if they make that leap, there is a job for 10, 15, 20 years. They are not taking a risk, but it is a real challenge.

Q231 **Claire Young:** Minister, I want to talk about regional and local labour supply, skills and planning. We know about the warm homes skills programme in England, which is over a relatively short timescale and is



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allocated by way of competition. There is a question about whether that is the right way to get the skills in the different regions.

Are the Government considering pooling skills funding into larger pots over longer timeframes to boost local take-up?

Sarah Jones: A lot of this will come out in the skills strategy, Skills England and the decisions that are made in other Departments, but there are things you could do. Just as an example, in the £625 million construction fund there is a pot for big schemes that could support a big project if an employer comes along with a big plan—that has lots of elements that will help all parts of the country. There are also the 10 technical excellence colleges. You can mix and match in terms of how you provide funding or support.

Q232 Claire Young: Have you considered reviewing how the apprenticeship levy works so that the unused money stays within an area? At the moment that is returned to the Treasury, isn't it?

Sarah Jones: Yes. The apprenticeship levy sits with DfE, so the decisions will be made there, but we have obviously had lots of conversations. We have already seen it reformed to have shorter programmes, to have different criteria in terms of maths and English so that more people can go into it. What we are interested in, and we are talking to them about this in particular, is this transition piece and the fact that most people that we need for 2030 are already in the workforce. How do we get them from one role into another with a little segment of apprenticeship or training to get them across? We are talking in particular about that, but the wider decisions about how the apprenticeship levy will be funded are for DfE.

Q233 Claire Young: We have heard in the evidence that has been presented to us that some companies would like more modular skills programmes that can be more tailored to their needs, whereas from the employee's point of view you still want to ensure that you have national portability. Are the Government considering supporting education providers to provide more tailored content to local and regional needs without risking that national portability.

Sarah Jones: Again, the modular decisions on apprenticeships will sit with DfE but, of course, we are feeding into that. We want employers to be able to get the skills they need, and we want them to have the flexibility to be able to do that. You can, through the current apprenticeship system, design new apprenticeship schemes. There was one designed on heat pumps, for example—a new definition. We are working in other sectors to design new schemes and new apprenticeships. You can do that, and there are some areas where that works unbelievably well. In the nuclear industry, employers and colleges work really closely together. It has worked, so we need to do more of that. The final decisions on a lot of those will be made by the DfE.

Q234 Claire Young: Have you been working with the DfE on trying to map out



those areas where you have commonality between different sectors and the skills they need, and then identifying the add-on skills that particular technologies require?

Sarah Jones: Yes, there is a lot of commonality between different sectors, if you look at what we will need for the eight industrial strategy sectors and construction on top of that. There is huge commonality, and we are trying to work out what that means, so the construction that we need for clean energy and then the construction that we need for 1.5 million homes. What does that mean? Where do we get it from, and who needs the extra training? Those are exactly the things that we are working through in the workforce plan.

Q235 **Claire Young:** Finally, are the Government considering allocating additional funding to enable employers to provide more real-world experience in training?

Sarah Jones: Definitely. Real-world experience is important. I know I keep talking about construction, but it is because I spend quite a lot of time on it. In the construction plan, part of that £620 million is to fund 60,000 placements. One of the challenges with construction training that you talked about in the previous session is that a lot of people go into training and do not complete it or do not go on to work in construction. If we can get the placements, people will understand what the role is. They can have more understanding and more experience, which is good for making sure they enter construction afterwards.

Q236 **Mike Reader:** On the balance of skills that some of the large energy projects will need and then the skills for warm homes, do you think the training environment is agile enough to support people moving between those different sectors in the overall realm of clean energy?

Sarah Jones: I do not think it is agile enough yet. That is what we need to do and that is the point of Skills England and the workforce plan. The scale and the pace of the skills demand for clean energy is relatively unprecedented. You talked about the 1970s gas transition in one of your earlier sessions, and you could look at some of the digital transition, but this is quite significant. We know that we need to train a lot of people pretty quickly in order to reach the 2030 target. That is why we are stepping up all this work, that is why we are doing the workforce plan, and that is why we are working so closely with industry to make this better.

Q237 **Mike Reader:** We have heard—and correct me if I am wrong—that we need imported labour to deliver Clean Power 2030. I think that is what you alluded to. What other policies that you may not have talked about so far do the Government have in place to ensure that we have home-grown talent delivering this in future?

Sarah Jones: The migration White Paper has said that skilled jobs basically have to come in at a degree level. If a person wants to come in at a lower-level job, they can do it in one of the industrial sector groups,



but there has to be a workforce plan. We have to prove that we are doing all these things. We have to prove that we are putting in place all the roles to deliver good jobs here in the UK, whether that is delivering the jobs themselves—so things like the clean industry bonus to give people an incentive to have their supply chains here in the UK—or whether it is delivering the training through all the different schemes we are looking at and all the different work going on across Government. We definitely need to do more of that.

The reality is that we have had a quadrupling of migration, net migration, since 2019, but the number of people in training has gone down, the number of apprenticeships has gone down, the amount of money we are spending on FE has gone down, so we want to reverse that. That is the aim.

Q238 Mike Reader: It will be a long-term reversal, which is understandable. In the short term, Clean Power 2030 will deliver a whole grid upgrade involving earthworks and non-degree labour that, I guess, will come from a migrant, imported labour market.

Sarah Jones: At the moment you have people like welders and engineers coming in from other countries, and we do not have enough training courses and training provision for those. Through the spending review I would hope we get to a point where we are able to fund more of those here. There is also a role for communications in trying to encourage people to go into these industries, whether that is from school or later on in life. There is a big job to be done of, "This is a really exciting transition to get involved in. You can have a long-term, secure and well-paid job. Come and have a look."

Q239 Bradley Thomas: Do you believe that the current timeframe to make the power grid 95% carbon neutral by 2030 is encouraging the Government to import more tech, including from China? And do you think a slowing of that pace would be beneficial for us in the long term, not just in upskilling our own workforce but in bolstering our domestic industrial capacity?

Sarah Jones: We are already importing a lot from China, and that was the case before we got into government. We are trying to encourage manufacturing here in the UK, and we have a number of provisions to try to do that. For example, we have just announced £300 million that will be spent in the wind sector to encourage supply chains here in the UK. We have announced the clean industry bonus, under which people will benefit from setting up their supply chain here.

I do not think the answer is to say, "Let's not do the thing that we all agree we want to do and can provide loads of jobs and opportunities for people across the country." The answer is to go faster in trying to deliver more of it here in the UK.

Q240 Mike Reader: To come at this from a different approach, what role can



technology and modernised delivery methods play in reducing manual labour demands?

Sarah Jones: You are the expert, so I should ask you this question. Modern methods of construction, new technology and AI could all change the nature of the jobs that people will be doing in the future. Of course, new technology in repairs and in doing all kinds of things, whether in floating offshore wind, solar or every other sector, is going to make a huge difference. One of the skill mixes that we know we are going to need more of is people who understand digitisation. We will be creating jobs in new areas but, of course, it is a core part of all of this.

Q241 **Mike Reader:** What is DESNZ specifically doing to engage with your supply chain on that and encourage it to adopt modern delivery methods? As you say, offsite construction manufacturing will smooth the transition and reduce the need for overseas labour.

Sarah Jones: There are specific examples in some of the procurement requirements around some of the big Government construction contracts, which we have probably talked about before. If you ask people to reduce their carbon footprint in a big construction project, what tends to happen is that they use more modern methods of construction, more IT and more sophisticated means. It encourages them to do that. We are seeing that a bit in house building as well.

In terms of the Office for Clean Energy Jobs and our work in this space, I do not know if Hugo has anything to add.

Hugo Jones: One of the only things I would highlight is that the Treasury has commissioned a technology adoption review alongside the industrial strategy, which will be looking at exactly that and how we can spread the roll-out of innovative technologies. We are looking at that across workforce issues as well, including through our industry engagement, so we will be considering it in the clean energy industry sector plan through the industrial strategy.

Q242 **Chair:** Minister, I think I heard you right. You briefly talked about the supply chain of materials as well as labour. At the energy security summit at Lancaster House, Ursula von der Leyen was talking about the European Union's relationship with Africa as an alternative source of materials. Is this something that DESNZ is considering?

Sarah Jones: The clean power alliance that Ed Miliband is setting up with David Lammy is looking at all these issues across different countries. Somewhere between 15 and 20 countries have said they want to be involved in this alliance. It is looking at supply chains. So how do we increase supply chains in our own country, and how do we make sure we get the supply chains we need from our allies? It is a big piece of the work that I am doing on the critical minerals strategy as well. We are writing a new critical minerals strategy, and a lot of that is about which countries we want to work with more or work with less, and about how we do that.



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Q243 Sir Christopher Chope: More than 85% of the construction industry workforce is male, and obviously that means there is a great pool of unexploited talent waiting to be recruited or trained. What are you doing to draw that talent into the construction industry, and specifically into helping meet your clean energy targets?

Sarah Jones: That is a good question, and it is not just the construction industry. The energy industry more widely is very male dominated at all levels as well. There are a few projects, mostly run by industry themselves, to try to encourage more women into the workforce across all the different sectors. In construction, the Construction Leadership Council looks at this; in energy, you have the Powerful Women network trying to push this. We recently brought a lot of those organisations together to look at what more Government could do. I think Government could do more in this space, as I think there is more work to be done. There is definitely a convening role to bring all these organisations together.

There is genuinely something about getting people out into placements, because if you are going into modern methods of construction, it is not the same thing that people might perceive it to be—a building site and people whistling. The world has moved on, and a lot of construction is about the digital stuff that we were just talking about or in factories where they are making the parts of a house. It is different: it is more about IT and different skills that would be attractive to women. We need to show people what these new jobs are because—

Q244 Sir Christopher Chope: Is this going to feature in the Government's workforce plan? You have said that the private sector is doing this, but if the Government want to interfere in this market, which they seem to want to do, will they interfere in it positively by promoting the attraction of these occupations to women?

Sarah Jones: We will be positively promoting it to all different kinds of sectors—people from ethnic minorities are also very low in numbers. I have talked to quite a lot of construction leaders about how they are looking to do this. I do not think there will be a big, "Here is £10 million, we are going to use it to try to encourage women into construction." I do not think it will be like that, but it will be, "There is a challenge here. Here are some levers that we can pull to try to fix it." We need more people in construction, and hardly any women work in construction. We should be doing something to use that talent pool.

Q245 Sir Christopher Chope: Will you be recruiting people who are not currently working? A lot of the emphasis so far seems to be on people switching from one sector to another, but there is a large number of people who are not working at all. The Government are saying they want to attract those people into becoming carers in the care sector. What priority do the Government give to attracting those people into the construction industry, compared with attracting them into the care sector?



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Sarah Jones: That is a very good question. We are working with DWP on what more we can do to try to flip it so that local jobcentres are working to get people into a career rather than any job—a switch to focusing on getting people into a job that they will keep, that will be a career, that will be good for them. We are working with them on clean energy across the board, and that would include construction, on what more we can do to get employers to work with jobcentres and maybe even have a target where it wants to try to get X number of people into these industries. We are working on that through the DWP.

Chair: Thanks very much. I do not know whether you have managed to convert Sir Christopher into an advocate for the industrial strategy and partnership, and intervention from Government, but time will tell.

Q246 **Mike Reader:** Minister, I will give you a bit of a break. Hugo, I have a couple of questions for you. How do you see the responsibilities of the Office for Clean Energy Jobs and Skills England interacting to attract people into the sector, set career pathways and make sure training is adequate not just for now but for the future?

Hugo Jones: Skills England is obviously looking at a whole economy level and I think that is massively valuable for us, because a worst case to the Office for Clean Energy Jobs would be that we do a lot of work on occupations, such as electricians, and then find out that, across Government, we are effectively competing for the same roles without that cross-cutting perspective. Skills England is there to provide that overarching framework and then increasingly to take on a role doing some of the standard-setting work, such as on apprenticeships, that IfATE used to do.

Within that system we see the Office for Clean Energy Jobs as a strategic convener and co-ordinator. We should be a place where industry knows they can come and engage with DESNZ on how skills are being considered in all our different sector programmes. We are then a conduit and an advocate in that wider Skills England process for how we should be considering clean energy jobs. As the Minister said, on specific issues, such as diversity in the workforce or unblocking issues with specific elements of the workforce, DESNZ can lean in more via the Office for Clean Energy Jobs.

It is very much a whole of Government effort. Skills England is a co-ordinator for the system as a whole, and the Office for Clean Energy Jobs is a co-ordinator for the clean energy elements within that.

Q247 **Mike Reader:** What about retention? We talked a lot about bringing people in, whether that is getting people to transition or getting new people in. What work are you doing to make sure we keep those people in the clean energy sector in the long term?

Hugo Jones: Again, it comes back to what the Minister said about the quality of work agenda in the clean energy workforce strategy, so not just thinking about the creation and sustaining of jobs but of good jobs that



are actually attractive for people to do. Clearly within the energy sector we have a lot of very long-term contracts, given the nature of the work. We should be able to find a way to have good, sustainable, long-term jobs. As a sector, it is definitely something that we will be looking to address in the workforce strategy.

Q248 Mike Reader: How do you ensure that young people are trained not just in the roles and tasks we have now but in the digital and technical competencies we will need in the future?

Hugo Jones: As you will know, the Government are undertaking a curriculum and assessment review at the moment, led under DfE, which is looking at exactly that question, among others. In the initial report that came out earlier this year, one of the four strategic themes was adapting to the future, which included both digital tech and climate change. The full review will be coming out later this year, but I am afraid I am not exactly sure on timings. We are working closely both with the review team and DfE officials on the overlaps with the clean energy sector.

Q249 Mike Reader: Minister, do you think it would be more effective to increase funding for colleges, or should there be more funding targeted directly at employer-led training through SMEs?

Sarah Jones: We are coming from quite a low base in terms of funding across the board, and we are not going to fix it overnight. There are clearly challenges with colleges. How much you can pay people to train, for example, is one of the big challenges we have. The facilities they have are another. Clearly there is a good argument. There is also an argument for prioritising what training you need, over what you do not need, within the funding envelope that you have.

We need to be doing more with SMEs. Obviously, if you are an SME and you are taking on apprenticeships, the cost is covered but there are lots of barriers. A lot of them speak to the issues of whether this is going to be worth their while in the long term. "Is there a job here for me and whoever I am employing over the next however many years?"

The industrial strategy, the infrastructure strategy, all of these things that give certainty to people on where our industry is going can help build up those things as well as funding.

Mike Reader: Minister, if you want to pop up to Northampton, we have an amazing clean skills training at Northampton College, with industry and FE working together. You are always more than welcome to pop up and see that.

Chair: That gives me the opportunity to thank you for making the case for what is going on in the Liverpool city region with the mayor. Other people will make the case for their areas.

Q250 Melanie Onn: I want to talk about how we support workforces moving from one sector to another, particularly coming from high-carbon sectors.



What role do the Government see themselves having in trying to simplify what is a very overcomplicated landscape when it comes to the accreditation and transferability of skills? Having looked very closely at the GWO and how offshore oil workers might transition more easily into offshore wind, I know it is not straightforward.

Sarah Jones: From your previous role, you probably know more about this than I do. We have gone through a process with the passport, and we are testing it at the moment. We have a structure that 380 people have used—they have logged on and interacted with the passport system. What is complicated is not just the front end but how you align those skills and that training. As you say, it is complicated because the oil and gas sector has its UK skills and training, but the wind sector has a more global system based in Denmark. There are real challenges, and it has been quite a challenging process.

The Government getting involved has helped. We will need to keep being involved in the next iteration, because the principle behind it, where up to 90% of skills are transferable, is the right one, even though it is way harder than it should be. The Government should be in that space, we need to be in that space and we will carry on being in that space. But it can be quite challenging when you have global training schemes versus local training schemes.

Q251 **Melanie Onn:** Do you think that the Government will be expanding and developing further skills passports to try to support successful transitions from traditional industries?

Sarah Jones: Yes, we are working with them on the next iteration. We want to expand it so that it can cover different sectors.

Q252 **Melanie Onn:** Talking about gas fitters moving into air-source heat pumps.

Sarah Jones: The challenges there are different because the training is quite easy—you just need a week's training and you can do it. The challenge there is that if Bosch or somebody else gives you an incentive to put gas boilers into people's homes and you are retiring in five years' time, why would you want to change?

The challenges there are different. We need to provide incentives for people to do the training, and then we need to provide incentives for people to actually want a heat pump. The challenges in each sector are different. The specific challenge of moving from oil and gas to wind is a very particular one where the competencies are the same but all the accreditations are completely different.

Q253 **Melanie Onn:** Hugo, what evidence does the Department have to demonstrate that workers are moving across to low-carbon jobs at the pace that is required?



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Hugo Jones: The evidence that we have published so far is in the annexe to the clean power action plan, which I referenced earlier. In that there is some heat map analysis of different sectors and the degree of skills transferability between them. Our data on actual movements of workers from one sector to another is, at the moment, quite reliant on industry and industry body engagement. I am not exactly sure where we will end up on the strategy and the level of detail that we are able to publish, but it is definitely something that we are looking at and working to improve our data on.

Q254 **Melanie Onn:** We do not know and we are not sure that we will know, is that right?

Sarah Jones: We know some things more anecdotally than other things. Some things are based on evidence from employers rather than statistics, but for the workforce plan we will ensure we get the best data that we possibly can within the time that we are going to be doing this.

Q255 **Chair:** Sorry to interrupt. We heard a story about the accreditation needed to put on a lifejacket. You need different accreditation in different sectors for doing exactly the same thing with exactly the same item. It does rather suggest some of this might be rather easier than others to sort out.

Sarah Jones: That is oil and gas versus offshore wind. It speaks to the challenge that some of the training is global and some of it is local, and we just have to—

Q256 **Chair:** Are you looking for quick wins?

Sarah Jones: Yes, when I heard that it did seem quite extraordinary.

Q257 **Melanie Onn:** Do you think the Government are confident that they can meet the challenge of matching up so many different skills, organisations and people?

Sarah Jones: It is a challenging landscape. I am confident we can significantly improve it. Just having Skills England, having a workforce plan for clean energy, having the interventions that are very clearly based around skills will make a big difference. I am absolutely sure of that. It is Government doing what they should be doing, and you could argue that other Governments do better. Germany is often cited. The EU is doing some work on this that we are watching. We should be better than we are.

The idea that you have a system that is entirely market-driven that leads to, as you heard in the evidence sessions, multiple courses on things that we do not actually need jobs for in the future is crazy. An employer, of course, will focus on what they need right now; they will not focus on what we are going to need in 10 years' time, and that is where Government can also make a difference.

Q258 **Melanie Onn:** Do you think the Government intend to develop the level



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of engagement and collaboration with industry, trade unions and education to plan the workforce, or is it now about focusing on delivery?

Sarah Jones: There is a lot of planning going on now, and I think everybody will get to the point where they say, quite rightly, we need the delivery. We are through the passport, through the regional pilots that we are running, through lots of other interventions, doing things already but, yes, it is no doubt the case that the spending review and the decisions that are made there will lead to the delivery phase for a lot of this work.

Q259 **Melanie Onn:** In terms of that future delivery, how will the Government be helping this Committee and others, which I am sure will be looking very closely, to monitor the success of that delivery rate?

Sarah Jones: In terms of the reports and the information that we will be putting into the public domain, yes, that is a good question. I am sure we will be doing regular updates. I am very happy to come to the Committee at any point to talk about progress. I do not know whether we have thought yet about regular reporting.

Hugo Jones: The clean energy workforce strategy specifically will set out some metrics on which we think the strategy should be assessed against. Skills England will also be publishing an annual or perhaps biannual report on occupations and skills across all sectors, including clean energy.

As the Minister said, I do not think we have quite made a decision yet on future reporting after the workforce strategy on the clean energy side specifically.

Q260 **Bradley Thomas:** On 19 March, the Scottish Affairs Committee held a session on energy and net zero transition. They met various union leaders from GMB, Prospect and Unite. Those union leaders were quite concerned about the running of wind farms being much less labour-intensive than oil and gas, and they felt that there was an enviable number of jobs in the traditional sector and that net jobs would therefore reduce. I think it was Ian Perth from Prospect who said, and I quote his words, "It is a real problem, of course wind farms are staffed in a different way that is not as labour-intensive." Do you believe that clean industries can replace the number of jobs that are currently employed in oil and gas?

Sarah Jones: Yes, I do. It depends what definition you use, green jobs or clean energy jobs, but there are currently 640,000 green jobs. That is everything from renewables to electric vehicles to nature jobs. In terms of clean energy jobs, there are currently 270,000 people working in those roles. That number increased by 27% in two years, so the growth is very significant. There are about 121,000 people working in oil and gas—a much smaller number are direct, and the others are indirect. There are about 36,000 direct, and that number is going down.

There are lots of new technologies and lots of new jobs where we need fewer people to do the manufacturing element of it. If you look at the



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automotive industry or steel, for example, the number of people you need has reduced massively over the years, and that comes with new technology. But the quantity of jobs, whether you look at green jobs or clean energy jobs, whichever definition you look at, is increasing, and the proportion is increasing faster than the rest of the economy. There is huge potential, but we need to get the transition right. We work really closely with Prospect, Unite and GMB on all these things, and they will push us as hard as they should, quite rightly, to make sure we get that transition right, because it is not easy.

Q261 Bradley Thomas: For somewhere like Aberdeen where there is currently a large cluster of energy-based jobs, are you confident that, on a like-for-like basis, Aberdeen would be able to retain a similar number of clean energy-related jobs as it has today to support fossil fuels?

Sarah Jones: I could not give you that exact number. I know that we are interested and investing in Aberdeen. Great British Energy is based there, and jobs will come from that. For Scotland more widely, there is understandably huge interest—whether it is Grangemouth and the challenges we have there, or whether it is the transition from oil and gas—in ensuring that people can be in good jobs. There is huge growth from clean energy, and there are other things as well that we will want to support.

Q262 Chair: How many people are going to be working for GB Energy in Aberdeen?

Sarah Jones: I could not tell you, I think it is a few hundred, but I could write to you. Obviously, the work that GB Energy does is much more significant in the number of jobs that it creates because it invests in doing things.

Q263 Bradley Thomas: Would you expect those to be based in Aberdeen?

Sarah Jones: The GB Energy headquarters is in Aberdeen, but that is not a few hundred, I can write to tell you what the number is. I cannot tell you exactly how many jobs are going to be in Aberdeen over a certain period of time, but I get the point you are making.

Q264 Chair: The wider point is that there are 70,000 jobs in and around Aberdeen now. What is the equivalent going to be?

Sarah Jones: Yes. I cannot give you that answer. Michael Shanks was in Scotland yesterday announcing 1,000 jobs in floating offshore wind. Overall, the number of jobs is increasing significantly, but we will see where they are all going to end up. Through things like the clean industry bonus, we are trying to make sure as many jobs as possible are here in the UK.

Torcuil Crichton: There will be a number on the west coast, I hope.

Q265 Claire Young: Do the Government intend to expand conditionality, such as in large projects or the clean industry bonus, to drive demand for skills



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and well-paid jobs? There is a public procurement aspect here also.

Sarah Jones: Yes, procurement has an important role to play here. The procurement rules already say that you can use skills as a requirement. In the new procurement rules that we have brought in since coming into government, you can look at the quality of jobs as well as skills, so that is good.

The clean industry bonus, which is for offshore wind and floating offshore wind this year, will expand next year to wind. It is basically encouraging people to put their supply chains, by and large, in the UK. They will be creating jobs in the UK. There is not a skills element to that; it is about creating the jobs themselves. However, through procurement and other methods, we have some of those levers.

Q266 **Claire Young:** Given the small size of most enterprises in construction and the focus of many of them on the owner-occupied sector, are the Government confident that public procurement can drive demand for skills?

Sarah Jones: It has a role to play. On the clean industry bonus, what I did not say is that we are looking at whether we can put skills as part of the criteria for later iterations. The Office for Clean Energy Jobs is working on that with the team who are doing the clean industry bonus.

On the Procurement Act, you can put criteria in about fair work and about skills. This Government are a lot more focused on procurement and what we can do with that. I was giving evidence to another Committee last week on modern slavery, and you can now use the procurement regime to debar companies where there is evidence they are involved in modern slavery. We need to use our procurement provisions to make sure we are building more within the law in the UK. People are very interested in things like steel. How do we make sure we use procurement to make sure we are using British steel? Procurement can do some work for you in this space.

Q267 **Claire Young:** Should the Government give local authorities more of a role and more support in driving demand for skills by leading on retrofit programmes?

Sarah Jones: Obviously we have the LSIP model for skills provision. With retrofit and the powers they have, I do not know whether Hugo has anything.

Hugo Jones: I am afraid not. We are looking at models, if you mean the wider devolution of retrofit settlements to MSAs. I know the Department is considering that, but I do not have detail on it, I am afraid.

Sarah Jones: It would be part of the warm homes plan that Miatta is bringing in just after the spending review.

Q268 **Chair:** Some of the evidence we heard, in fact the evidence from Your



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Energy Your Way, was that the emphasis on skills funding is always about college courses or sitting in a classroom rather than support for training people on the job. Is that something you are going to change?

Sarah Jones: Yes, one element of the work we have done on construction is funding the 60,000 placements, because I think that is really important to making sure people are trained properly and to making sure they understand what the job is. They are then more likely to want to go and do it in the future. There are a lot of different schemes to enable and support placements that we should be encouraging.

There is obviously existing provision—T-levels and apprenticeships—where there are placements and training but, yes, I think it is—

Q269 **Chair:** Have you come across good practice that you think should be shared?

Sarah Jones: Do I have a good example of good practice? I do not know if I have a particular one. I can let you know if I think of one.

Q270 **Chair:** You are looking for it, okay. Without pre-empting the spending review—you have made it fairly clear that is your defence at the moment—can you say, in broad terms, whether you think there is going to be a need to increase funding or training if the Government are to hit their Clean Power 2030 target and, indeed, the decarbonisation of buildings by 2050?

Sarah Jones: Obviously, with the spending review, I do not know where it is going to land. Is it more of a priority for this Government than the last? Yes. Is it absolutely crucial to delivering 2030? Yes. In the industrial strategy, the top three things across the board that all industry raised were skills, energy prices and access to finance. It is one of the most challenging areas, but it is one that we absolutely have to get right. Whether it is tilting the funding that we have, increasing the funding, new provisions or more flexibilities, all of it is part of what we are looking at.

Q271 **Chair:** There is a lot of emphasis on boosting consumer demand—the warm homes plan is a prime example of this—and increasing the roll-out of heat pumps, increasing the take-up of electric vehicles and more besides. Does the balance need to change between investing in boosting consumer demand and directly addressing the skills supply that will be needed to meet that consumer demand?

Sarah Jones: Yes, you need both. In my automotive role in DBT, we are working on the consumer demand signals we can put out to encourage people to buy. It is the same with heat pumps. At the moment you can get £7,500 off, but we know the cost is higher than that. That is prohibitive for a lot of people. I know Miatta is looking at whether there are different forms of funding and support we can provide, different things we can do, to get that consumer demand, without which there is no point doing the training because you will not get the people.



Q272 **Chair:** We have had a lot of evidence in all of our inquiries that bringing down the price of electricity by moving the policy costs is a very important part of improving consumer demand. What is your view?

Sarah Jones: Do I think electricity prices are very high? Yes, of course they are. There is a range of things we can do about that, and the push to clean power by 2030 is the biggest intervention.

Chair: That is five years away.

Sarah Jones: It is five years away. Is it the biggest thing that people raise with us? Yes, it is. Are we working, through the spending review, on things that we could possibly do in this space? Yes, we are.

Q273 **Chair:** Do you think confidence can be raised across industry so that we can sustain the public funding being aimed at consumer demand rather than increased supply of skills? Do you think that is possible?

Sarah Jones: Public confidence from employers, do you mean?

Chair: From industry investing in the workforce.

Sarah Jones: Well, £43 billion of investment in clean energy has been promised since last July. This is a confident, growing sector that is doing good things. There are some examples of great practice around skills, but across all sectors we know that the level of funding that employers put into skills is lower than it needs to be, and we need to raise that. But we need to make sure people have the incentives to do that.

Q274 **Chair:** As you are here, and as the Industry Minister, you mentioned the cost of energy and how critical it is for domestic and industrial users. There is some support for energy-intensive industry from Government. A concern raised with me is that it does not apply to all of industry. It does not apply so much for gas users, and it does not apply in the ceramics industry, in particular. Is this something you are looking at?

Sarah Jones: Yes. It is not uncommon to be talking about ceramics in quite a lot of the meetings I attend, so I am glad we have talked about it here as well. We have some very good campaigners on this front, MPs in particular, but, yes, this is a particular challenge. Because they are gas-intensive, they do not get the support that others get. It is quite a difficult challenge, but we are working with them and meeting regularly with the industry to see what we can do.

Q275 **Chair:** What can you do?

Sarah Jones: Again, all these things are subject to decisions in the spending review—I am so sorry—in terms of what can be done. Ceramics UK has a long list of things it would like to be done. We are working through all of them and seeing what we can do with the art of the possible.

Q276 **Chair:** As part of the industrial strategy, do you see the importance of the ceramics industry in the UK alongside other core and foundation



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industries?

Sarah Jones: Yes, the eight growth-driving sectors cannot function without the foundation industries. The world is changing, so we need to be more secure, we need to make sure we are providing as much as we can in the UK, we want to reverse the decline of manufacturing. All of these things are true so, yes, the foundation industries are very important.

Chair: Energy prices are at the heart of that.

Sarah Jones: Yes.

Chair: Thank you very much indeed, Minister and Hugo Jones, for your evidence today. That finishes our session.