



Social Mobility Policy Committee

Uncorrected oral evidence: Ministers' session

Thursday 17 July 2025

10.05 am

Watch the meeting

Members present: Lord Ravensdale (The Chair); Baroness Blower; Lord Evans of Rainow; Baroness Garden of Frognal; Lord Harlech; Baroness Hussein-Ece; Lord Johnson of Marylebone; The Lord Bishop of Lincoln; Baroness Ramsey of Wall Heath; Lord Watts; Lord Young of Cookham.

Evidence Session No. 14

Heard in Public

Questions 174 - 187

Witnesses

I: The Rt Hon Baroness Smith of Malvern, Minister for Skills, Department for Education; Alison McGovern MP, Minister for Employment, Department for Work and Pensions.

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Examination of witnesses

Baroness Smith of Malvern and Alison McGovern.

Q174 **The Chair:** Good morning, everyone, and welcome to our final evidence session of the Social Mobility Policy Committee. We are delighted to be joined today by two Ministers. Of course, social mobility is fundamentally cross-cutting, so it is great to have the two key departments, DWP and DfE, here today. Thank you very much for your time today in speaking to the committee. We are very grateful.

My name is Daniel Ravensdale. I am standing in for our chair, Baroness Manningham-Buller, who sends her apologies today. She had a very long-standing commitment and is sorry that she could not join us. I will not introduce each member of the committee individually. You can see their names around the room. For the benefit of those watching online, could you introduce yourselves and also describe the role of your department in relation to social mobility?

Baroness Smith of Malvern: My name is Jacqui Smith. I am the Minister for Skills in the Department for Education. The key role that we play in the department is with respect to the leadership of the opportunity mission across government. The opportunity mission has the objective of breaking the link between young people's backgrounds and their future success by tackling child poverty across the pillars of the mission, ensuring that all children have safe and loving homes, get the best start in life and are able to achieve and thrive in school, developing the skills to succeed in life. It is our role in all the things that fall under that, as well as our cross-government working, which is our main contribution to the work that this committee is considering in this inquiry.

Alison McGovern: I am Alison McGovern. I am the Member of Parliament for Birkenhead and the Minister for Employment in the Department for Work and Pensions. DWP supports the Department for Education in the opportunity mission. We have particular responsibility for young people and their route into work—those who are receiving universal credit, and also through our wider work for those who are not in employment, education or training.

Q175 **The Lord Bishop of Lincoln:** I have a DWP question, if I may. The Government announced at the end of last month that they are fast-tracking a £1 billion support plan to get people into work. Could you describe what that money will be spent on? How will it increase social mobility?

Alison McGovern: That is a really important question. The spending review set out a plan to spend nearly £4 billion on our overall public employment service, which includes the jobcentre service that we are currently changing quite a bit. The £1 billion of employment support is for what we call pathways to work support, which is the plan that we published in the Green Paper, designed to build out from that jobs and careers service with a number of programmes and schemes that help

people to stay in work if they have a health condition, and also to receive intensive personal support if they have had significant challenges.

With the Department of Health, we support a programme called WorkWell which, through the NHS, offers people therapy and support to stay in work and to move closer to being in work. That programme is already working in 15 areas, and we are in the process of rolling that out. Connect to work is, as I mentioned, our intensive personal support that we have commissioned with local authorities as part of pathways to work.

The connect to work programme is a kind of employment support that has been trialled many times and which we know works. It supports people who are quite far from the labour market and have perhaps experienced a significant period out of work and perhaps a really bad period of ill health. It offers people coaching before they think about moving into work; it helps them to find an appropriate job and, crucially, it helps to support them while they start that job. We know from the evidence that, if you start a job and it does not work out, that is really damaging for confidence and so on.

The pathways work is the extra £1 billion of employment support and involves WorkWell and connect to work, and we will work on adding to that support that is available over the coming months, so we will have more to say into the autumn about the additional support that we will be offering through pathways to work. It all builds on the foundation of a changed jobs and careers service, which anyone will be able to access through their jobcentre.

The Lord Bishop of Lincoln: What is the Government's plan about engagement with business? I know that, for instance, people with learning difficulties have, in the past at least, had access to profitable work with companies such as Marks & Spencer and other retailers. I have personal links with people who have benefited from that. Is there a particular plan, working with business, to engage people with learning difficulties within this?

Alison McGovern: I am so pleased that you have mentioned Marks & Spencer. It has partnered with us on its Marks & Start programme. It, along with the King's Trust, is a brilliant example of what can be done when an employer really wants, as part of their own recruitment, to bring in people who might otherwise be overlooked.

To be frank, when I and Secretary of State Liz Kendall came into the DWP, we were quite disheartened at employers' perception of the department. Only one in six employers has really used jobcentres to recruit, or really partnered with DWP. That is not going to work, because we need employers if we are going to succeed in our objectives, so we started again with our plan for engagement with employers. We have a new team doing that. At the UK level, it is targeting the 8,000 large employers to have a connection with each of them, with a single point of contact with that employer; then, as we have done with Marks & Spencer, we have tailored the recruitment for that employer. We also

make sure that, at the town and city level, we have a single point of contact in the jobcentre for all small and medium-sized businesses. We have totally changed our employer strategy since last July. I could talk about that for a very long time, so I had better shut up before I do.

Baroness Smith of Malvern: Could I add something about the employer link, from the education and training point of view? It is enormously important for young people to be able to get the experience of what it is like to work. That is why we are working on expanding the right to two weeks of work experience for children. Then, of course, there are lots of courses. If you take an apprenticeship, you are directly employed by an employer. But what we see in some areas—and construction is a good example—is that you take a construction course at college, for example, but you do not translate that into employment, because you have not had the experience of what it is like to be on a site, for example, and the employer does not have confidence that you know what you are doing.

We are doing quite a lot of work on how we can increase the availability of industrial placements alongside courses. T-levels, of course, have a 45-day industrial placement, which has proved really successful in moving young people into employment, quite often with the people who they have done the T-level placement with. So there are lots of ways in which placements with employers can really benefit young people. That is where we need a partnership with employers, so they feel able to come forward and offer those opportunities and placements.

The Chair: It is really great to hear about that partnership working with employers. We have taken a lot of evidence from business, and it is a theme that we will certainly come on to in later questions as well.

Lord Watts: Minister, I do not know if you got round to this one yesterday, but there was a report out that said that 50% of private schools now have teachers trained in AI, and 10% in the state sector. Is that something that would worry you? It would worry me that, in terms of something that is going to have such a dramatic effect on young people, we do not seem to be gearing up in the same way that the private sector does.

Baroness Smith of Malvern: I did see that report, and I would need to check with my colleagues the extent to which it reflects the position. It is definitely the case that we see the need for both young people and teachers to be able to understand the role that AI will play in young people's lives, as well as the contribution that AI can make to teaching. We have some good projects under way with schools and colleges on the use of AI. Also, across government we announced alongside the industrial strategy a package of skills training relating to digital and AI, which starts in schools then goes on into adult life. In terms of some of the changes that we are making to the apprenticeship levy, we have focused on the need for digital skills and AI as a cross-cutting enabler, for individuals throughout their lives and for all the areas that we have in the industrial strategy, for example, as growth-promoting.

Lord Watts: Are you able to give us a figure for where you are aiming to be in, say, 12 months or two years in terms of the number of teachers who have been trained in this area?

Baroness Smith of Malvern: I am not able to do that today, but I can write to the committee.

Q176 **Lord Harlech:** This question focuses on the Government's opportunity mission, which, Minister Baroness Smith, you mentioned in your introduction. We are also keen to hear your views on it as well, Minister McGovern. As you said, it is intended to break the link between a child's background and their future success. We understand the intent behind that, which is levelling the playing field and creating equal opportunity for all.

We heard quite a lot of evidence from witnesses, both organisations and charities, that people do not want to lose their background. They do not want to lose their identity; they do not want to lose their accent. They do not want to become someone else—they want to get on and be the best that they can be in their career while being proud of their heritage. Is that the way in which it is drafted, or do you want to break the link with someone's background? How will success be measured?

Baroness Smith of Malvern: Of course, we do not want to make people not be proud of their backgrounds, their accents, where they have come from, or their heritage. All those things are really important parts of who we are. What we want to do is to break the link that is manifest, for example, in the fact that 40% of the success that you are likely to have in your GCSEs will be determined by the time you get to school.

One thing that we have set as a key target in our plan for change is to increase the proportion of children who arrive in school ready to be able to benefit from what is happening during the course of their education. That is why, just last week, we published the best start in life strategy, where we talked about the additional support that we would be providing through family hubs, alongside our colleagues in health, at a very early stage for families and their children to be able to flourish. That goes through into schools, which have a key role to play in how well children achieve during the course of their time at school and, therefore, what choices they have for the future.

In terms of what the key elements there will be, the thing that makes the biggest difference in a classroom is having a good-quality specialist teacher. The quality of teaching is the prime determinant of how successful a child will be, which is why we have this objective for 6,500 more teachers. We have hired an additional 2,346 over the last year. We are working on the surroundings within which schools operate with additional capital funding, and are making sure that there is a strong focus on improvement for those schools that are not delivering what they need to do, both through structural change, if necessary, as well as our new RISE teams.

Particularly through the independent review of the curriculum, we are thinking about how we can make sure that it works for all pupils. In Becky Francis's review, she has put a particular focus on making sure that everybody is able to achieve through the curriculum.

With the post-16 education system, we have put a lot of focus on how we can support more young people into the types of skills, apprenticeships and qualifications that will link them to the best opportunities to get good jobs in future.

By the way, our view of social mobility is not about how you separate individuals from their background and allow a few to succeed. It is very much about thinking about what we need to do in the system to ensure that, where we know that there is disadvantage, everybody is able to get the benefit of what we have set out in the opportunity mission, with a focus on those who we know, through our data, have not achieved in the way that they deserve to be able to achieve up until now.

Alison McGovern: I wholeheartedly agree with Lady Smith that you have to separate out the economics and the chance for people to achieve financially and in their career from the cultural aspects of class and social mobility. From an economic point of view, our goal as a department, as part of the growth and opportunity mission, is to get to 80% employment. We know that the numbers of young people out of work and out of education have been rising, so it is a big challenge to get to that goal.

We see that, in those locations where we have low demand for employment, it is hardest of all for those young people. Our job is to work across government to correct that supply of good jobs, then to work with our colleagues in DfE to make sure that young people have a pathway into the kinds of jobs that are going to give them a sustainable career. That should be the option to move around the country, if that is what works for you, or it should be a good job that is accessible to you where you are. We do not want any abandoned people or places.

From a cultural point of view, I have done work with some employers. In fact, I was with people from Zurich Insurance only yesterday, talking to them about the work that they have done on inclusion and making sure that socioeconomic background is a part of their work on inclusion. Some of our employers are really leading the way on this. I operate by the simple principle that nobody, when they go to work, should have to hide who they are or feel ashamed of who they are, and that goes for class as well as everything else.

Baroness Blower: I take from what you have both said about the Government's approach to social mobility that it is at least as much about what I would characterise as social justice as it is about social mobility. Could you quickly say something about that?

Last week's Statement on early years was brilliant. I wonder if you in particular, Lady Smith, could say something about the centrality of

constructive play in those centres. A lot of us who have spent a lot of time in education probably know that play is not just adults sitting down and letting children run around; it is quite hard work to organise constructive play. There are lots of skills that children develop through that play, I believe, and with their parents. Can you say whether that will be a focus in these centres?

Baroness Smith of Malvern: First, your characterisation of the way in which we see social mobility is absolutely right. Just to reiterate, it is not about the ability for a few to move away from their background. It is about what we do to ensure that everybody has the opportunity to achieve. That is potentially a shift from the way in which social mobility has been thought about previously.

On the point about constructive play, one of the best things that you see in family hubs is work not just with children but with the whole family, to encourage parents to think about how they read to and play with their children and how they respond to behaviour challenges with their children. We know that it is a challenge to think about that not only from a professional's point of view but from a parent's point of view.

Being able to do that work at a really early age for the children sets them up in good stead for their learning and for how the family functions. As part of the Children's Wellbeing and Schools Bill Committee stage, we have been discussing the overemphasis on screens as a way of children passing their time. You see good examples in family hubs about how that more purposeful, positive and broad range of activities that children can do is being supported.

The Chair: That point about social mobility not just being about allowing a few to succeed is a really important one, which has been backed up by many of the many of the witnesses who we have heard from at the committee.

Q177 **Baroness Ramsey of Wall Heath:** This question is primarily for DWP, but I have a couple of questions and it may be that Lady Smith wants to add as well. Minister McGovern, can I ask you to describe the eight pilots for the youth guarantee, how their success will be evaluated, and what happens next?

Alison McGovern: As part of our Get Britain Working plan that we set out last November, we allocated resources for the trailblazers to work with mayoral combined authorities to understand how we can improve the systems that support young people. That is really at the heart of the work that they are doing: it is about systems change. The mayoral combined authorities all have their own analysis of the situation that young people in their areas are facing and are trialling a number of ways to improve outcomes for young people. To give one example, in Merseyside they have a particular focus on supporting care leavers and trying to offer young people a more supportive environment to think about their career.

I have to be honest and say that DWP and jobcentres have perhaps not been an entirely perfect environment for young people in the past, so they are trialling a different way of doing it. In the West Midlands, Mayor Richard Parker is doing a lot of work on access to public transport, looking at where they have shortages in the West Midlands and helping young people move into those jobs.

A range of approaches is being trialled by those trailblazers. The focus is more on systems. A lot of employment support schemes tend to be focused on the volume of people, and we have some of those employment support schemes out there. This is about trying to work closely together with our colleagues in mayoral combined authorities to use their analysis of the labour market that they understand to connect existing voluntary community support organisations with young people and see if we can get that system working much better.

To give another example, we have work going on in Greater Manchester on bringing digital information more easily to people. In Cambridge and Peterborough, they have been working very strongly, through their college, to try to have a centre in Peterborough town centre to bring young people in then get them thinking about what they might do through college.

There are a range of approaches, but the golden thread through all of them is to answer the question whether, if we streamline and make the system work better, that helps us to get young people who do not have a good plan for their future to be supported better and get into a better career?

Q178 Baroness Ramsey of Wall Heath: You have powerfully described the local or regional government model. Do these pilots provide a good model for central and local government to work together that might be replicated for other work on social mobility? I will ask you a similar question in a minute, Lady Smith.

Alison McGovern: I really hope so, because that was the plan. The United Kingdom's labour market is not really one thing. In fact, in DWP, we think that we have 14 different types of labour market in the United Kingdom. We published that analysis alongside our *Get Britain Working* plan in November.

It seems obvious that you would need to work with local authorities and combined authorities to get the people plan right. All the combined authorities have growth plans; they want to see investment into their areas. It seems straightforward to me that we would need a strong relationship with them in figuring out the pathways into those new jobs, particularly for young people who have had really negative experiences. That is the hypothesis that we are testing, if you like.

I have spent quite a bit of time talking to our mayoral colleagues and also with the LGA and local government leaders. They tell me that they are positive about this approach. In September, we will see their *Get Britain*

Working plans, which each area is producing. That is the people part of the economic growth plan, if you like, and it will be a big step forward in our ability as central government to work collaboratively with local government and combined authorities. One reason why it is a positive way forward is that they are then able to build that strong relationship at the travel to work area across DWP, across health colleagues, with their schools and colleges and others, to have a holistic plan with an overall goal, where everybody is clear on the groups that need the biggest focus and what the system should look like, so everybody is included, then be able to track progress as we go forward. I am hopeful that it will provide a good model, but we will review it as we go.

Baroness Ramsey of Wall Heath: Thank you very much. I shall ask you a similar question, Lady Smith, which I hope you do not think is unfair, because it is not about skills necessarily but about NEETs. We have had a lot of evidence around relationships between local, regional and central government, and business and voluntary organisations and so on. We have heard evidence on social mobility from MAT leaders. What we have not yet heard is how the MAT system and local authorities are also working together collaboratively with central government around NEETs, for example. I wondered if you had any thoughts or comments on that, which is slightly putting you on the spot.

Baroness Smith of Malvern: First of all, there is what we call a September guarantee for all 16 year-olds, which local authorities have a responsibility to deliver. In other words, every young person has access to a place in a college or in a sixth form to be able to continue their education at 16. That is a responsibility on the local authority and on the college to accept people. There is not quite the same responsibility on schools to identify those people who perhaps would be most likely to need it, then to make sure that that link is made. That is that is an area that we have started to think about, and it is a very fair question.

Q179 **Lord Young of Cookham:** Could I follow up on the trailblazers? We are really interested in this subject. What is the business model? Is there a committee? Who is on it? Who is in the lead? Are the employers, the colleges and the local authority there? What is its mission? How are we going to know whether it is working?

Alison McGovern: The model is that the combined authority has existing plans, as I mentioned—for example, growth plans. The model is that they bring to us an operational plan for the work that they would like to do, as I said, on system improvement. That is a conversation between us, the Treasury and the combined authority to sign that up.

Combined authorities' governance is largely a collaboration of the local authorities in that area. Their plans are agreed by each of the local authorities and, from speaking to the combined authorities, I know how important that buy-in is for them. They have collective ownership of the operational plan across the local authority areas. The objective is to test whether they can improve ways of being in touch with young people who, in many cases have, as I said before, had a really bad time and might not

be in contact with DWP because, for example, they are not on universal credit. They may have fallen out of college—education did not work for them. The objective is to deliver new and better ways to engage those young people and help them to move towards employment and, even better, into employment itself.

Alongside the trailblazer programme, we have an evaluation mechanism, which will show us the insights for this, and we will have management information produced for the department as we go. Where I want to get to is to use these insights from the trailblazers to help us to develop pathways to work. We will have a further White Paper in the autumn, arising from the Green Paper that we published recently, so we will have more to say about what we think the future model is at that point. At this moment in time, as I say, combined authorities have gone through that process of creating their plan, getting buy-in from their participant groups and agreeing that with us and Treasury, and are now getting on and delivering.

From an employer point of view, combined authorities have relationships with local business organisations, which will differ from organisation to organisation. As I was explaining earlier, we in DWP have changed the way in which we relate to employers, and that work will be supportive of whatever is happening. For example, only this week, we signed a memorandum of understanding with water organisations, because there is significant investment going into the water industry. Organisations that are part of that sector will work with DWP to help to build pathways for young people, and that work that we do at the national level will support on the ground as well. The point of the trailblazers is to work on what the system failures are, if you like, and try to address them through the future work that we will bring forward in the White Paper in the autumn.

Q180 The Chair: Minister McGovern, you have talked a lot in your answer to this question about the combined authorities. I live in the Midlands, where probably around half the population is covered by combined authorities; the rest live outside combined authorities. I am just interested in how you are plugging that gap and delivering for those areas that are not part of a combined authority. Lady Smith knows how keen I am on this area from the work that we did on the IfATE Bill.

Alison McGovern: This is a really important point. I mentioned in my response to a previous question just how varied the labour market is across the United Kingdom. We have a mixed picture in England particularly. We work very closely with the Welsh and Scottish Governments, and then there is a different situation in Northern Ireland. On England for the moment, we have a situation where we have uneven devolution within England, which gives us a challenge because, where we have effective combined authorities and they have a plan, it is important that we, as DWP, work closely with them.

We cannot just not do anything. It would be completely wrong to not have an approach for those places where we do not yet have combined authorities or where local leadership is less developed. Not all combined

authorities have the same level of capacity. Some of them are newer than others. We have approached that in two ways. First, in relation to connect to work, which is a crucial part of pathways to work that we have been developing and which I mentioned a moment ago, we have worked very closely with local authorities. That gives us a relationship with local authorities directly as well.

In addition to that, we are changing the way in which jobcentres work. Instead of being one size fits all, we are changing jobcentres so they are much more localised. That means, again, working very closely with local authorities to understand the local labour market and to enable our work coaches to be working not just from jobcentres but also in community settings. For example, I was in Preston last week, where our DWP colleagues have worked closely with the local authority and others in creating a youth hub in one of the local leisure centres, which is a very different type of environment from the jobcentre in Preston, where they are leveraging in support from the local authority, local mental health organisations and others, so there is something that every young person can drop into to receive support.

Through our changes to jobcentres, our expansion of youth hubs and connect to work, we are making sure that we have a strong relationship with local authorities as well, so that, as the situation with devolution in England changes and develops, we will be able to flex along with that.

We have the great benefit in DWP of having 17,000 work coaches in every part of the country. The challenge that we have to meet is to provide the infrastructure at the UK level to empower our colleagues on the ground to have that relationship with local partners, so they can do what works in that place. That is where we are trying to get to. I have confidence that, where we do not have a combined authority, we are building a strong relationship with the local authority and employers, and we will still be able to respond to whatever the circumstances are in that place. I was pleased to speak to one of my jobcentre colleagues in Shetland last week, who told me about how they make it work for them in a very unique part of the United Kingdom. It is an important challenge, but I have confidence that we are able to meet it.

Baroness Smith of Malvern: Alison makes an important point here—that this is not something that is set in stone. It is developing. For example, we in the department devolve all of the adult skills funding, from the age of 19 upwards, to mayoral combined authorities, which means that 60% of the fund is devolved. But even from next year, when there are new authorities that will be able to get that devolution, about 75% of the total budget will be devolved. Then, of course, the plan is that there will be further areas, which would mean that an even larger proportion will be devolved by August 2027. In those areas you see that local work, where combined authorities can think about the particular priorities for skills development in their areas and can convene employers and providers of skills more easily. Even where they do not exist, though, we also have local skills improvement plans and partnerships which, in

every part of the country, bring together the providers of skills provision along with employers to make sure that what is being provided there is really going to create a route for people into the jobs and skills that are necessary and are a priority in that local area.

The Lord Bishop of Lincoln: Minister McGovern, I do not think that you know yet, but I am trying to get you to come to Grimsby to visit the Shalom youth centre in East Marsh. Most of the children and young people who have been catered for by this youth centre for the last 50 years are not in school, certainly not in college, and would not dream of going into the town centre, to the leisure centre or to a youth club somewhere else. I understand about engagement with employers and local authorities. How are you encouraging local authorities to engage even further with community and, indeed, church-based youth centres for young people? In East Marsh, they are not going to travel anywhere. You have to go to them.

Alison McGovern: I think that is right. I look forward to coming to Grimsby. It is partly about the evidence and partly about what people know already. There is a very interesting programme called Jobsplus, which is trialling a completely different way of doing employment support where, "We go to them" is basically the principle. It is led through housing associations, and they are not focusing on an economic characteristic. A lot of employment support is about "the economically inactive" or "the unemployed". They take a different approach, focusing on a geographical area where there is a high level of disengagement and inactivity, then offering support to a very tight geographical area but on a universal basis, often through literally knocking on people's doors.

Through that and in other areas, I hope that we will have the evidence that that is what works. There is a lot of good practice in DWP, where work coaches who know their area best go to places where they know that people will engage with them. In our great capital city, in Tower Hamlets, some of my colleagues have done very creative work to base themselves out of a community centre on a big estate, because they know that they can build a relationship of trust with people in that way.

I do not really need to encourage people. They are just doing it, and I support them. What I want to see is us building an evidence base, so we can help people who might be struggling with how they change their area or tackle long-standing inequalities, and can show them the evidence. In DWP, we have an employment data lab, where we can help charities, private sector organisations and others to test their programme against the Government's data, so that they can evidence the efficacy of what they are doing. I am keen that we use that facility, then even the smallest of organisations that has an innovative idea can evidence what they have done and say, "We did this. We knew it worked, and the Government's data shows that it worked".

Lord Evans of Rainow: You said earlier that you have 17,000 work coaches but that only one in six employers use DWP for recruiting staff, which is a shocking figure. In terms of the state and job opportunities

within the local authority, the NHS or NHS trusts in the locality—and I remember speaking to my local jobcentre—why is it that public sector jobs are not advertised within the DWP? It sounds like it has not changed. In my experience, job opportunities working for the state, whether it is local authorities, NHS trusts or, indeed, the Armed Forces are not advertised. Every opportunity that the state has to offer is not advertised within the DWP. It sounds like it has not changed.

Alison McGovern: It is changing, but I agree with your frustration. My colleagues across government have been very supportive of our new approach with employers. We have a number of memoranda of understanding that we have signed, including one with the MoD for Armed Forces recruitment. We have a programme of doing that. We are engaging at the UK level to get that leadership, trying to get some principles in place then helping facilitate connections on the ground.

Some of our colleges can be brilliant at making that a reality, too. We have sector-based work academy programmes within DWP. That is a short, work-focused course, often in a workplace, where somebody who is thinking about applying for a job in a particular profession—for example, the NHS—could do a short, intensive course that is very work-focused, with a guaranteed interview at the end. We find that that is very successful at moving people into work. I am determined that we will get more of those courses for the NHS and for our public sector jobs that we really need to fill.

To come back to the social mobility objective, those jobs can often be ones that have entry-level roles that will help people to form a career and really help people rise. What we are trying to do in DWP is identify, through the Government's investment programme, where growth in other areas can really help us bring people in at an entry level and tackle some of the challenges that we have had in the labour market of people cycling in and out of poor-quality work, and instead get them into a job that is going to help them move through the ranks. That is really our objective with our employer strategy.

Baroness Blower: One thing that the Lord Bishop suggested last week was that, perhaps at the level of DWP and DfE together, what might be needed here is some kind of template about how this can work. We know that they are different everywhere, so it is not going to be the same template, but I am slightly familiar with the work that is done through the housing association and local authority in Peterborough. The sort of work that I know that people are doing would respond to the question that the Lord Bishop asked about the need for people to go and meet one to one, and meet them wherever they are prepared to go. Do you have a sense of whether there could be quite a broadbrush template so that, when people are developing these plans, they have made sure that they have filled in all the bits that they need to have? Also, do you have a sense of what that work looks like from the individual worker, work coach, or the people who are doing this outreach work to NEETs, for example?

Alison McGovern: Thank you for that question. There is a lot in it. Perhaps I might just say, first, from the place level, that this is the point of having *Get Britain Working* plans for each place—the functional travel to work area—so that we can understand what challenges are there and what the plan is for addressing them, from an investment point of view in terms of the creation of new jobs and from the person’s eye view in terms of how we build a pathway for people into that job. That is the point of those plans, so that we can help work with places across the country to get that right.

I would just add that our analysis of the 14 types of labour markets showed that it is not a north-south divide in the UK. It is not about towns and cities. Different types of labour market are found right across the country. For example, we have a particular challenge in coastal economies, and that is as true on the south coast as it is on the coast in the north-west, where I am from. We are trying to use that insight to inform the work that we do and, once we have those *Get Britain Working* plans, we will be able to see more what some of the themes are and where we need to bring that into policy design.

Secondly, on your point about the relationship between the person being coached and the person doing the coaching, it comes back to Jacqui’s point about what drives success. In a similar way, with the quality of teaching, we know that what makes us successful in helping people to move into work is that coaching relationship. That is why, as part of our changes to build a new jobs and careers service, we are creating a work coach academy that will help our work coaches not just to improve their experience but bring it to bear in how we design policies in the future.

I want to really systematise the knowledge that we have in our front line, help us reflect that back in our policy design and try to create a process of continuous improvement for our coaching. Traditionally, the DWP has, basically, designed policy at the UK level then rolled it out across the country in a uniform way. I want us to understand what our front-line colleagues know and what they are doing, and try to reflect that back into our policy design and create a cycle of continuous improvement that way. The work coach academy, as part of the new jobs and careers service, is the way that we will do that.

- Q181 **Lord Johnson of Marylebone:** This is primarily for Minister Smith. We have heard from many employers that they need greater flexibility in the apprenticeship levy, now the growth and skills levy, and greater clarity over the interplay and boundaries between the new growth and skills levy and the lifelong learning entitlement. This is especially important for this committee, given the very serious long-term decline in mature learners, which UCAS says has fallen a further 4% this year. Could you set out when we will hear from Skills England what non-apprenticeship funding will be eligible for support under the reformed growth and skills levy and how you see these two big policies working together coherently to support social mobility?

Baroness Smith of Malvern: First of all, we have begun to introduce flexibility into the apprenticeship levy, transforming it into a growth and skills offer, starting by introducing new foundation apprenticeships from this August. Those will be focused on industrial strategy and priority areas, so they will be in construction, engineering and manufacturing, health and social care and digital. They will be underpinned by an additional employer incentive to support employers in providing what Alison was talking about in terms of that first start for young people into the labour market.

Alongside that, we have also provided more flexibility around the way in which apprenticeships work, the ability to offer apprenticeships that are less than a year long, where that makes sense for employers, and flexibility around the requirement to have a separate English and maths qualification for adults in apprenticeships. From next April, we will also enable the spending of the levy not on apprenticeships but on short courses, which we will develop first in priority areas around digital and AI—to come back to a previous question—and engineering. That is a developing process that is informed, as you say, by the priority needs identified by Skills England and, frankly, by the availability of resource to ensure that that can be meaningful for employers.

On the lifelong learning entitlement, just last week we corresponded with those whom we hope will be offering modules as part of the lifelong learning entitlement on some of the detail about the design of courses that will be eligible. What we are saying there is that there will be the opportunities for people throughout their lives, because of what is, essentially, a reform of the student finance system, to be able to undertake shorter modules at different times in their life at levels 4 and 5, as well as modules of level 6 provision.

You make a very fair point that this is a real opportunity for employers to be able to engage with higher education and other education providers on what those modules should look like that would be most useful for people to be able to get during the course of their lives. There is more work to be done on how that is going to operate, but it is a very big opportunity, not just for individuals but to transform the system and its relationship with employers as well.

Lord Johnson of Marylebone: We have also heard from many witnesses before the committee that the removal of student number controls over the years has played a vital part in opening up opportunities to disadvantaged learners. UCAS's data today shows that the number of 18 year-old applicants from disadvantaged backgrounds has increased this year by 1.5%, so I trust that you will welcome that. Could you reassure the committee that the reforms that you are coming out with in a few weeks' time will not involve the reintroduction of student number controls and that you will continue to support widening access to higher education delivered by a wide range of providers?

Baroness Smith of Malvern: You are right that it is praiseworthy and celebration-worthy that there are more young people from disadvantaged

backgrounds who are now successfully applying and getting offers to go to university. That is worthy of celebration. The big problem is that, although we have seen increases in numbers of all students going to university over recent years, what we have not seen yet is a closing of the gap between those from disadvantaged backgrounds and those from more advantaged backgrounds, so there is still more work to be done there.

It has been my view and the Government's position since I have been in this role that student number caps, to engineer the way in which the system works, very likely act as a limit on students' aspiration and make it less likely that people can get the opportunities at the universities that they want to go to. For that objective, that is not part of our plans, no.

Q182 Baroness Hussein-Ece: My initial question is quite a broad one and is for both of you. Could you describe how central and local government work together in relation to social mobility? How is that responsibility split?

As a supplementary to that, which I will ask now for brevity, an interest that I have but which we have not really explored enough is the issue around young people leaving care, which we know is a significant cohort of NEETs. We know that they face barriers in employment, housing, life chances and so on. It is an issue for local government, but what I particularly want to know, with regard to the initial question, is how central government is monitoring this. There are local authorities that are excellent, but there are those that are not doing as well; it is very patchy across the country. Is there a standard way in which local and central government can work or are working together to improve the life chances of cohorts of young people such as these to achieve social mobility?

Baroness Smith of Malvern: On the point about local and national government, I probably covered that in what I was talking about with respect to the devolution of the adult skills fund and the way in which we are working with mayors and others and, in fact, thinking more about how we can devolve responsibility. Quite a lot of the construction skills package that we have just announced will be devolved to mayors and local areas to be able to design the courses and the opportunities in the way that best works for them.

On young care leavers, you have identified an enormously important group of young people who are not achieving the opportunities that they should, particularly compared with young people who are not in care. The responsibility for, let us say, the offer for care leavers remains with local authorities, and the support for care leavers through personal advisers and others is part of the children's social care system. Nationally, we also provide a range of support for education and training for care leavers. With apprenticeships, for example, there is a tax-free £3,000 apprenticeship care leavers' bursary. There is an additional £1,000 payment to training providers to support care leaver apprentices.

In further education, care leavers are a priority group for the 16-to-19 bursary. There is an element of the funding formula for further education colleges that takes into consideration care leavers as well. In higher education, we have a £2,000 bursary available to care leavers, paid by the local authority. We have also extended the pupil premium plus to recognise the needs particularly of children in care and care leavers.

There is still more that we can do. With the access work in higher education, for example, there are some good initiatives that universities have around care leavers. We need to do more of that. Some of these things that are available are sometimes not taken up by care leavers because they do not know that they are there, so we have to do more to make clear, both to care leavers and to the employers and trainers of care leavers, that that additional support is there.

Alison McGovern: I would just summarise briefly what I have said, which is that, overall, in relation to young people, we published our outcome metrics in November alongside the *Get Britain Working* plan. We want to move towards an 80% employment rate. Within that, we want to reduce the rate of young people not in education, employment or training, for obvious reasons. We are responsible and accountable for that objective, but we have set out different programmes of work with local authorities, combined authorities and devolved government in Scotland and Wales and, to a certain extent, in Northern Ireland, about how we will work together to make the system better so we reach those goals. Those are our objectives that we are responsible for.

Baroness Hussein-Ece: Do you have an overall idea of how different local authorities are performing with this particular cohort of young people?

Baroness Smith of Malvern: With respect to the destinations of care leavers, I think we do. Can I just clarify and write to you about that?

Baroness Hussein-Ece: Yes, please.

The Chair: We touched on partnerships earlier on, and Lord Young's question gets into a bit more detail on that.

Q183 **Lord Young of Cookham:** We have covered a lot of this ground before, but can I explain where I think we have got to as a committee? We have seen some fantastic examples, as Baroness Hussein-Ece has just reminded us, of good collaboration at the local level, in Blackpool. In some cases, this has been local authority-led. In some cases, it has been university-led. There are fantastic examples from the north-east, and we had good evidence in London, from Camden. We have seen how a bottom-up approach works but, as we have heard, we are not absolutely certain that this is happening everywhere else.

The question that I find myself asking is how we reconcile the bottom-up approach with the top-down approach that we have just heard about from the youth guarantee? What was amazing was how few people mentioned the youth guarantee as we took evidence.

In answer to the question that I posed to you, Alison, I did not get a clear example of what the structure was of these trailblazers in terms of who sits around the table and who is in charge. What I am looking for is some sort of business model that reflects what we know works locally with a top-down approach. You do not have to answer the question today, you can think about it, but how do we merge those two and come up with a better answer than what we have at the moment?

Alison McGovern: That is a really helpful way of describing the challenge. It comes back to the variability that we have across the country in the United Kingdom economy. Let me just try again, if I may, in terms of the governance for the trailblazers. We are responsible for the funding and for quality-assuring what combined authorities have proposed to us, along with the Treasury. The governance of the plan belongs to the combined authority, in a practical sense. Combined authorities are local authorities coming together with a mayor at the helm, working with employers to create their plan. That is the governance that I would expect of the work that they are doing, but we are responsible for making sure that the money is being spent in an effective way, along with the Treasury.

On your broader question, we know that bottom-up approaches work, but we want to have, at the UK level, an overall guarantee so that no young person is left behind. That is where we have to use the tools that we have at the centre to build infrastructure in terms of what things we can do at a UK level where we can use our economy of scale to help local places do well. I could give various examples of how we are doing that, with technology and other things.

The second aspect of that is, if we know the outcome that we want, which is a reducing NEET rate, and we can see, through the information that local authorities and combined authorities and others are giving us, where that is not happening, how do we put tools in the box for local places so they can make that happen? That is exactly where we want to get to with the youth guarantee. If I might say, your challenge is really helpful, and we will have more to say in response to it in the autumn.

Q184 Baroness Garden of Frognal: As Lady Ramsey mentioned, we have already heard about the problem with NEETs—those young people not in education, employment or training. There are two parts to my question. We have had several witnesses who have suggested that the increase in homeschooling contributes to the increase in NEETs, in that, if they are homeschooled, they are not getting the right education.

The Conservative Government laid enormous emphasis on academic learning in schools. There were loads of kids who had practical skills, who could see nothing on the curriculum that appealed to them at all and got turned off from learning. Baroness Smith, when the long-awaited curriculum review comes, will it restore into schools some of the practical skills, so that some young people who might otherwise be NEET can see that there is an excitement in learning, because they can see things on the curriculum that they want to learn?

Baroness Smith of Malvern: First of all, on the point about home education which, of course, we have spent some time discussing in the Children's Wellbeing and Schools Bill in Committee, I need to say, as I have done quite frequently, that very many young people are home-educated to an extremely high standard, for whom there are lots of opportunities that come from that. The doubling of the number of children recorded as receiving home education since October 2019 is why, alongside the duty that local authorities already have to identify children who are being home-educated, we are introducing as part of that legislation, the children not in school register and the requirement on parents to be clear with the local authority about the home education that they are doing with their children.

There is some evidence that local authorities report that children who are educated at home or who are missing education are perhaps overrepresented in the numbers of young people who are NEET post 16, but I return to my point that there may be a whole range of reasons for that, and there is no direct correlation between home education and being NEET.

On the point about the curriculum, Becky Francis and her team are taking a pretty fundamental look at the whole of the national curriculum, with the intention of ensuring that we retain the knowledge-based elements of the curriculum, but we put alongside that a measure that relates to inclusivity and how the curriculum is able to contribute to that social justice view of social mobility that we were talking about earlier, and also how it ensures that there are skills for life for young people in the way that you were talking about. That is a pretty big job. She has already published her interim report, and we expect the full report to be published in the autumn. I know that it is long-awaited, but it is a big job done in a year, including an enormous amount of engagement.

Baroness Garden of Frognal: We need woodwork back on the curriculum.

Baroness Smith of Malvern: I cannot necessarily promise you that.

Baroness Garden of Frognal: Oh dear.

Lord Watts: You talked about children being educated at home and the fact that they are doing well there. My concern is that they are not integrated with other children and that, eventually, they will have to go into the workplace. If they have not been integrated, they will lack some of the social skills that they will need in later life. Is there any evidence that that is a problem?

Baroness Smith of Malvern: I am not sure. I could not say that there is evidence that that is a problem. Of course, parents educate their children in a whole range of ways and, quite often, find opportunities for them to have social interaction and mix with other children. In the end, our system allows parents not to not educate their children but to choose whether they want them to be educated in a school or at home. What we

then need to do is make sure that, regardless of whether you are educated at school or at home, we know where you are, you do not fall between the gaps and you are getting a high quality education.

The Chair: Minister McGovern, can I briefly pick up on something that you mentioned in answer to a previous question? You talked about the funding being devolved down to combined authorities, and said that we know the outcome that we want, which is a declining NEET rate. Do you set any targets or timescales around where we want to get to in terms of NEETs?

Alison McGovern: It is a really important question and one that I think about a lot. We know that the outcome that we want, as you say, is a declining NEET rate, but I am wary of overly simple targets, given the complexities of the local labour market and some of the challenges, as Jacqui has described, that young people are facing.

In the world of employment support, there is a long history of some of the unintended consequences of having targets that are based on inputs or outputs. Just moving people who are very close to the labour market into work can become a practical objective, if you are not careful about targets. Overall, as a Government, we recognise that our big challenge is to work with people who are further away from the labour market, particularly when it comes to young people who have experienced some difficult times over the past few years. We have seen an increase in ill health in young people who are out of work. As I say, I am wary about having overly simple targets that would drive us towards people who are simply closer to the labour market.

That said, from a management point of view, we need to monitor what is happening to the spend and make sure that that work is effective, which is a different way of thinking about it. Across the work that we are doing on young people, we are trying to build evaluation and systems where we can see what is happening without relying on an overly simple input or output target.

Baroness Smith of Malvern: Alison is right about targets but, of course, data is important. With the opportunity mission, we already have some datasets and are developing others to enable us to track it. We already publish data on outcomes for disadvantaged learners at every stage of the education system. It was doing that that enabled us to identify, for example, that white working-class pupils on free school meals were one of the largest and the lowest performing groups, and then to begin to take action on that. Secretary of State Bridget Phillipson has been really clear about that as a priority. We are also working across Government—for example, with DWP, HMRC and the Office for National Statistics—to link parental income data and outcomes as an important way of being able to measure progress.

The Chair: We have a question on data coming up, where we can dig into that a little more.

Baroness Smith of Malvern: I have done my good lines for that.

Q185 **Lord Evans of Rainow:** My question is to DWP, but feel free to chip in, Baroness Smith. In the evidence that we have had over these months, one of the surprising things is that DWP is not mentioned as a solution for social mobility, which we found quite surprising, given the fact that it should be such a key component in improving this. We understand that Jobcentre Plus and the National Careers Service are about to be merged. How is that progressing, and what improvements do you expect?

In some of the evidence that we had from colleagues from DWP when we visited Blackpool, a relatively recent phenomenon is YouTube and benefits. Can you describe how the department ensures that benefits do not act as a disincentive to people seeking and finding work? We saw evidence of how people go onto the internet and social media for how to claim benefits, for the wording and so on, which complicates the work that we try to do. How do we manage that? There is no doubt that those people who need the benefits should get them, but there is a gaming of the system going on.

Alison McGovern: If I may, I will answer the second part of the question first. At the extreme level, we are very concerned about fraud and have brought forward some measures that we think will help us curtail it through a piece of legislation. My colleague Andrew Western is leading for us on that, but also on the area that is not fraud, and considering anything else that we might need to do in that area.

In addition to that, we have identified some problems within the universal credit system whereby, essentially, it creates two groups of people—those actively looking for work and those who are told by the Government that they cannot work. That has created quite a hard financial and practical boundary between those two groups. It has meant that people who have perhaps experienced mental health or had other challenges, maybe somewhere such as Blackpool, where the local labour market is improving but, over recent years, has not been as buoyant as I would like it to be, have ended up getting through the work capability assessment and are, essentially, in a situation where they are parked. Nobody from the Department for Work and Pensions or any other bit of Government is actively getting in touch with those people and talking to them about the chances and opportunities that they might like.

The recent Bill that has gone through the House of Commons and is now with yourselves to change universal credit is about trying to stop having two binary groups of people, one of whom we tell that they cannot work and, in fact, must not work, and instead creating this pathway where we are in touch with everybody who is receiving social security and we are offering people support, both on their health and with a view to the kind of activity that might help them move into work.

Instead of two groups, there will be a continuous pathway that we help people to move along over time. That is what our Bill from the social security point of view is designed to do. From a support point of view, it

is part of the changes that the new jobs and careers service is designed to bring about, with much more contact with everybody who is on benefits.

To come to the first part of your question, this is why we want to bring the careers service in-house to work very closely with us. In the labour market data, we have seen people circling in and out of poor-quality employment, which does not help anybody to build a career. I know that, too often, the opportunities that are there are not known by those people who would most benefit from them. We need to bring some of that careers practice into what we are doing in jobcentres, which comes back to Baroness Blower's point about the quality of conversation between the person being coached and the work coach coaching them. We are using insights from our colleagues in the National Careers Service to help us to build the work coach academy and to design jobcentre in your pocket, which is our new digital approach, so that people will be able to not just see what jobs are there but understand what kinds of jobs might help them to earn more over the years and get qualifications too.

Q186 Lord Watts: Ministers, we have heard that there is lots of data available—in fact, some people think that there is too much data—but we are often not convinced that those departments share that information. You have indicated that that is exactly what you do. Could you say how you are going about that, how successful you are going to be with it, and how you are going to measure it?

Baroness Smith of Malvern: You have put your finger on the important point here, which is both to have the data then to be clear about how you can share it for a range of purposes. If we are thinking about the data that we hold in the DfE, for example, we want to be able to share some of it with researchers in a suitably anonymised way, so we can develop the evidence about outcomes for children and what works, et cetera. We have done quite a lot of work on ensuring that that can happen in a way that both supports research and safeguards children.

Also, of course, you cannot have joined-up government unless you have joined up data, and there are now a range of ways in which we are working across government departments and with other agencies to create linked datasets, so we can see the relationships between different issues. For example, the longitudinal education outcomes link DfE, DWP and HMRC—so we can see, depending on what education you have, including up to degree level, what that means about your employment prospects. There is information that links the MoJ and DfE, or education and child health insights that link DfE and NHS England, or the grading and admissions data for England, which links to the points that Lord Johnson was making earlier about access to universities. So it is about how we link the DfE, Ofqual and UCAS so we know whether we are improving access to higher education.

There is a lot of work going on, and I have already talked about the work with respect to the opportunity mission that we were doing, so we could track whether that was successful. That does not mean that there is not

the need for more and for us to think also about that research point and how we use it as effectively as possible, and we will certainly continue to do that.

Lord Watts: You said that there was a project going on at the moment. How long is that project going to take to complete, and what will success look like?

Baroness Smith of Malvern: The work that I was talking about was particularly with the DWP, HMRC and the Office for National Statistics to link that parental income data and outcomes for children, and also to enable us to recognise where the barriers are that we could then overcome. It needs to be ongoing because, as we implement various parts of what we have set out to do in the opportunity mission, we need to be able to see whether that is having an effect over time. You could argue that it will be a lifelong task because, unusually in government, what we are trying to do here is something pretty long-term in relation to changing the opportunities that people have throughout their lives. It will be long-term in terms of its measurement, but we will learn as we go along what things are working and what things are not, which then enables us to think about the policy interventions to overcome that.

Q187 **The Chair:** I did say that that was the final question, but maybe there is time for one more very brief question, which is just whether you feel that there is anything related to social mobility that we have missed in our discussion that you are focusing on in your departments. Are there any final points, or have we covered everything?

Alison McGovern: In response again to Lord Evans' point about people not thinking of DWP as a place for social mobility, I worked with colleagues in Blackpool on a very big jobs fair in the winter gardens there. I said to them, "We should have real ambition for people here", and they managed to get employers from the Sandcastle to BAE in one room. It was really special; they projected the word "ambition" on the wall, because they really wanted to show that ambition. What we are really trying to do is to overturn the assumption that certain sorts of people do certain sorts of jobs.

It is a really good challenge that DWP has to be seen as a part of this. Through our work with DfE, the Department of Health and others, we are trying to have the underlying principle that we do not see social mobility, as we said when we started this session, as just the odd person breaking through the class barrier, but everybody being more likely to achieve over the course of their life.

Baroness Smith of Malvern: The only thing that I would add is that, in both my previous professional experience and my ministerial experience, people do not come into early years education, schools, technical education, further education or higher education unless they have a personal passion for ensuring that people are able to make the most of their lives. That is what the education system is about, and they deserve enormous credit for the effort that they put into that on a daily basis.

The Chair: Thank you very much, and thanks again for your time. It has been a really rich discussion and a great way to wrap up all of the evidence sessions that we have had in the last few months. We have talked about the opportunity mission, but there is a lot of coherence between that and what we are doing in this committee, as you have seen. There will be a lot of good ideas in our report for you to consider, and we look forward to collaborating with government on implementing those. Thank you very much.