

Select Committee on Youth Unemployment

Corrected oral evidence: Youth Unemployment

Tuesday 20 April 2021

10.15 am

Watch the meeting

Members present: Lord Shipley (The Chair); Lord Baker of Dorking; Baroness Clark of Kilwinning; Lord Clarke of Nottingham; Lord Davies of Oldham; The Lord Bishop of Derby; Lord Empey; Lord Hall of Birkenhead; Lord Layard; Baroness McIntosh of Hudnall; Baroness Newlove; Lord Storey; Lord Woolley of Woodford.

Evidence Session No. 4

Virtual Proceeding

Questions 36 - 42

Witnesses

I: Jonathan Foot, Head of Apprenticeships and Early Careers, Compass Group; Emma Taylor, People Director for UK and Ireland, Tesco plc.

USE OF THE TRANSCRIPT

This is a corrected transcript of evidence taken in public and webcast on www.parliamentlive.tv.

Examination of witnesses

Jonathan Foot and Emma Taylor.

Q36 **The Chair:** Welcome to this evidence session of the Youth Unemployment Committee. The meeting is being broadcast live via the parliamentary website. A transcript of the meeting will be taken and published on the committee website. You will have the opportunity to make corrections to it, where necessary.

In our first session this morning we have two witnesses. I welcome Jonathan Foot, head of apprenticeships and early careers at the Compass Group, and Emma Taylor, people director for the UK and Ireland, for Tesco. I would like to ask them to say a word briefly about themselves before we go into the formal questioning.

Jonathan Foot: Good morning, everyone. I am head of apprenticeships and early careers at the Compass Group. It is nice to meet you all.

Emma Taylor: Good morning, everybody. I am the people director at Tesco in the UK and Ireland. I am responsible for the over 300,000 colleagues we have working for us in those markets. Thank you for giving me the opportunity to speak with the committee on this topic.

Q37 **The Chair:** Thank you very much indeed. We have about an hour for talking with you. Questions have been allocated to Members, but they may also ask supplementaries. At the end of the hour or so, the aim is to have covered everything that you might wish to tell us. If you think of other things subsequently that you feel we ought to be made aware of, we are very happy to take written evidence from you.

I would like to ask you first about apprenticeships and how they have practically helped you to plug the skills gaps in your businesses prior to and during Covid. How have you found the process of setting them up? Particularly, did the introduction of the apprenticeship levy change your experience?

Jonathan Foot: At Compass Group we have a large apprenticeship programme of approximately 500 apprentices. We have developed the apprenticeship programme in line with the MDs and HR teams of each business sector, so we fully understand the business and the skills gaps.

Working with our preferred training providers, colleges and universities, we have developed an apprenticeship road map that will take someone from a level 2 qualification right through to degree level in various sectors, from culinary, facilities management, management, HR, IT and digital IT solutions.

We take into consideration the right levels for each role, and ensure that we have an offer for each role and each member of the team within each business sector, which enables them to progress. If someone came in as, for example, a junior commis chef, they could clearly see the progression road map, if their aspiration was to become a culinary director within Compass Group, and how they would progress along that road map. We

have selected our preferred training providers, colleges and universities to deliver those on our behalf.

Emma Taylor: At Tesco we take a holistic approach to bringing young people into work and to developing all our colleagues. Our training and development approach spans from pre-employability activity through to employment and the ongoing training and development of our colleagues.

Our apprenticeship programmes play an important part in that overall approach. We have been doing apprenticeships for a number of years. Over the last 10 years we have delivered about 10,000—on average, 1,000 a year. The programmes we run span a number of different topic areas, from level 2 through to level 6.

We reflect on and identify emerging skills gaps in the organisation. A good example would be our LGV driving apprenticeship. It is a level 2 apprenticeship that, currently, we have about 100 colleagues completing. For some time, we have identified a skills shortage in this area, and with the increasing move to online shopping, and the role of delivering fulfilment within that, it is a very important skill area for us. Setting up an apprenticeship for LGV driving has helped us to address that skills gap and give some great opportunities to our colleagues at the same time.

As a final point on the levy itself and its structure, I have some suggestions about additional opportunities to develop its flexibility that I am happy to give further detail on as we go through the session this morning.

The Chair: Emma, I will pursue a supplementary with you, because I think we are interested in your views on the apprenticeship levy.

I would like to be clearer about whether your apprenticeships are focused in particular on young people and new starters and, if not, exactly how you target them. Is the standard apprenticeship format a help or a hindrance to recruiting and training young people? Do you have any data on how many progress to higher levels of apprenticeship training?

It is a broader picture, Emma, but you can say something about the apprenticeship levy at this point if you wish.

Emma Taylor: I will start with the point about young people and new starters. Our focus is on providing opportunities for all our colleagues. Yes, we have a large number of young people completing our apprenticeships. I believe that about 22% of our apprenticeships are completed by colleagues who are under the age of 25, for example. We have colleagues joining us to complete an apprenticeship. It is important to say that our focus is on providing the opportunity for all our colleagues, no matter who they are, and some of them will therefore access the apprenticeship opportunity once they are established at Tesco and at particular moments during their career, perhaps in response to some of the emerging skill areas that I described earlier in the context of the LGV apprenticeship.

We are very confident in working with that construct following our years of experience. We have some good examples of where, following completion of an apprenticeship, our colleagues have progressed to further training and development. That can take a variety of different forms. Sometimes it is subsequent qualifications. Sometimes our colleagues become involved in some of the internal training schemes that we offer. We also see that for many colleagues who have completed an apprenticeship with us it is a great platform and gives them a great foundation of skills that they take forward to develop their ongoing career path at Tesco.

I believe that if we were able to introduce some more flexibility into the levy we would be able fundamentally to provide more opportunities, both in the form of apprenticeship and in some of the pre-employability activity that we do with young people in secondary schools.

Baroness McIntosh of Hudnall: You almost answered the question I wanted to ask, and it is to both of you, about the apprenticeship levy as a format. It is quite a significant cost to business for those that are large enough and have a large enough turnover to be required to pay it. Do you regard it as good value for money for what you pay each year? Do you get full value from what you pay in?

Emma Taylor: Thank you for the question. I will start with the value piece. We have been able to use 14% of the levy that we have contributed to date, and therefore [*Inaudible.*]—

The Chair: We have lost contact. Jonathan, while that is restored, I will switch to you, because I think you are still okay.

Jonathan Foot: I will answer each part of your question about whether our apprenticeships are focused on young people. To attract young new talent to our business, we absolutely use our apprenticeship programme through apprentice vacancies. It is also for the skills development of our existing employees. It is for all ages as part of their career progression and is offered to, and is inclusive of, all our employees, of all ages. It has been well received within Compass Group that it is for all ages, and not just for 16 to 24 year-olds, which I think is important, and it has worked well.

We work with DWP and with organisations such as Springboard hospitality and the Care Leaver Covenant, to attract new people into our business.

The apprenticeship levy gives us as an employer a voice in determining what we want to offer from an apprenticeship perspective and gives us an opportunity to design a bespoke apprenticeship programme with our preferred providers—what we want as a business to plug those skills gaps.

Are we getting full value? It would help to have a more flexible approach to allow us as large employers to benefit not only Compass but the hospitality industry and other large organisations and to maximise our apprenticeship levy to support young people. We are totally committed to

the Kickstart initiative, for example, but it would be great if we could use the apprenticeship levy to support accredited qualifications during that six-month period for those young people, as that would then be a progression route on to our apprenticeship programme. They would have done some initial work on the apprenticeship route that they are interested in. Flexibility would add value to the apprenticeship levy in being able to use that.

The Chair: Emma has rejoined us successfully. We will come back to you to finish what you were saying in answer to Baroness McIntosh, but Jonathan Foot has been talking us through views from Compass. Jonathan, had you concluded what you want to say in answer to this whole area?

Jonathan Foot: Yes, thank you.

The Chair: Emma, was there anything you were about to say but were not able to?

Emma Taylor: I apologise for losing my connection temporarily.

As per my point on the amount of the levy that we have been able to utilise so far, I recognise that there are some opportunities for greater flexibility in the way we are able to utilise that levy, which would help us to deliver more opportunities and more apprenticeships.

I give you one example. We focus on the importance of pre-employability training. We do some work in partnership with the Prince's Trust to work with secondary school children to develop employability and life skills ahead of them moving into the world of work and to help them to access opportunities. Were we able to utilise the levy to scale up that activity, we would see that as being of huge advantage in this issue of youth unemployment. As Jonathan was mentioning when I rejoined the session, that is clearly directly related to opportunities at Tesco but will also have a positive impact on both the retail sector and the wider labour market.

Q38 **Lord Storey:** I want to talk about Kickstart, which was the Government's response to youth unemployment. If you operate a Kickstart scheme, will you talk through its pros and cons and how you have found it? Is it just a sticking plaster or can it develop into permanent full-time jobs? Is it valuable? Is it worth while? Is there anything that you want to say about Kickstart?

Emma Taylor: We are involved in Kickstart. We were an early adopter of the programme. We have welcomed into Tesco 900 Kickstarters to date, who joined us in the autumn. Our experience of the programme so far has been very positive. We are very pleased with the Kickstart colleagues who are working with us. They are very enthusiastic. Their efforts and their capabilities are very impressive.

It is worth saying that we talk to them frequently about how they are finding it—most recently, last week. One hundred per cent of them said they were confident in the roles they were doing, and there was an overall satisfaction level of 94% from our Kickstart colleagues.

We intend to continue the Kickstart programme. We are looking ahead to later this year when we will have a second cohort. I think that gives a really good indication of how happy we are with the programme so far. We hope to be able to offer our successful Kickstart colleagues permanent roles.

Our experience with other work placement programmes such as the Movement to Work programme suggests that, on average, we are able to convert about 60% of such placements into permanent employment. That is a realistic ambition for us to be working towards in relation to Kickstart.

Lord Storey: That is very helpful indeed. May I tease that out a little more? That seems to be quite a high figure. Some 60% get full-time positions in the company.

Emma Taylor: It will be a variety of positions based on availability, so permanent employment, with a range of constructs of what those opportunities look like.

Lord Storey: Of the other 40% or so who are not taken on, for a variety of reasons—it is not for them, or they do not have the skill sets that you require—can you give us some indication of what we might do to support them? Is it purely because it is not the role that they want to do? I am putting it rather badly, I am afraid.

Emma Taylor: There is a variety of reasons, as you have suggested. Through the Kickstart programme, which we have set up and self-funded, we are trying to focus on the core employability skills that young people need. As part of our programme, for example, we have introduced an additional wraparound layer focused on giving young people CV writing skills and mock interview experience, so as they start to consider their next step into the world of work they are really well prepared for it.

When we see young people choosing not to stay with us, sometimes that will be connected practically to the opportunities that are available and how they suit them. I would hope that it is also because we have given them a core investment in their skills and their employability, so that should they choose to progress their career paths elsewhere they are well set up to do that.

Lord Storey: Two final questions. First, could you briefly take us on a journey of somebody who starts as a Kickstart trainee? Secondly, is there anything that we should be doing to improve Kickstart overall?

Emma Taylor: In response to the first part of the question, the first thing I should say is that we have followed the guidance and the guidelines set out by the Government in relation to the scheme.

We are very well established in welcoming new starters into our organisation. Our Kickstarters will get a comprehensive induction and training programme. They have a buddy, who is there for them every time they are in the store, to help them. We have also been providing them with a tablet to access very easily all their learning and

development resources. They will have lots of experiential time on the programme working alongside other colleagues.

I also mentioned that we have been working with the Prince's Trust with a specific focus on employability skills. We talk to them regularly about how they are finding it. Every four weeks we do a sentiment survey, essentially, so both through ongoing conversation with the individual Kickstarters in the stores that they work in and as an overall cohort we are able to identify any themes and any feedback from them to which we need to respond to continue to make their experience with us as valuable as it can be.

Lord Layard: What you have said is very interesting. Did I hear you right when you said that you are self-funding this? I understood that Kickstart was funded by the Government paying the wages and a recruitment fee. Perhaps you could say a little more about the financial aspects of Kickstart as you experience them.

I also want to pursue Lord Storey's line of inquiry. Do you give the 40% any help and advice on finding some other employment?

Emma Taylor: Let me take both those questions. On the funding piece, we decided to self-fund at Tesco. As I have suggested already this morning, we have a well-established approach to training and development. We identified that Kickstart was very aligned with that, and we decided to self-fund the programme. That is just our experience at Tesco.

For the colleagues who do not choose to join us on a permanent basis, the work that I mentioned on investing in their employability skills—CV writing, interviews and so on—is how we will ensure that we have spent some time with them helping to get prepared for the roles that they may take in other organisations and to access those roles.

Jonathan Foot: At Compass Group, we are absolutely committed to Kickstart. We see this as a future talent pipeline for that age group. We have welcomed the Kickstart candidates. We have onboarded 31 to date and are looking to support 200.

We want to do it small, but with the quality of experience as the Compass Group family. When Kickstart candidates start, we do a two-week welcome to Compass Group. They work towards an entry level pre-employability City & Guilds qualification. They meet other Kickstart candidates. These young people have been out of work, and it is a good way of welcoming them to Compass Group and making them feel part of the family, and for them to achieve something in those first two weeks.

We do a graduation ceremony. I attend that and welcome them to the family. The feedback from those first two weeks shows not only that they have achieved something but that their confidence level prepares them to go out to their work experience opportunity within Compass Group.

During that time we work on a flow module platform. The Kickstart candidates work towards ongoing training modules. It could be about customer service. If they are doing front of house, for example, there is a

waiting module that they can work towards. It is relevant to what they are doing in their placement and is ongoing.

We also build in progress reviews with their mentors. They get a mentor dedicated to them. A progress review is completed every month, recording the progress they are making and the skills they have learned, and to start talking about their aspirations for the end of the programme as regards remaining with us, and what opportunities are available for them.

As part of the programme we build in a full welfare course. As the apprenticeship team, we touch base with the candidates to ensure that they are okay from a health and safety and from a welfare perspective. The feedback from the first course with the first 30 on board is that it is an amazing opportunity, they are thankful for the opportunity, and they feel that they have a purpose again. It is music to anyone's ears to hear young people say that.

We also build into the last couple of weeks of their programme information, advice and guidance sessions. We talk to individuals about what they have gained from the experience and what the next steps are for them. That is really critical. We talk to them about the opportunities available, from full and part-time roles to apprenticeship vacancies.

As the hospitality industry starts to re-open, those opportunities are coming through, which is great. Kickstart supports the hospitality industry in giving us that time, a window, for the business to reopen. At the same time, we are developing our future talent pipeline and, obviously, we see these young people going on the apprenticeship programme.

Lord Storey: That is very interesting. Both you and Emma have said, "We do this. We build in. We have a welfare programme. We have mentors", which is excellent. Do the guidelines suggest these things, or are these your own initiatives?

Jonathan Foot: I can answer that from Compass Group's perspective. Absolutely, on Kickstart we treat them exactly the same as employees. We feel that is really important and valuable, so that they understand that we are a people organisation and we care about our people, and that our people come first—their well-being, their health and safety and their career progression. We wanted to build in those additional parts of the programme because we absolutely see the benefit of Kickstart.

Lord Storey: I do not know whether Emma wants to add anything.

Emma Taylor: From my perspective, I am very aligned with Jonathan's view. We have taken the framework of the programme and added into it the elements that I described, which are based on our experience and best practice internally, and which we recognise make a difference. The feedback from all our colleagues and our Kickstart colleagues would support that as well.

Q39 **Baroness Newlove:** We have had very interesting questions and answers. My question is about Covid, which has been horrendous for all

age groups, not just for young people; everybody has been affected by it. It has been a particularly challenging time for the creative industries, hospitality and retail, which have been mentioned. I would like to know how your businesses have coped with such strains. How will the pandemic affect early careers in your fields in the longer term?

Emma Taylor: Thank you for the question. Absolutely, it has been an incredibly challenging time. We have seen our colleagues adapt fantastically to all the challenges that have come their way. I would like to take the opportunity to recognise their contribution, which has been brilliant.

The initial peaks of change have hopefully started to slow a little, but I agree that there are lasting changes in jobs and skills. In my organisation, a relevant example is the change in customer shopping habits and the move to online, which has seen us double our capacity for online shopping. We anticipate that that trend will continue. While it was an established trend, it has definitely accelerated, and has therefore continued to bring with it the demand for new and different skills associated with the operation of that online business—digital skills, technology-related skills, and so on and so forth.

From my perspective, that underlines the ongoing importance of the early careers agenda. All our programmes will continue to need to play a really important part, from pre-employability through to ongoing training and development and reskilling, so that we can bring colleagues into the organisation with the relevant skills. By working as early as possible with secondary school children, we can help to ensure that that is what is happening and provide opportunities for colleagues to complete some of these qualifications, and gain some of the training and development that will help them to ensure that they have the skills they need aligned to the emerging trends that we are seeing as a result of the pandemic.

Jonathan Foot: Absolutely, as you know, the hospitality industry has been hit hard. Overnight, thousands of our operating outlets were closed. As an organisation we pivoted and established ourselves as a key worker business. We diverted thousands of our staff into healthcare roles, such as cleaning, portering and patient catering. We worked closely with the Government and stepped in to help set up the Nightingale hospitals and testing centres in different roles across those.

Moving forward, absolutely, the effects of the pandemic will hit young people, but there are great initiatives such as Kickstart—the Government should be complimented on that initiative—and the training and support. We are now looking at cross-sector skills and understanding from an apprenticeship perspective what that means for our offer for young people and our existing employees. Covid has given us that time to re-look at our apprenticeship programme and re-evaluate the skills requirement, to ensure that we have the right offer and right partners to deliver that for us as a business as we come out of Covid and the industry reopens, as it is slowly doing.

Baroness Newlove: I think you are answering a lot of the supplementary questions. We spoke to some extraordinary young people

last week. Something that resonated as a shopper, and because as a family we discuss things, was the customer attitude towards staff. This might be true in Tesco, and we would see the same in hospitality.

What support packages do you have in place to protect these young people who are trying to gain confidence in the workplace? People tend to be ruder at the moment, perhaps because they are anxious. I am conscious that we must give the right support. It was highlighted how the customer personality had changed and those young people did not feel that the management supported them. I am conscious that we are putting young people in jobs and we have to give them confidence so that they do not feel that they are just filling a gap, and feel unworthy just because they are young.

Jonathan Foot: That was one of the key things that I mentioned about Kickstart. Part of that employability qualification is dealing with customers, giving good customer service, and knowing how to deal with challenging customers. They get that right from the start. Once they are out on the work experience placement, they will get their mentor, who will buddy them, support them, train them, develop them and not put them in a situation where they will be on their own and feel vulnerable until they have got their confidence levels. That is all part of the mentoring programme in the Kickstart scheme. Anybody coming into an apprenticeship vacancy knows exactly what a mentor is expected to offer in supporting that individual right from the start.

Baroness Newlove: Jonathan, how do you check that your mentors are the right people to give confidence to young people? I am playing devil's advocate here. We have to ensure that the chain follows through, and it is not just words, and that we are giving the right support to young people.

Jonathan Foot: We have built into our apprenticeship programme—this also goes across to the Kickstart programme—mentor guides on what is a good mentor, the expectations of a mentor, what mentoring means, and the expectation of that. That is there as a support tool for those individuals. We check in with the mentor and the apprentice or the Kickstart candidate about what they are experiencing and their support, and whether they are happy with the support. We are constantly monitoring that quality of teaching, learning and assessment.

Emma Taylor: I am very much aligned with much of what Jonathan has said. The two points I would make are, first, we identify at the heart of all our jobs, and therefore of all our training and development programmes, a core set of essential skills, which I think would be relevant to the example you mentioned, Baroness Newlove.

Being able to communicate effectively, being resilient, dealing with customer service, including the challenges that that sometimes brings, leadership skills and teamwork are just a few examples. Right through from the work we do on a pre-employability basis with secondary school children to the programmes that we run with our established colleagues,

those are constants, so we can feel confident that we are giving the skills and capabilities that our colleagues need.

As Jonathan said, the role of buddying, mentoring and line management is critical, so we also have an established set of training material that helps us to ensure that the people who we are asking to fulfil those roles feel confident and competent to be able to fulfil the support role that we need them to.

Q40 **Baroness McIntosh of Hudnall:** I want to move on to skills shortages, which, Emma, you touched on earlier. I was quite surprised that you identified HGV driving. I would have thought that there was a high level of interest in that, but there you go. I am wrong.

What skills shortages do you expect to arise in your business over the next five to 10 years? What do you think the impact of technological development will be on how those shortages—or perhaps not shortages—or those opportunities develop?

When you answer, would you reflect on whether you have anything to say on the national curriculum? I assume that a lot of your entry level people are coming straight from school—not all of them, but I imagine a lot will be. Will you give us your views on the current structure of the national curriculum and the strength and weaknesses as you perceive them in relation to the skills that you are looking for?

Jonathan Foot: I will respond on apprenticeship skills, because that is my area of expertise, if that is okay. Through the pandemic from an apprenticeship perspective, everything, for obvious reasons, has gone digital with online learning, teaching and progression. From that, absolutely, digital skills will be an area of development and of skills shortage for people. We are very much focusing on what that will look like for our people moving forward as regards communication and collaboration, and sharing through digital technologies. It is about the content and the creation of that through learning, and the ability to analyse demand and attraction of new customers through a new offer of service. That is some of the feedback we have had from our apprentices from a digital perspective.

The softer skills will be in problem solving, the willingness to change as regards those softer skills because of the changes of Covid, and active listening skills. From a national curriculum perspective, we welcome the T-level qualifications, especially for the hospitality industry. In the industry placements that we are offering, and from speaking to the young people who are coming through from a Kickstart apprentice perspective, they very much value that work experience/industry experience as part of their qualification moving forward. We are committed to supporting the T-level industry opportunities moving forward.

Emma Taylor: We would identify a couple of emerging areas of importance in skills shortages. I mentioned the skills that support the growth of the online side of our business. There is a broader theme in technology, which is connected to so many parts of organisations, jobs and skills now.

I shall give an interesting example from Tesco. In the autumn of last year, we started a data analyst apprenticeship, which is a level 4 qualification. We currently have nine colleagues who were previously working in our stores completing a data analyst apprenticeship, because we have recognised that that is a real area of emerging importance within the overall technology trend.

I agree with Jonathan's point and refer back to my previous answer about the ongoing response of those core employability skills. Continuing to focus on those will enable us as an organisation, and I am sure other organisations, to develop an agile workforce with the core transferable skills that will enable colleagues to move into other areas as they grow in importance, supplemented by relevant technical skilling.

On the national curriculum point, we are obviously a big business, with a lot of broad skills, experiences, career paths and entry routes. People coming into our organisation bring with them a variety of academic and vocational experience and qualifications, and that is a very valuable balance for us to be able to experience. Some of those more fundamental skills—English, maths, digital skills—will continue to play a very important part in the range of experience, and we see that coming through. We also see many young people come into our business who through extracurricular activities have developed important skills relating to team work and leadership, for example, perhaps through sporting activities or other interests. I anticipate that that will continue to be very valuable experience that they bring with them.

Baroness McIntosh of Hudnall: That is really helpful.

Q41 **Lord Layard:** I want to ask a question from the point of view of young people rather than the position of the employer. I am thinking particularly of people under 25, because I think that as a society our prime moral obligation is to help these people get off to a proper start in life. As part of that, presumably we would like to have an apprenticeship route open to them that is as simple and smooth as the academic route that is available to people who prefer to go down that route. That means that, for any young person who is qualified to move up to a particular level, they can expect to find a place of some sort.

I have two questions against that aim. First, do you think that there are enough apprenticeship places available for young people in this country? For example, what fraction of people who apply get apprenticeships in your firms? What happens to the ones who do not? Do you think that they mostly find some other apprenticeship, or do they have to go into a job that does not have that kind of training element in it, or do they just become NEET, as we say?

Secondly, if you do not think that there are enough apprenticeship places available for young people, which I certainly suspect, what should be done about it? Is any organisation really trying to generate—to stimulate employers to provide more places? Do you have any relations with any body that is really trying to get you to provide more places? In particular, what is your perception of the role of the National Apprenticeship Service.

Emma Taylor: Speaking from my experience at Tesco, I believe that we could deliver more apprenticeships with some simple additions of flexibility in the way we utilise the levy, as I have mentioned previously. Those suggested reforms would help us as an employer to deliver more apprenticeships, but I am sure that some of them would also benefit other organisations, and the sector as a whole, and cumulatively would result in more apprenticeships being available.

As regards the point about those who are not able to secure an apprenticeship, we are very involved, for example, alongside the work we have done on Kickstart, with Movement to Work, where we focus on creating quality work placements for people who are not in education, employment or training. Last year, for example, we delivered over 700 of those placements, resulting in over 50% of those young people joining us on a permanent basis. Those programmes are other routes that we can help to focus on getting young people into employment and, once in employment, help them to access some of the training and development opportunities that are available to them, such as in the form of apprenticeships, but there are obviously others as well.

Lord Layard: What is your relationship with the National Apprenticeship Service? Is any organisation trying to beat the drum to get more places? How do people apply for an apprenticeship in your business? What fraction of the people who apply get an apprenticeship?

Emma Taylor: The number who apply is a point I can follow up with you in writing. I do not have that to hand today.

A number of people apply to us to join and complete an apprenticeship, but many of them are existing colleagues who want to take that step into a formal qualification. We are able to work with those who are not successful and give feedback and help them to access those opportunities going forward.

We have an ongoing interaction with relevant bodies and the Government on opportunities to continue to make the levy and the schemes as effective as possible, ultimately, to result in more opportunities and more apprenticeships being offered. I would describe that as an ongoing conversation that we are very committed to.

Lord Baker of Dorking: You said that some students come to you at 16 with digital skills, which surprises me because computing is not taught in schools up to 16. You say that others come at 18, and, again, not much computing is done 16 to 18. Then you revealed, of course, the truth that you have five or six people in your own business who want to do data analysis but who were not taught any data analysis at all in their previous education. Sensibly, you put them on a special apprenticeship course. Sixteen year-olds are quite capable of data analysis. It is not magic. It is just proper training. This is where the curriculum is failing. That was my comment really.

The question I would like to ask both of you is: how much do you pay your apprentices at 16, the higher apprentices at 18, and the degree apprentices at 21 or 22?

The Chair: Can you answer the detail of that now? If not, we are very happy to take written evidence.

Lord Baker of Dorking: Of course, and that will save an answer.

The Chair: I would quite like it all in writing, as indeed on the point Lord Layard raised a moment ago. I think that you, Emma, agreed that you would send something in writing on that.

Lord Layard: Are there enough places? What happens to people who do not get accepted at Compass? What are your relations with outside bodies that are encouraging apprenticeships?

Jonathan Foot: I am fortunate to have an apprenticeship team. We work closely with each business sector. I have a dedicated apprentice recruitment manager as part of my team. We work very closely with the business sectors to talk about apprentice vacancies. We work with them on what that vacancy template looks like. We send out a vacancy briefing form that is completed. We review that as a team before we advertise that on the National Apprenticeship Service.

Our experience of the National Apprenticeship Service is that it is a platform that is well-known by young people, who know to go on to it to find apprentice vacancy opportunities. The majority of our referrals come from the National Apprenticeship Service. We then do an initial screening of the applicants and a first-stage interview before passing them to the hiring manager for a second interview. We are always talking to those individuals.

For those who are not successful, for whatever reason, we provide an information, advice and guidance feedback session, first, to give them the feedback, and for next steps, signposting them to the right route, if it is not the Compass Group. We are really proud of that. I will get back to you in writing with the numbers, as per Emma.

The Chair: There will be some responses in writing to points that have been raised during that question. Let us go now to Lord Hall.

Q42 **Lord Hall of Birkenhead:** One of the themes running through your evidence, which has been fascinating, is your relationship with local education providers—primary, secondary, HE, FE and so on. I would very much like to understand how this relationship works, if it works, or how it could be strengthened. I am particularly struck by Lord Baker's points about digital skills and the lack of them in the curriculum. That is one point.

The second point is related to that and comes very much from last week's evidence session with young people. For me, one of the themes that came out of that is the lack of effective careers advice. I know that Lord Bilimoria, for example, has spoken very strongly about that. I would love to hear your views on both those topics.

Emma Taylor: We have a number of important relationships with education providers. I will give you examples of a couple of them. We

have an important partnership with the Prince's Trust. We have already supported over 40,000 secondary school children in the last three years with the development of awareness and confidence about employability and life skills through its Achieve club model.

We also work with other organisations such as the Careers & Enterprise Company in Hertford, where we work with a priority list of 56 schools to try to connect the curriculum to employment opportunities. They are incredibly important relationships. For us as Tesco they absolutely will continue to occupy a very important part of our overall learning and development approach.

I would absolutely identify your point about digital skills as one of those core components of the skills where we are trying to raise the awareness of young people and build their confidence and competence. Again, with the opportunity to use our levy funds differently, we think we could scale up a lot of work that we already do.

Careers advice is a core part of some of the work that we do in that area. As part of our work with the Prince's Trust we work in partnership with the IGD. Our colleagues volunteer to go in—or, latterly, virtually—to talk to secondary school children who are at the stage of their education where they are starting to think about careers. We do that directly in relation to opportunities in the food and retail sector. I think that is a very important intervention for us as employers.

Lord Hall of Birkenhead: You used the phrase “scaling up”, which strikes me as quite interesting. You are doing a lot of good work. The Prince's Trust is doing a lot of good work. Do you have any views about how that can be scaled up and others can come together to do what you seem to be suggesting is working?

Emma Taylor: If we were able to utilise our funds differently, and put a portion of the levy into investment in that work, and therefore expand it, that would help us to do more, and to scale up. I speak for Tesco, but I imagine that there would be a shared benefit in other organisations, and, together, we could do more in that space.

Lord Hall of Birkenhead: It involves other organisations coming together in the way you are suggesting and the levy changing.

Jonathan Foot: We have a clear schools engagement strategy. We work with schools, first, to understand what they want out of this experience so that we are understanding from a curriculum perspective what the skill sets are and how we can support that to complement their curriculum activity. That has proven to work really well. Obviously, that has had to go virtual due to Covid.

To add to Emma's point about the flexibility of the apprenticeship levy and the scalability of doing more for the schools, letting us use our levy more to support that would be really beneficial to us as large organisations. We would welcome that.

In the shaping of the apprenticeship programme, I have talked to heads of school about what that would look like to them and what young

people's aspirations are and the skills gap requirements. Digital is a big part of that. We have developed the digital IT solutions offer to attract new talent and for our existing employees. I remember when I worked in a training provider that there was the Connexions service. We used to support young people and take them along to the Connexions service to get their careers guidance. I think that is missing from a young person's perspective now. That should be looked at. That was so valuable for an individual who could talk to a careers officer and get expert advice about what is out there and what support is available.

Lord Empey: I wanted to ask how your business supports young applicants through the job application process. For instance, do you provide pre-interview support and offer feedback afterwards, which sometimes can be very important?

Jonathan Foot: I will put it in the context of apprentice recruitment because that is my area of expertise.

As I mentioned, I am fortunate to have a dedicated apprentice recruitment manager. We absolutely work with the business sectors in going through the opportunities, so that we understand them and can articulate them to applicants. We then advertise that on the National Apprenticeship Service. We sift the applications and speak to individuals and do a first-stage interview. If we feel that they are suitable for that role, we pass them over to the hiring manager, who will carry out a second interview. If successful, they are onboarded in exactly the same way as an employee and go on to an apprenticeship programme.

For those who are not successful, we give constructive feedback and provide information, advice and guidance on next steps, so that those individuals are clear about why they have not been successful and the opportunities for them to follow up. We support that through their job coach at DWP and join that back up that so that the individual is totally supported with that wraparound support.

Emma Taylor: I would add one point to what Jonathan said—a reflection from our experience of the Kickstart programme. In advance of that programme we reflected that many of the young people we would be meeting would perhaps for the first time be completing an application form or having an interview, and might not have the skills or experience to draw on as part of that process.

We identified that at every stage of the recruitment process we could put in place some mitigations to address that. We amended the standard customer assistant interview to focus on the potential capabilities of the young person versus relying more heavily and traditionally on previous skills or experience: what they would be capable of versus what they had done before. I think that is a good indicator of where we have taken a lot of learnings for our onward recruitment of young people on to these types of programmes, and the very logical mitigation that we put in place to help and support them to be successful in applying for those opportunities.

Lord Empey: Do either of you use psychometric testing?

Emma Taylor: Not at this level of recruitment, no.

Jonathan Foot: No, not at this level.

Lord Empey: Lord Layard picked up the point that you self-fund the Kickstart programme. You went on to say that you found a great similarity between it and your own programmes. That being the case, I still do not quite understand why you are doing that.

Emma Taylor: The self-funding or the programme?

Lord Empey: The fact that you are self-funding.

Emma Taylor: We took the decision internally that we would self-fund. We felt that was the right thing to do. We identified that there was an opportunity for us to play a part as an organisation that had been able to trade throughout the pandemic in contributing to the economic recovery, and mitigating the impact on young people; therefore, that was the decision that we took.

The Chair: I thank both our witnesses, Jonathan Foot and Emma Taylor, for their contribution this morning. It has been hugely valuable. There will be a written record and you will have an opportunity to look at it shortly and correct any errors, although it is most unlikely that there will be any.

If there is anything that you would like to talk to us about once we have finished this session, please feel able to write in alongside those things that we have already agreed that you will write to us about. Once again, thank you very much indeed.