



Education Committee

Oral evidence: Role and Responsibilities of the Secretary of State, HC 402

Wednesday 9 September 2015

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Members present: Neil Carmichael (Chair); Lucy Allan MP; Ian Austin MP; Marion Fellows MP; Suella Fernandes MP; Lucy Frazer MP; Kate Hollern MP; Ian Mearns MP; Caroline Nokes MP; Kate Osamor MP

Questions 1-72

- Witnesses: **Rt Hon Nicky Morgan MP**, Secretary of State for Education, gave evidence.

Q1 Neil Carmichael (Chair): We are in session now; this is a public session. We are about to discuss the role and responsibilities of the Secretary of State for Education, so welcome to our Committee. This, incidentally, is the first public session of this Committee since the general election, so we are very pleased to have the Secretary of State here for that meeting.

We are going to be here for 90 minutes and each of us has some questions and we will have a fluid discussion around each question as we go along. The purpose of this is to explore your role, your responsibilities and obviously your plans, policies and how the Department is operating as an implementer of those policies.

I am going to kick off with a few questions and then we will just go down the list. Nicky, we will use Christian name terms here. The only downside of that is that we have a shortage of names in this Committee. We have two Lucys, we have two Ians and two Kates. We do not know what went wrong there, but—

Ian Mearns: We have one too many Neils as well.

Chair: Is that right, Ian? He is lucky he comes from the north-east.

Okay, the Prime Minister has recently announced his vision that we have all our schools as academies, so the question arises: why wait for coasting schools to become academies? Why not make them all academies now?

Nicky Morgan: Thank you very much indeed, Mr Chairman, for kicking off with that straightforward question. Before I begin, can I first of all congratulate you on your election—

Chair: Thank you.

Nicky Morgan—and congratulate the other members of the Committee for being on a Committee for what I think is a fascinating area of Government policy?

We believe very firmly that all schools should be academies, will benefit from being academies, will benefit from the freedoms that that brings, and that the best people to run schools are head teachers, teachers and governors. But I have been very clear with the Committee—the previous Committee, in the previous Parliament—that what I want is for those schools that are not failing, where we have decided that the best way to secure improvements is for them to become academies, but for those other schools that are not yet academies, including those that are coasting, I want them to make the decision to become academies; to listen to the people working in the school, to listen to those in the community and obviously to work with the governors. I cannot be clearer that I think the best way forward for all schools is for them to become academies.

Q2 Chair: What happens if a school decides not to become an academy?

Nicky Morgan: We are going to focus on particularly—and I think we will come on to talk about that in the course of the Committee—what I think are the main tasks for me and for my ministerial team over the course of the next couple of years. We are particularly going to focus on those that are failing and are providing inadequate education to our young people. More and more, there are schools that are exploring and would like to become an academy. There are issues, sometimes about their size or perhaps the trusts, they might be looking for a suitable sponsor, that hold them back from making that final decision. That is, again, a task for the Department, it is helping them to feel confident in making that decision.

Q3 Chair: Turning to free schools, there is obviously appetite for those as well in Government. Is the focus for having free schools in areas where there are shortages of school places and, if so, how are you implementing that?

Nicky Morgan: It is a mixture of both. What we have seen in the most recent waves of free schools is that a higher proportion of them are in areas where there is a shortage of school places. We have also been very clear right from the start that free schools are not just about creating more school places; it is about creating more good school places. I am very clear that where parents know that they are not happy with the provision in a local area, there should be a mechanism—and free schools are that mechanism—for them to say, “We need better school places, higher quality, that are going to do the right things for our children and therefore we would like to see a new school set up”. The 300 that are open are providing 150,000 extra places across the country.

Q4 Chair: Do you see all academies, and perhaps even free schools, as part of a multi-academy trust mechanism in the long term?

Nicky Morgan: I think that probably what we are seeing is that many schools are moving towards that. Those who are thinking about becoming academies will often look for a strong sponsor or to join a multi-academy trust. We have a number though of academies who converted right at the start of the last Parliament who were good schools anyway. Again, I would want them to make that decision about whether they felt that they wanted

to be part of a wider group. Of course, they might not want to join a whole multi-academy trust; they might just want to work with other schools in the area or other similar schools elsewhere to gain those benefits. I think, talking to schools and heads who are part of multi-academy trusts, they really benefit from being able to share the experiences of other schools and the sponsors benefit by being able to provide expertise and potentially even to move members of staff around from one school to another where they spot a gap that is very much needed to be filled.

Chair: Thank you very much. We will be probing those issues throughout the course of this morning. Now I am going to ask Suella to talk about coasting schools, because that is an element of this whole story.

Nicky Morgan: Absolutely.

Q5 Suella Fernandes: Thank you, Secretary of State, for coming and addressing the Committee.

Nicky Morgan: Good morning.

Suella Fernandes: On the issue of coasting schools, I had the opportunity to sit on the Bill Committee that was taking evidence and discussing the clauses on coasting schools, and the wording of the main clause that gives a power to issue regulations on coasting schools is very much that: it is a power; there is a discretion. There is some concern in the industry and the sector as to guidance on when this regulation, this definition, is going to emerge, what criteria are going to inform it and what status it will have.

Nicky Morgan: Thank you very much for the question. We published the definition of coasting, I think, just before the Committee stage of the Bill started. It is important to note that it will not be possible for any of us to know which schools meet that definition until 2016, until the results of 2016 are published. I think those who are poring over results trying to work out which ones might or might not be coasting should wait some time.

You are right to say there will be a power for, obviously, the regional schools commissioners. I am certainly going to come on to discuss the role of the regional schools commissioners this morning. The regional schools commissioners, once they have identified a school that is coasting, will then talk to the leadership, to the governors, and will look at the quality of teaching and what is happening in those schools that means that the young people in there are not making the progress that is expected of them. It is also important to understand that the definition of coasting relates to progress, or will do, particularly when the Progress 8 definition comes in, because there are some schools that are doing a fantastic job, but they are starting with children who are perhaps disadvantaged, who are not attaining so well educationally, and therefore the progress those schools and those teachers are making should be recognised and will mean that they are not coasting and therefore would not fall within that definition.

Q6 Suella Fernandes: You mentioned the regional schools commissioners, and obviously there will be a trigger for their intervention once a school is identified as coasting. What is the best practice model that you envisage for that kind of intervention?

Nicky Morgan: It is something that has to be worked on over the course of the next couple of years while the Bill is coming in, while we are waiting for the 2016 results. The reason I say that is because one of the themes I want to get across to the Committee is very much believing in the sector itself—in those who are working in schools; in those eight very talented regional schools commissioners, who are supported by head teacher boards, many of them elected by their peers locally.

The whole point is that I do not think that being very prescriptive—“This is when you will intervene and this is when you will not”—is the right approach, because every school is individual. I know from my visits up and down the country—I have not done the 24,000 schools yet, but I have spoken to over 1,000 teachers since I took on this job—that—

Q7 Ian Mearns: 600,000 to go then?

Nicky Morgan: Yes, if the Chief Whip would just arrange for me not to be here for the next four and a half years, I will just go on tour around the country. That means that having a prescriptive response and setting it out in guidance is not where we are going to go. One of the important responsibilities of regional schools commissioners is the work they do—with knowing their local area, knowing the schools, knowing the communities and deciding, “What this school needs is help with recruiting great quality teachers,” or “They need to beef up their governing body,” or, “Yes, actually there is a change of leadership needed. That is something that is going to take the school to the next level.”

Q8 Suella Fernandes: What effect do you see this beefing up of the definition of coasting having on Ofsted ratings and the legitimacy of an Ofsted inspection, in particular a finding of “good”?

Nicky Morgan: You have the Chief Inspector in front of the Committee next week, and I am sure that he will have something to say about this. I think they are looking very carefully at the definition of coasting because they want to send out the same signals that we do and that schools are not confused about ratings. Again, they are looking at slightly different things, because Ofsted is visiting at a particular period of time, and they are looking at more than just results in the school. Results are important, but they are also obviously investigating or making judgments about leadership, safeguarding and the provision of things like careers advice, and the teaching of fundamental British values as well.

There should be an alignment between the coasting definition and Ofsted inspections, but because coasting is measured over several years, over three years. It could be that you end up with a slightly different result, although I expect that the Ofsted inspections will come into line with the coasting definition.

Q9 Ian Austin: What confidence can we have that your Department is going to be able to monitor properly and intervene in a huge expansion of academy schools in my constituency? We all know there are very good schools that are academies and there are very good schools that are run by local authorities. Also, if I look at Dudley, the schools that have performed consistently worse have been academies, about which your Department has done absolutely nothing. What confidence can we have that your Department is going to be able to

intervene effectively in a huge increase in academy schools, when there is effectively nobody between the chair of governors and the Secretary of State?

Nicky Morgan: There is somebody, and that person is the regional schools commissioner, as I say, supported by the head teacher boards, and if there are particular issues in Dudley and the view of the local community is that they have not been tackled, then I would like to hear more about them and we can obviously take that discussion elsewhere, because I know from other Members that when they are aware of problems with schools in the local area, academies in particular, then obviously they will go to the regional schools commissioner. I can tell you that these are eight very proactive individuals. They do not hang about in terms of, if necessary—if it becomes serious—issuing warning notices, re-brokering sponsorships or just intervening to check what is going on with the leadership of the particular school.

You are absolutely right to say—going back to the Chairman’s first question—that if we want there to be more schools becoming academies, that will mean an increase potentially in the workload for the regional schools commissioners, although of course they are only looking at schools that are not good, not all academies in a local area. But we will keep the areas that regional schools commissioners look after under review. We will keep the workload under review and, if necessary, we will look to appoint further regional schools commissioners.

Q10 Ian Austin: But the commissioners will have to look after thousands of schools each.

Nicky Morgan: One of the critical differences between regional schools commissioners and local authorities is that they are only going to be looking at schools that are not providing adequate education or where there are other issues, such as financial irregularity, not working with—because they should not be needed—the good and outstanding schools, where we trust those running those schools and we want to leave them alone.

Q11 Ian Austin: This concentration on structures and this idea of every school becoming an academy is a panacea is simplistic. I think we should be looking at much greater methods to tackle coasting schools and improve performance. For example, I discussed with your predecessor enabling schools—good schools: well-run, with a track record of good financial governance—to have much more flexibility to borrow much more freely than they are currently able to do, so that they could provide the additional spaces, so the parents are in charge, the market is expanded, good schools are able to expand, and poor and under-performing schools are put under more pressure. Why do you not consider putting parents in the driving seat by doing something like that?

Nicky Morgan: We have discussed this previously as well. I do have a great deal of sympathy with that. I am a former Treasury Minister, and there is an issue—I think you have been a Treasury adviser, so you will know this—in that by allowing schools and academies to increase their debt, that obviously has an impact on some of the nation’s finances. But it has been raised with me by academies, and I absolutely do agree that where a school is good—where it is popular and is clearly providing excellent education—then we absolutely would want to see it expand, if there is physical space available and if

that is something that the school itself wants to do. I am sympathetic to that and seeing how we can help that move forward.

Q12 Ian Austin: Finally, just very quickly on this, there are other things you could look at as well. Why don't you learn more from the experience of London Challenge, which oversaw a dramatic increase in the proportion of pupils achieving good GCSE results? That ought to be considered as a targeted approach to where there is under-performance on a regional—

Nicky Morgan: Yes. First, I would just say in response to the London Challenge, of course one of the responses to schools that were failing was of course by Lord Adonis—here in your party, Ian—who wanted schools and made them become academies. We absolutely saw the impact—

Q13 Ian Austin: Yes, but it was much more than that. It was not just that, was it?

Nicky Morgan: It was much more than that. Of course, we may come on to talk about teaching, and I think the quality of teaching is critical in terms of helping schools to improve. You have given me an opportunity to set out one of the key challenges for this Parliament, which is tackling educational under-performance in parts of the country where schools are still not giving pupils a good enough education. It is not just about criticising; this is about working with schools. It is about growing really good leaders. It is about finding good sponsors. This is about helping great teachers go to parts of the country where we know schools find it difficult to improve. It is about learning the lessons of something like the London Challenge and making sure that happens everywhere across the country. I am determined to root out those pockets of under-performance, because I think that is deeply unfair to the young people in those areas.

Q14 Chair: First of all, you will be pleased to know that this Committee is going to have an inquiry on regional schools commissioners.

Nicky Morgan: I heard.

Chair: We are very determined to ensure we can sketch out what their role should be and what their capacities should be in connection with all the points that you have made. Can I just slip in with a question about Sevenoaks and ask what you are going to do about the grammar school application there?

Nicky Morgan: You are not alone, Mr Chairman, you might imagine, in being interested in that. It goes back, in a way, to the point we have just been discussing. I want all good schools to be able to expand, whether they are academies or maintained schools, free schools, and that includes grammar schools as well. But there is a strict criterion laid down as to the expansion of selective schools, and the lawyers are currently looking at whether the proposal meets that criterion. We will respond as soon as we are able to.

Q15 Chair: Is that a response also to the appetite for expansion driven through parent interest?

Nicky Morgan: It is about listening to local communities, where there is a real desire for schools to expand, and absolutely we all know that parents will know where the good

schools are in a local area and that they will want their children to attend that school. I should just say, of course, that I think we want all schools to expand, not just selective schools, and in fact I am in favour of the all-school model, the comprehensive, the academy model, the free school model, the maintained school model where children of all abilities go to school—

Q16 Chair: You would not want a failing school to expand?

Nicky Morgan: No. The issue, of course, would be, “Why is it failing?” and whether it is a question where something can be remedied, but again, I go back to the point where parents will know which are good schools and that we will know that from the pressure on places.

Q17 Marion Fellows: As a new Member and a Scot, I am learning instantly.

Nicky Morgan: I know the feeling.

Marion Fellows: One of the questions I was going to ask has more or less been answered already, so I will concentrate on parental input. How do you answer the point that the removal of the requirement for a general consultation to be held where a school is identified for academisation—I got that out right—will further remove power from parents?

Nicky Morgan: I should be very clear that is only going to be removed in the case where a school is failing and where it has been rated as being inadequate, and therefore we think it should become an academy, the reason being that we do not think there is a day to lose. When a school has been rated as failing, it has usually been that way for some time and therefore we want to get on with the process. We have seen cases across the country where it has taken at least one academic year—if not more, sometimes—for a school to become an academy. Having said that, in my experience, most sponsors will obviously want to work with the parents and the pupils they are going to look after. They will want parental input, and of course parents also have input via governing bodies usually. There is usually parental representation on governing bodies, so absolutely, parents will have a voice that way.

Q18 Marion Fellows: I just find it strange, because where a school is failing and there is a time issue, parents are going to be even more concerned and interested and will want even more transparency about what is happening with their children’s schools, so I am not sure that just coming in from outside and moving it forward as quickly as that is going to allow for transparency.

Nicky Morgan: In my experience, mostly the schools—the school, the head, the governors—will absolutely want to tell parents what is going on, as will the sponsor coming in. They will be very keen to work, as I say, with parents and the community and to tell them what is going on. I also think that, as I say, a school will often have been failing for quite some time and we need to get on with this, and what most parents want, in my experience, is a good school for their child and they want inadequacy to be tackled.

Marion Fellows: I would totally agree with that, but consultation is not the same thing as the governors telling parents and taking them along with what has been decided by the Secretary of State, so that would really be my question.

Q19 Chair: There is an issue here about consultation and so forth, and your intervention powers, because you would want to use those powers with some precision and speed if you thought a school was failing. What are the trigger points of those powers, in your view?

Nicky Morgan: It is about a school having been rated as inadequate by Ofsted. Often we will obviously talk to Ofsted and they will tell us if they think there is something—there is a range of reasons why—and obviously Ofsted inspect on a number of different criteria as to why a school may be rated inadequate. If they are particularly concerned about a safeguarding-type issue, Ofsted will often get in contact with me as Secretary of State.

Q20 Chair: But it cannot be just Ofsted, because of course they could judge a school to be good and you could judge it, through your terms, as coasting.

Nicky Morgan: But coasting is different. I think we should be very clear that there are different mechanisms for schools that are coasting, where absolutely the regional schools commissioner will go in. If eventually the decision was taken that academisation was the right route, there would be that usual process, and for a failing school, an “inadequate” judgment would absolutely mean the regional schools commissioner—if it is a maintained school—going in and saying, “Right, this school is going to become an academy. How can we find the right sponsor? How can we work with them to make that happen?”

Chair: Okay. Right, we are going to move on to adoption, and Kate is going to lead us on that.

Q21 Kate Osamor: Hello, nice to meet you. My question is this. Many local authorities are already setting up joint agencies for adoptions. What improved outcomes for children do you expect these new arrangements to bring?

Nicky Morgan: What we want is for children to be found loving families and secure bases as quickly as possible. Once a child has been taken into care and the decision for that child to be adopted has been taken, we absolutely want to get them into the right long-term environment. What we do not want is there to be some sort of reluctance for agencies to work together or for adopters only to be sought from a narrow area. That is why the powers are in the Bill, and they are permissive: we want there to be regional adoption agencies. If necessary, we will go further, using the powers in the Bill, to help that process along. What we are seeing, as you say, is that agencies and areas are already beginning to work together, and I think that is a good thing.

Q22 Kate Osamor: Picking up on the regional agencies, will there be nine regional agencies or will there be many more?

Nicky Morgan: It would again depend. I do not think we set out the number—I stand to be corrected—but again, we want to see how this develops. We are very much hoping that the regions and local authorities will want to work together and that by setting out the power, potentially, to make that happen in the Bill, we will see that happening anyway. That is where the system appears to be moving, which is something we think is very good.

Q23 Kate Osamor: With this new system, are there mechanisms in place to make sure that, where there is smaller expertise, that is not lost within this new system?

Nicky Morgan: Absolutely, and we want that; you are absolutely right. If there are agencies that have particular expertise or are working with particular families or particular needs, then, yes, we absolutely want to make sure that that is preserved.

Q24 Kate Osamor: Excellent. I also want to ask whether you have considered setting up agencies of permanent placements for long-term adoption.

Nicky Morgan: It is not something that is particularly under active consideration. We appreciate that there are other arrangements other than adoption.

Kate Osamor: Of course.

Nicky Morgan: When we debated the Bill earlier on, or before the recess, the point that Members of Parliament were making was that there should always be consideration of whether another arrangement is suitable. On the other hand, what we do not want is to get so stuck on considering everything that eventually we do not move to making sure that the child or children have a long-term, loving environment to grow up in.

Q25 Kate Osamor: Picking up on long term, I have had a lot of letters written to me and a lot of families find the system very, very long. They have to wait a very, very long time before they can have the child.

Nicky Morgan: I know.

Kate Osamor: I think that in itself is something that needs to be looked at in a new system that works well.

Nicky Morgan: Yes. In the last Parliament, my predecessor Secretary of State really focused on adoption, and the Minister for Children, Edward Timpson, has done a fantastic job in taking this agenda forward. These cases are always difficult. As constituency Members of Parliament, we know that, because there is a tension between wanting children, as I say, to find a long-term, loving environment as quickly as possible, to help them stay on track, but also making sure that the needs of the birth families and everybody else involved who might be able to offer some form of home are also considered. It is a very difficult area to get right, but we are conscious that once a decision has been taken, we absolutely want to get on with it.

Q26 Lucy Allan: Just picking up on some of those points that were made, we have been talking about adoption this morning, and I wondered if you could possibly comment on the fall in the number of adoptions and whether that is necessarily a bad thing. Is the alternative that these children are perhaps having kinship carers or some other form of permanency, which perhaps is the ultimate objective, rather than simply a quota number of adoptions?

Nicky Morgan: I think the fall in numbers was due to two particular judgments handed down by the Family Court last year. We have been working with the head of the Family Court. The judgments made those involved in the adoption process perhaps more nervous

to question—to slow down the process—and we felt that that was not particularly the way that we wanted to see the process develop. You are absolutely right: this is not a numbers game; this is about finding children permanent, loving homes and making sure that if there obviously are other family members, then that option is considered. It is making sure that the right considerations are taken into account by the courts, by those involved and by social workers in the decisions that are taken.

But we are concerned. As I say, the judgment was something that we felt was not helpful. It was particularly about slowing things down: the important thing is that, within reasonable bounds, making sure everyone's views are heard and that the process does not take so long that children are spending longer and longer in unstable placements. We have worked with the Family Court. Mr Justice Munby has issued guidance and we will obviously see what happens in the course of this year in terms of hearings.

Q27 Lucy Allan: I wonder if, in that context, you could comment on support for adopting parents, but also support for kinship carers and other guardians, special guardians and so on, who do provide that permanence for children, and whether we are giving equal support to different categories of permanent carers.

Nicky Morgan: We do provide support, certainly for adoptive families. I am sure that there are those who have a very happy experience and for whom it works out brilliantly and others for whom it is a lot more challenging, and therefore they may say that they needed more support or they needed support for longer. I have to say I have not looked in as much detail at the kinship carers. I have not been contacted by those who are potentially kinship carers, or who would like to be, to say that the support is not adequate or that they feel they are not being considered in the way that they should be. We are open. As I say, I think that Edward Timpson has done a fantastic job in this area, and we know that it is about listening to those most affected and most involved, and, again, about the children and making sure that they get the support for as long as they need. Of course, there are other things like the pupil premium in terms of schooling to make sure that those children who have been in care or who are adopted get additional support to help them to make sure that they make the progress they should.

Q28 Lucy Allan: During the summer there was obviously the collapse of the British Association for Adoption and Fostering. I just wondered what analysis you have conducted into the implications of that collapse.

Nicky Morgan: We are aware of the reasons why—and I think there were financial reasons why—the British Association collapsed, but their work has been taken on by another agency, whose name I now cannot remember, and we are not concerned about there being any long-term implications.

Q29 Lucy Allan: Okay, just one other point then: we were talking a bit earlier about the difficulty in placing some hard-to-place children. What work are you and your Department doing around focusing on the harder-to-place children for adoption or permanency?

Nicky Morgan: It was the Coram agency who took on the responsibility, and we are very confident that they are able to maintain the standards and the work.

We again will look at the evidence—what it is about the harder-to-place children—and work with adoptive or potentially adoptive families and with local authorities to encourage people to come forward to be adopters and try to smooth the process. In the course of the last Parliament we took away quite a lot of the burdens and bureaucracy, which I certainly used to hear about as a constituency Member of Parliament, which were stopping people who wanted to provide that loving home from being able to do so.

Q30 Lucy Allan: Just as a final one: do you agree that more work needs to be done in terms of supporting families before they even get into the fringes of the care system? Is that something you are actively doing across the Department?

Nicky Morgan: Obviously one of the successes of the last Parliament was what is called the Troubled Families Initiative nationally—I know it has different names; it is called Supporting Families in Leicestershire. That work with vulnerable families, looking at the issues that they are affected by—making sure they have one or two key workers to work with rather than a plethora of agencies coming in and offering confusing advice—is making a big difference in terms of those families. Of course, that work has been expanded in areas where it has been shown to be hugely effective.

One of the other big reform stories of this Parliament is going to be our work on looking at children's social work. The Child Protection Taskforce that I am chairing is going to be overseeing—we have had the first meeting in July, with lots of Government Departments involved—the work to make sure that we have the highest qualified children's social work profession and that we are clear about those who are practice leaders and about the standards that we expect, because I think children's social work is rather unsung. It is a difficult job and involves difficult decisions, and I think those who do it should be thanked for the work that they do. Often they only hit the headlines when there is a bad news story. What we do not hear about are all the good news stories that they are working on every day, so thank you for the opportunity to give them some praise.

Chair: Thank you for that, Nicky. Lucy, you are going to talk about the Childcare Bill.

Q31 Lucy Frazer: Thank you very much, Secretary of State, for coming. As I understand it, one of the primary aims of the legislation in relation to the Childcare Bill is to help working mothers, but we must also think about the needs of the child. This money is coming from the Department for Education. To what extent, when we know that nought to three is a critical period for children, is the legislation aimed at the child as much as the working mother? Where is the balance between the rights of the child and what we are trying to do for working mothers?

Nicky Morgan: I think you are absolutely right to say that there are two different issues here, but they are hugely interrelated, because at the end of the day the biggest question most parents will ask about the childcare that they secure for their children is: is it good enough? Is it high quality enough? Am I happy? Do I feel my child is going to be secure

and nurtured there? Yes, the extension of the 15 hours is very much about supporting working parents. I do not think it would be any great secret to anybody who has been watching politics for the last five years to know that our greatest task has been to support the British economy and to make sure that people can be working who should be working.

Of course, as Women's Minister, I am very keen that mothers and working parents—because I think it is not just the mothers; childcare is a parents issue, it is not just a mothers issue—have a choice about whether to work or whether to stay at home with the children. We know there are plenty of people who do not have a choice. They need to go back to work and therefore they need to know that the Government is on their side in giving that additional 15 hours. Of course, in the last Parliament we also did a lot in terms of raising the quality of early years—the quality of the early years professionals, the training that they receive—and over 80% of childcare settings are now rated by Ofsted as good or outstanding. We have seen that quality going up too.

Q32 Lucy Frazer: Do we have evidence that this policy will help to achieve outcomes for children, particularly disadvantaged children, as well as for working mothers?

Nicky Morgan: Absolutely. In the last Parliament we obviously extended the free childcare to the 20% most disadvantaged two year-olds, and then it increased to the 40% most disadvantaged as well. That is very important, because we know that there are a proportion of children who, when they reach primary school, are not school-ready, and often they are from the most disadvantaged backgrounds. As I say, I go back to the point about the quality of childcare having increased hugely, and I think that it is a very, very vibrant sector. At the moment, obviously we have just conducted a review into childcare funding—the hourly rate—but we are also now conducting a review and asking for parental input into how people will use the extra 15 hours. We have had over 9,000 responses so far and it has been incredibly valuable in hearing how people are going to use that additional 15 hours. On the one hand, we are making sure it is high quality when young children are in childcare settings, but also making sure that we are getting the design of the 15 hours right, to make sure it does incentivise those who want to work additional hours or it is going to support their household budgets.

Q33 Lucy Frazer: To ensure that we get the right amount, so that we have the right number of teachers producing quality education, I presume you need to have quite good estimates of how many mothers are going to take this up and how many families are going to take this up. Do we have the evidence at the moment to know how many mothers or parents will take this up?

Nicky Morgan: That is part of the reason why we are doing this. We know it is a hugely popular policy just from the reaction that we have had, but now we are asking the question. Two weeks ago, Sam Gyimah and I were at Rolls-Royce doing a session with parents there and asking them how they were going to use the additional 15 hours. There is no doubt that it splits down into those who are already working over 30 hours, for whom obviously that is going to be a positive impact on their budgets. There are definitely those who are going to be able to work more hours or those who are currently working part-time who will be able to go back and work more hours.

Q34 Lucy Frazer: If I can sneak in a question on something you said earlier, you mentioned that you want all good schools to expand. In areas where there is poorer funding—which, as you know, is true of my area, as well as many others—where we have outstanding schools that want to expand, they are typically not able to expand because they simply do not have the money to invest in their infrastructure, so they might apply for a capital schools budget. They want to expand; you want them to expand. Is there any way of looking at whether—or should we look at whether—they should have some sort of priority in their applications for capital funding grants? They cannot simply do it themselves, and over a period of years they have never had the money to do so.

Nicky Morgan: I think in your question there are a number of different issues. First, in relation to fairer funding, I do not know if you were going to ask that, but let me answer that—

Chair: We are going to talk about fairer funding.

Nicky Morgan: All right; I will come back to fairer funding. There is the issue about fairer funding and we will come back to that. As you say, it is of great interest to a number of Members of Parliament across the House.

That is obviously in terms of per pupil, but in terms of capital funding for expansion, in the last Parliament it was £5 billion. We have another £7 billion going into expanding schools to provide school places. In terms of capital funding, every scheme we have done has been hugely over-subscribed. Now, we are in the process of embarking on a spending review at the moment—in terms of how much we are going to be given by the Treasury for unprotected budgets to be able to spend in the course of this Parliament. It will not surprise people to know that capital projects are very much obviously key, as you say, to the expansion of the schools—the need for more places—but also to replace the school estate, much of which was built in the 1940s, 1950s and 1960s and does need that investment now. We rank the bids using various criteria. Some of it is condition of the estate, but there is also looking at the number of places that are needed in a particular area and obviously how popular schools are. Schools will write their bids and I can tell you they write some extremely compelling bids.

Q35 Chair: On childcare and particularly the extra 15 hours, are you confident you have an adequate budget to cover the costs of that?

Nicky Morgan: I have just mentioned the spending review and obviously the Chancellor set out in the Budget in July additional funding, which would cover the rate as we currently have it, but we have made it clear that we are looking at the average hourly rate—that we think it needs to increase. I obviously cannot comment on what is a very early stage of the spending review, but we are consulting on the average hourly rate, we are listening to what providers are telling us and we are also looking at things like local authority top slicing to make sure that as much money gets to the front line as possible. Of course, if we are going to come on to talk about fairer funding, then early years fairer funding and looking at that formula is also going to be a part of that.

Chair: Caroline is going to probe the implementation of this policy.

Q36 Caroline Nokes: Yes, I am moving on to the practicalities of it. The Chairman has already asked a question on the provision of funding. What I wanted to ask something about is this. I am not sure whether you have seen the work done by the National Association of Head Teachers, which indicated that 80% of their members that had in-school nurseries were subsidising the cost of those nurseries from the rest of the school budget. You have described it as a sector that is very vibrant—I think that was the phrase you used—yet they are portraying a sector that they are saying is in meltdown and is struggling. How do you explain that difference?

Nicky Morgan: I think over the course of the next few weeks, as we go through the spending review, there will be a number of stories where people are obviously in need of more money. But the 2014 “LaingBuisson Nursery Market Report” estimated the UK children’s day care market is worth £4.9 billion and is almost one-third larger than it was a decade ago. This is a sector where people are moving into the sector, where they are opening more provision, and we have had hundreds of providers coming forward since Sam Gyimah and I opened the bidding for people to be pilots for the new 15 hours from September 2016—bidding to come forward to be early providers of that.

That is not to say that I do not agree that we need to look at the average hourly rate, because we do, and providers tell us—not just schools—that they are either having to cross-subsidise the funding they are getting or it does not meet their needs. We understand that. That is why, as I say, the Chancellor set aside money in the Budget in July and why we are looking at the average hourly rate again as part of the review that closed in August.

Q37 Caroline Nokes: Have you done any work on the number of places that are going to be needed? I heard that you had had 9,000 responses from parents who indicated how they might use that, but do you have any concerns that the sector might lose places as parents move from sending a child for a half day to perhaps a full day, so fewer children can be accommodated?

Nicky Morgan: I do not, because I think it is, as I say, a very responsive sector and there clearly is a huge demand out there from families for childcare. What we are now working through is exactly how people are going to use the 15 hours. Obviously it is very difficult to predict completely because it is down to individual families—individual circumstances and working patterns of parents—but we know that the three and four year-old offer is hugely popular. I think it is something like 94% of three year-olds and 96% of four year-olds are in childcare or taking advantage, I should say, of the 15 hours free childcare at the moment. We need to work through that, but I am confident, because when I go and meet providers, they are confident that they will be able to respond to the demand. But you are absolutely right to say that funding is obviously going to be a key part of that.

Q38 Caroline Nokes: Can I ask you a bit about provision for children with special educational needs? Organisations like Ambitious about Autism will always emphasise that parents of children on the autistic spectrum, but with a wide range of special educational needs, are not accessing the 15 hours already because they are finding it hard to find placements and provision for children who have special needs. What more are you doing to

make sure that, as the provision increases from 15 to 30 hours, those same parents and children are not again disadvantaged and, instead of not being able to access 15, they just will not be able to access 30 hours?

Nicky Morgan: It is a very good point and you are absolutely right to say there are a whole variety of different needs out there. When I go and talk to providers, some of them are able to include children of all abilities—those with special educational needs and those without. It is one of the things that we see potentially from increased school nursery provision, where there may be more provision available for those with special educational needs, but we will continue to work. Minister Gyimah gets out all the time talking to providers, and it is something that we will look at in terms of the pilots, because I think it is very important.

This is slightly different, but going back to the free schools issue we saw earlier on, one of the exciting things is the number of providers of special educational needs who are providing free schools, including charities like the National Autistic Society, and I suspect there is a role for them in early years provision, too.

Chair: Thank you very much. Now, this Committee occupies a very strong place in the world of social media and we have a lot of questions informed from that relationship.

Nicky Morgan: Good.

Chair: The next phase will be coloured by questions from Twitter and so on. The first line of questioning is from Suella, a question of radicalisation.

Q39 Suella Fernandes: You are probably aware this Committee did a report into the Trojan Horse affair previous to this session of Parliament and criticised Ofsted in that report for failing to pick up on signs of radicalisation and what was going on in schools despite inspections. I wanted to ask you what you thought about that and how inspection powers can be or are being made more robust to combat that.

Nicky Morgan: Thank you very much for that and thank you to the questioner who has sent that in. What we saw in Birmingham was a serious situation. It was a small minority of schools and pupils, but it was something we absolutely do not want to see. Extremism and radicalisation have no place in our schools whatsoever. Again, you are going to have the Chief Inspector in front of you next week and he will be able to update you in particular on the way that the training for Ofsted inspectors now includes looking out for signs of extremism and radicalisation and also asking the question about what an inspector is not being shown or changes that might have been made at the last moment when an inspection was in the offing to try to hide the signs of things like segregation in a school.

Our response to the events in Birmingham is holistic in the sense that it was focused on the schools in particular and the individuals, but also on the wider school system, because one of the things it showed us was that this was happening. I think up until then perhaps people had not wanted to believe that there might be individuals who wanted to narrow down the horizons of young people and to teach them very intolerant views. Ofsted obviously have to inspect on the promotion of fundamental British values, how fundamental British values are being promoted in a school, on the spiritual, moral, social and cultural wellbeing of pupils, and also on a narrowing of the curriculum if there are

things. That has been shown. They have done that and given us reports on other schools where we have absolutely taken action. In fact, I know there has been training of Ofsted inspectors in terms of looking for any signs.

Inspection is one thing, but there is also a wider issue about the message we send out about our schools. So things like the introduction of the Prevent duty to schools from 1 July this year is also very important as well, because Ofsted are not going to be there all the time. In fact, they are only there for a day or a day and a half. In a good and outstanding school, rightly, we are going to leave the schools to run themselves unless we have concerns about safeguarding. We also need to make the system robust against potential extremism and radicalisation.

Q40 Suella Fernandes: To what extent do you think teachers have an obligation to report and scrutinise the behaviour of children? Where does that line get drawn?

Nicky Morgan: It is very difficult for me as Secretary of State to set out here in the Committee exactly where that line gets drawn, but I think we need to be very clear that issues around tackling extremism and radicalisation are issues of safeguarding. In the same way that we would expect, in fact, teachers to have a duty to report other signs of abuse, we would expect them to report to their senior management—to the head teacher—for example, concerns about perhaps very intolerant views being expressed or any other signs that a child is perhaps being groomed in a way that suggests a radicalisation of views. The teacher's duty is to report that to senior management and to spot the signs, and they do that all the time in terms of the safeguarding of pupils.

Q41 Suella Fernandes: One last question on this issue: British values and education of British values is, in my opinion, at the root cause. We need to be much more vociferous in instilling a sense of community cohesion in our schools. What do you see as practically realistic for schools to achieve in that sense?

Nicky Morgan: I first of all think that the teaching of fundamental British values is important. I think we have not done it well in this country in the past, and that is something that is quite British—not to talk about our values—but if we leave a vacuum other people will fill it. I know there are discussions in schools and governing bodies up and down the country about exactly what that means. I am not sure that you sit down and have a class that says, “Today we are going to talk about British values”. I think they are values that run right the way through a school and through a curriculum, things like being tolerant of other people's views, discussing things, allowing people to have a forum, respecting other people, respecting things like other people's freedoms, the rule of law, so that might translate in a school into following rules and working together to set those rules.

Again, I think teachers are best to decide, and of course we make things age appropriate as well. The discussion that you might have in a primary school about something like tolerance would be completely different from the discussion that you would have in a sixth-form. I do think it is very important, and schools absolutely are responding to that challenge. What the events in Birmingham showed was that this is a problem that is going

to go on for a while. There is no immediate solution to it, but it is about rooting out extremism and challenging it where we see it.

Q42 Chair: Thank you. In your earlier answer to Suella, you mentioned Ofsted quite a lot, but of course if a school is making good progress, Ofsted might not be there at all the following year, so that could be a two-year gap. That would be the first problem, I would have thought, in that arena. Perhaps you would just like to comment on that.

A related one is the role of governors, which we have also just touched upon, and how they might operate within the hinterland of the school to pick up information or intelligence about the likely radicalisation of an individual or a group of individuals. Would you like to comment on that as well?

Nicky Morgan: Yes, thank you. In my answer to Suella I did set out that if a school was rated good or outstanding, they may very well not be inspected on a regular basis. Ofsted's new inspection framework is every three years if a school is rated good or outstanding, and they will look at leadership and management. I would expect things like fundamental British values and the spiritual, moral, social and cultural wellbeing to be a part of that.

I also set out that it is—and I think you are absolutely right, Mr Chairman—for the school itself and for governors and for the wider community. Of course, I mentioned safeguarding. Local authorities are still absolutely responsible for safeguarding procedures and for policies. In my experience, you are right to say governing bodies have discussed what fundamental British values mean, how they are being taught in the school and what we want to do about them in this school. As we saw in Birmingham, there are those who were involved in the management or governance of schools who were at the heart of the problem. I think it will not have escaped this Committee's notice that this morning we published—in fact, I think it was passed to a national newspaper over the weekend—the first time that I have barred an individual from being involved in the governance or management of a school permanently. That is one of the individuals who was involved in Birmingham.

Q43 Chair: Is that a power you will be using more regularly, not just in terms of this matter, but more generally about the competence of governors?

Nicky Morgan: No, these are very particular circumstances. In relation to safeguarding, yes, obviously if there are concerns about what an individual involved, say, in the management or the governance of a school is doing in a safeguarding context, but I would expect that these powers are to be used sparingly. They are dramatic powers—absolutely right in this case, but there has been a process to get there in which the person involved is able to put forward their reasons as to why they think the power should not be exercised. I think that is right too.

Chair: Okay, thank you. Ian, you are going to probe the issue of careers.

Q44 Ian Mearns: I just could not help but smile wryly when you mentioned someone being prevented from being a governor, because one of your predecessors did that exact same thing to me, but it is a long time ago.

Nicky Morgan: I can assure you, Mr Mearns, you are not on my hit list.

Chair: He is a controversial man, is he not?

Ian Mearns: That was Gillian Shephard, but it is a long time ago, when I was young.

On careers, Secretary of State, in the previous Parliament our report on apprenticeships and traineeships for 16 to 19 year-olds included several recommendations on careers education. I think that it would be true to say that the Committee then were not massively confident about the quality and the impartiality of much of careers education and guidance that has been provided in schools. You have established the new Careers & Enterprise Company, which has been open now for about six months. How should its impact be measured and monitored?

Nicky Morgan: Thank you very much, and I am conscious that I came to the Committee in the last Parliament to give evidence on this. I should just point out that in this month we have issued new guidance, which states that: “Schools should make sure pupils can find out more about the range of options available by giving other providers who wish to do so the opportunity to engage with pupils on the school premises to inform them directly about what they offer”. That was a response to concerns that had been outlined, which were that people who want to offer other provision, particularly in relation to apprenticeships, were finding it difficult to get into schools, and that also applied to other colleges as well. Now, that is the start, and I will be watching to make sure that schools are opening their doors to others to make sure they can come in and inspire young people.

In relation to the careers company, there is a lot more to come on that in the coming weeks. They have taken the time since they were set up—Christine Hodgson is the chairman and we appointed Claudia Harris to be the chief executive—to go round the country, as I think I said in my evidence before, to work out what is going on. Where are the parts of the country where there are good links between schools and businesses and where schools are inviting people in to inspire young people, and where are the areas where it simply is not happening? They set up a network of enterprise advisers, who are volunteers, who are going to broker those links, and they also have this £5 million fund that we have given to them. They are working with the LEPs as well, rightly, because what I said was that I did not want—and they do not want—to squash what is already going on and is working well. Where we have LEPs or we have good links, we want to make sure that we build on that.

I think the way to judge it is going to be asking young people in particular—perhaps at the end of this academic year, but also going forward and then obviously listening to feedback from employers—whether they were aware of all the options. At what stage did they get advice and who came into their school to tell them about the different options and opportunities that are available? I think that you are going to do a joint investigation with the BIS Select Committee as well on these issues. Listening to employers, to see whether they are saying, “The young people we are getting are more work ready, they are more aware of the options that are out there,” we can see that flow between schools and colleges into things like apprenticeships or university technical colleges or other provision.

Q45 Ian Mearns: Yes, I have probably been around too long, but I have a concern that we are going back 20 years to a time when the late Malcolm Wicks described what was happening in schools as being akin to pensions mis-selling, in terms of the advice and guidance being given to young people quite often being for the benefit of the institution rather than for the benefit of the young person. Because of fragmentation of the way in which careers advice and guidance has gone, I think there is a real concern that that is still taking place or taking place once again. The real question is: how are you going to gain the evidence that you need to make sure that what is being done is what needs to be done?

Nicky Morgan: Let me just go back. First of all, I think, as we agreed before, there has never been a golden age of careers advice. I am not sure we have ever quite got this right.

Ian Mearns: It has been better, but there has never been a golden age.

Nicky Morgan: Well, there has never been a golden age. I think it is right that schools are responsible for commissioning advice. One of the things is obviously going to be more emphasis on destinations data, tracking where pupils go. We have good destinations data from GCSEs on to key stage 5, but beyond that I want to know, and we are working at how we put in place ways of tracking where young people end up—their careers so many years after leaving school. The universities are doing that more and more, and I am keen that we are able to follow that through, while also, as I say, listening to employers, employer bodies and to the students themselves about the advice that they received, because I agree with you that the impartiality of the advice is absolutely essential. We are doing much better. The number of NEETs is down and I think young people are more aware of opportunities.

But when I go and I talk to young people, as I did when I was at Rolls-Royce recently about apprenticeships, I always ask, “How did you find out about the apprenticeship route?” It is very interesting how many stumbled into it—somebody happened to say something, but they did not formally know about it. That is something I think we absolutely still have to tackle.

Q46 Ian Mearns: I think the latest stat that I have seen on that is that only about 6% of young people between 16 and 19 have gone into the apprenticeship route. That is pretty woeful, given that there is a global target of 3 million apprenticeships for the Government.

Nicky Morgan: The number of 16 to 19 apprenticeships has gone up, but we obviously need it to go up significantly more if we want to hit that 3 million target, which I think is absolutely right. We have been very clear about it as a Government. That is what we are aiming for in this Parliament. It goes back exactly to your point, which is about making sure that young people get the right advice and guidance, get it early enough and are also thinking about the options that they are choosing to study at GCSE as well. I would not disagree with you—there is absolutely more to do—but I am confident that the Careers & Enterprise Company is going to play a big part in that.

Q47 Ian Mearns: I think there is also something else that you need to be thinking about in the work that you are doing collectively with BIS in terms of making sure that the apprenticeships themselves are quality controlled, because there is quite often training going out there that is called apprenticeships which is nothing like what most of us would recognise to be an apprenticeship.

Nicky Morgan: I think there is a lot of work—things like the Trailblazer apprenticeships as well—making sure that the skills that are offered are high quality and that, as you say, it is an apprenticeship and not just a training scheme.

Q48 Ian Mearns: Subsequently, would you come back to us with the conclusive evidence that would counter our accusation in the previous Parliament that careers education was inadequate?

Nicky Morgan: You are going to need to give us a bit of time because these things obviously take time. I do not want to suggest what you might be considering, but I know careers advice and guidance has been a huge interest to the Committee, and, yes of course, we will certainly keep the Committee updated.

Ian Mearns: Five years is a long time, Secretary of State.

Nicky Morgan: I am not talking about five years. Who knows where we will be in 2020, but—

Ian Mearns: I hope I am still here.

Nicky Morgan: I hope so too, but I think we will come back before that.

Ian Mearns: Okay, thanks very much.

Q49 Chair: You have mentioned apprenticeships. Of course, one of the big challenges is the post-16 area, both in terms of the delivery that the further education sector will give in that whole scenario. I suppose there are a couple of questions. One is the funding issue about post-16. We will go on to fairer funding in a moment, but of course, that is fairer funding for schools, not for colleges, and that is an area that you will doubtless want to consider, given that that will be a part of the story about whether or not the 3 million apprenticeships are there and of sufficient quality, which Ian has referred to. There is a funding issue there post-16, which does need to be addressed.

The second one is about destinations. It is a bit of a mixed area post-16, because you have so many different people involved and so many different places to go. How are you going to quantify those destinations? How are you going to give them some meaning for the average person wanting to know how things are getting on?

Nicky Morgan: Let us take the first part of your question, Mr Chairman, in terms of 16-to-19 funding. Obviously we have protected the base rate of 16-to-19 funding in the current financial year. I have already mentioned the spending review, and the Department for Education has an element of our budget that is protected in relation to schools funding, but obviously elements of our budget that are not protected. I cannot give a commentary on the discussions about the spending review, but I do absolutely hear the 16-to-19 sector in

terms of the pressure that has been placed on their funding already. I also agree that they are a very important part of our economy in terms of solving issues like productivity and making sure that people have the right skills to get good jobs. We have also asked the 16-to-19 sector to do more in terms of helping those who have not yet got good passes at GCSEs in English and maths to go on to re-sit and to do that. We have seen the impact of that this summer, which I think is very important. So I am aware; it is part of discussions.

I am just trying to remember: the second part of your question was about—

Chair: Destinations.

Nicky Morgan—working with destinations. Data collection is one of those things. There is a lot of data already out there. We have a team of people in the Department who are looking at how we can have really good destinations data and how we best track people through. What I do not want to do is put more burdens on to schools and colleges, in terms of more spreadsheets to have to fill out and tracking. There will be other ways, I am absolutely certain, given that we are in the 21st century, of getting people to tell us what they are up to and where they are and making sure those numbers are robust. I agree: I think Government will be interested, the educational institutions and employers will be very interested.

Q50 Chair: You are quite right about our intention to have a joint inquiry with the Business, Innovation and Skills Select Committee, and one of the reasons why that is so important is precisely because of this area: the post-16 and that overlap between your Department and the other Department, and in particular how we can manage to have a linear approach to our education system that has some sense in terms of careers and the needs of professions, businesses and recruiters. That is an area we will be looking at and we will want to hear from you probably again in that connection.

Nicky Morgan: You are absolutely right, and one of the things that we are very good at doing in Whitehall is having different Departments looking after things. That is not the way people live their lives outside. They do not think about things in terms of Departments; they think about it in terms of the institution that they are attending or the training course that they are on. I have already had conversations with the Secretary of State for BIS about this area, and of course Nick Boles is the Minister in both the Department for Education and the BIS Department with responsibility for skills and apprenticeships, so he is able to keep an oversight of both Departments in this.

Q51 Chair: You are absolutely right, because I have never heard a constituent yet discuss the difference between the Education Department and Business, Innovation and Skills—although, having said that in public, no doubt there will be a queue forming.

Nicky Morgan: I was going to say on Twitter—you will be hearing about them on Twitter shortly.

Q52 Ian Mearns: Just quickly, because we have strayed into FE colleges, I met with a couple of representatives of FE colleges yesterday. I think there is a looming concern about

a funding crisis in FE, with possibly 10% to 15% of the sector facing significant deficit budgets within the next 18 to 24 months.

Nicky Morgan: We are aware that the FE sector is fragile—that is probably the way to put it. That is why we have started a process of these area-based reviews, looking at provision in local areas and making sure that we can help colleges to be robust—in the best of financial health—but also to make sure there is not overlapping provision: that people are working together. If colleges need to get bigger in order to be stable, that is the sort of thing that we want the colleges and the areas, as I say, to be thinking about together.

Suella Fernandes: Can I ask one final question?

Chair: Yes, one little one.

Q53 Suella Fernandes: A very last small question just on post-16. I just need to fly the flag for my own constituency and Fareham College, a college offering vocational training. I commend the suggestions that you are making about looking into funding, but there is a challenge there for funding for vocational training in the college sector, but also academic post-16 qualifications and whether there is scope for looking at the southern Hampshire area, and the need for A-level provision is glaring now in my constituency.

Nicky Morgan: We have discussed post-16 provision and I would strongly urge colleges in that area—colleges and schools and those interested in post-16—to work together as part of these area-based reviews. I cannot speak for the Secretary of State for Business, but I am pretty sure that we are all in the market for hearing proposals from areas. I would much rather that local areas, colleges, schools work together and say, “This is the way we can make it work locally. This is the needs of our employers. This is what our young people need in terms of academic qualifications, vocational”—we are going to try to call them professional and technical qualifications; I think that gives a much better signal—to make sure they are working together on that and then they come to us with their proposals.

Chair: Thank you. We are going to move on now to fairer funding. Kate, you have some questions about that.

Q54 Kate Hollern: I would like to know what your understanding of fairer funding is, because over the last Parliament there were four consultations and they have all been unsuccessful—almost a sticking plaster. First of all, I would like to understand what you see as fairer funding.

Nicky Morgan: What I find very difficult as Secretary of State to defend is when similar schools in different parts of the country are receiving such different levels of funding. The point that is made to me is that teaching children, a book or another piece of equipment or—taking outside London obviously—often what we are paying our staff, it can be the same around the country. Therefore, there should be a much—well, it is fairer funding, really. It should be the same amounts of funding across the country. There will obviously be differences in terms of deprivation—things like the pupil premium as well, which have come on in the last Parliament—but that is what I think we need to be looking at. You are absolutely right that, obviously in the last Parliament, we announced £390 million extra for the worst-funded local authorities, and that has been put into the baseline for the

funding this year, but we need to be looking at the formula itself and how the money gets distributed.

Q55 Kate Hollern: Of course, you would say that there is a pound per head plus a premium for levels of deprivation and area-based lift-up, so are we almost going around in circles and coming back to what is currently there?

Nicky Morgan: I am not going, in the Committee, to get into the detail. There is a lot of work going on in the Department, and I know there is also lots of work going on with groups like the f40 to look at formulas and how they work. We have a very clear commitment to fairer funding. It was in my party's manifesto. We have a clear commitment to deliver that in this Parliament. I am also very clear that if we are going to do this, we want to do it in a way that does not create completely undue and unnecessary turbulence in what is already a difficult funding environment for schools across the country. I go back to the point: I am sure there are members of the Committee who will say, "It cannot be right that"—in my case, for example—"a pupil in Leicester is attracting £800 more per head because of the formula, leaving aside things like the pupil premium, than pupils in Leicestershire are."

Q56 Kate Hollern: Due to disadvantage uplift?

Nicky Morgan: No, it is for all sorts of historical reasons, and that is one of the things we need to untangle in terms of the formula. I think it has not been looked at properly for a long time and I am determined that we do that.

Q57 Kate Hollern: Can you tell me why you think you will be successful when your predecessor obviously failed?

Nicky Morgan: Obviously it is a Conservative-only Government at the moment ,and I think that helps in terms of internal discussions in the Department for Education.

Ian Mearns: Marginally.

Nicky Morgan: You have been around too long, Mr Mearns, yes; but you are right to say that obviously we are still in a difficult economic environment and that money, as I say, is still very much at a premium. Of course, these discussions will be a part of the spending review and my discussions with the Treasury.

Q58 Kate Hollern: Obviously when you realign allocations of funds into any given area, there will be winners and losers. Are you brave enough to take that on?

Nicky Morgan: I think anyone who knows me knows I am pretty brave, but I am also very conscious, as I say, of the impact of changing the formulas. It is not just the basic school budgets; it is also things like high needs as well. If we are going to do this properly, we need to look at all of it. I mentioned early years earlier on. I think we need to look at the high needs funding as well. Then, of course, you are absolutely right to say we do not know yet how that is going to impact across the country, but in terms of things like, "If

there were to be phasing in, how you would do that?”, I am very conscious about not wanting to create completely undue turbulence that means that schools are not focused on what I want them to focus on, which is being good and outstanding in terms of teaching.

Q59 Chair: Nicky, you will be pleased to know that this Committee will be joining you in the pursuit of fairer funding. We are going to have our own inquiry in parallel with your consultation process, so you can benefit from the expertise of this Committee.

Nicky Morgan: I am very grateful.

Chair: We have a quick question from Kate and also from Ian and then we are going to move on to another subject.

Q60 Kate Osamor: I just want to take you back slightly to the area-based reviews. Would you agree with me that they are flawed because they only look into further education and sixth-form colleges, but not into free school and academy sixth-form?

Nicky Morgan: I would encourage all sixth-form providers—post-16 providers—to work together in a local area. The particular issue that has been brought to our attention is in relation to FE colleges and to sixth-form colleges, but as I said in response to a question earlier on—and perhaps if there is a message from this Committee—I would expect all providers in a local area to be working together to make sure they are providing the best post-16 and what is really needed in the local area, and to listen to the needs of the local labour market as well.

Q61 Ian Austin: Just on this question of funding, the lack of protection for the 16-to-18 budget has resulted in a 13.6% real-terms cut in the overall budget for this age group. Colleges tell me that it is reducing contact time at sixth-forms, cutting down on A-level options and increasing the gap between private and public sixth-form education. Can I ask you if you have considered matching 16-to-18 funding with funding for 14 to 16s, especially given that everybody must now remain in education or training until they are 18?

Nicky Morgan: We consider all things, but as I say, we have an element in the Department for Education. We have a protected budget and we have an unprotected budget, and everything that you have just set out, Mr Austin, is part of discussions going on at the moment in terms of the spending review. But I am very conscious of this, and as I say, we have this year kept the funding at the same rate. The funding that colleges get at the moment should provide them with, I think, 600 hours—so, it is three A-levels and one AS-level time and there is 150 hours of enrichment activity as well. But I am conscious of this, and I think as local MPs we all have the same conversations with colleges and schools about funding issues.

Chair: Okay, thank you. Caroline, special educational needs questions.

Q62 Caroline Nokes: I covered the particular issue that I wanted to raise with respect to the special educational needs provision for those who are looking for nursery places, but there is an issue with the satisfaction levels of parents with children with special educational needs across the age range. What parts of provision for those with SEN do you think still require attention and are you content that, in particular, the education, health and care plans are working?

Nicky Morgan: The first thing I should say is that the introduction of the education and healthcare plans is being phased in, so there will be some families for whom they are not yet on the plans or they are going through the process. Yes, by and large I think that that process is working. I think the principle of having families, schools and the health system working together is absolutely the right one. That is not to say there will not be problems, and I am sure, again as constituency Members of Parliament, that we are aware there are issues and times when getting people talking to each other and listening to the views of parents is quite difficult.

The whole thing is not easy anyway. You have a child with a special educational need, you have families who are under emotional, financial, other pressures as well and parents who feel very much they know their children and they know what is needed. Sometimes getting other people to see it takes time. I am absolutely for supporting people with that process. That is why we put in place the independent supporters and we provided a grant for the parent carer forum. So there is support out there, and we have also given additional—*[Interruption.]*

Ian Austin: Phone technology.

Nicky Morgan: I thought it was going to be a constituent calling you, Ian, yes.

Ian Austin: I am trying to turn it off.

Chair: Good. Right, carry on, Nicky.

Nicky Morgan: I think there is support out there and we in the Department have teams of officials working with local authorities to look at the speed with which plans are being put in place and at any problems or teething issues, and to try to untangle those if we possibly can. I think it is working, but inevitably there will be issues as people go through what is a complicated process.

Q63 Caroline Nokes: Apologies for being anecdotal, but you would not expect anything other than a constituency reference.

Nicky Morgan: No, quite right.

Caroline Nokes: One of the concerns that has been raised with me by parents of children with special educational needs is admissions policies in academies. Certainly in Hampshire, we have a significant number of converter academies and, anecdotally, parents are coming to me saying that their children have been unable to get places in academies and are forced to travel to schools in adjacent boroughs some distance away. Do you perceive there to be a problem with admissions for children with special educational needs into academies? As local authorities can do nothing about that, what can the Government do?

Nicky Morgan: It is not an issue that has been raised with me directly as Secretary of State or, I think I can say, as a constituency Member of Parliament, but that is because we are representing very different parts of the country, hundreds of miles away from each other. If you would like to send in further details, it is certainly something that we would absolutely look at and the Department would address. I think the regional schools commissioner would want to know what was happening and what the experiences were of parents. I would like to know more.

The second part of your first question was about what else needs to be done. In terms of special educational needs schooling one of the exciting things—I think I mentioned it earlier on—is the free school programme: 17% of open free schools are focused on special educational needs or on alternative provision. Those focusing on SEN are doing a really good job, so that is something to be welcomed. We also need to work with local authorities, exactly as you said, to look at the journeys that young people are having to do, to see whether there is any way of perhaps building or expanding or supporting schools so that children are educated close to home. If you would like to write to me about the specific issues, I would be very happy to take them up.

Q64 Chair: Thank you. Last but not least, recruitment and retention of teachers.

Nicky Morgan: Absolutely.

Chair: Nicky, do we have enough teachers of maths in our schools today?

Nicky Morgan: I certainly think we have the right people—good people—standing in front of classrooms teaching maths, but there are subjects where we have always struggled to hit our recruitment targets and there are a variety of different subjects. We need more good maths teachers. This Government has placed a huge emphasis on maths in the course of the last Parliament—on STEM subjects. I was just going to look at the figures for this year. We are ahead of last year's performance in English, maths, physics and chemistry in secondary recruitment, but we do need more. That is why the Prime Minister announced a programme in March of attracting more generous bursaries attracting maths graduates, but also helping those who are currently working in schools teaching maths to increase their skills and their confidence in doing so.

Q65 Chair: Because of course it is all very well saying we are better than last year, but I could say I could run 100 yards faster than I did the previous year and that would not be particularly impressive, the point being: do we have a plan to deal with recruitment and retention of teachers in maths or geography or IT?

Nicky Morgan: Yes, we do, and the first thing I want to put on record is that I reject the rather alarmist numbers that go around. Almost 90% of teachers are still teaching at the end of their first year. I think it is inevitable there will be some people who, having done the training and got into the job, will decide it is not right for them or for whom other things happen. I also think we should not forget when we are looking at recruitment numbers that there are lots of people who come back into the profession who have been teachers—people who have taken time out and who come back.

We obviously have the bursary schemes. There are schemes to give money to those who are studying maths who are maths graduates to encourage people to go into teaching. Maths is now the most popular A-level, and as we see more students doing maths to a higher level, part of our task for this Parliament is to make sure that many of them decide they want to be maths teachers because they realise the demand for them. That is again one of the messages that we have to get out: that we need great people to be teachers and we need to make it easier for people to get into teaching and to do the training.

Q66 Chair: Most countries in Europe, of course, have maths post-16 as an absolute subject to do. We do not. Is that a concern to you?

Nicky Morgan: I would not say it is a concern, but I am aware of the calls and there are people who say that. I am not sure that I would be the most popular Secretary of State with our teenage cohort if I were to say that they all had to carry on studying maths for longer. But I think the signals we are sending—and, as I say, the fact that maths A-level is now the most popular and increasing—are very good signs. It goes back to the questions that we were talking about earlier on about careers, which is about explaining to young people that these are the subjects that are going to take you into great apprenticeships, into university and into the best careers. I also, with my Women's Minister hat on, want more girls to be studying maths to a higher level.

Q67 Ian Mearns: You were asked if there was a plan. Will you publish the plan, Secretary of State?

Nicky Morgan: I think we already have published large parts of it, in terms of setting out the bursary and setting out the announcement earlier on this year. We set out the teacher supply model. I will certainly consider whether there is more that we can do, but as I say, if the message can go out from here that we need great people to be teachers, that would be fantastic.

Chair: Could you drop us a line on that plan, just roughly?

Nicky Morgan: Yes, absolutely, with further details, yes.

Chair: Great, thank you.

Q68 Ian Mearns: What is the Department doing in terms of collecting data? We have seen, for instance, UCAS data from July that shows that applications to train as a teacher in England were 9% down compared with the same time in 2014. We do know, for instance, there is a figure that is bandied around about a shortage of 5,000 maths teachers, so that is a concern, because FE colleges, for instance, are saying that if young people are in full-time education but do not have their maths or English GCSE, they have to keep on taking it until they get it. That by its very nature implies that we need professional educators in maths in order for that particular element of the strategy to win. But we also have a shortage in design and technology and in physics specifically, so we do need to see some flesh on the bones in terms of how the plan is going to meet those particular needs.

Nicky Morgan: I would not disagree that there are challenges in teacher recruitment. There are challenges particularly because of a recovering economy, which is overall a very good thing, but it obviously provides more graduate opportunities to those leaving our universities. We are looking at other ways. As I say, I am very keen to encourage those who perhaps have been teachers to think about returning to the profession and those who have been doing other jobs to come into the profession later on in life. I met a fantastic group of teachers at the Ark Academy in Wembley who have all done other things and

then have decided to be teachers. That was one of the discussions we had—about the difficulty, sometimes, of finding out how you become a teacher later on in life.

You are right to identify that there are certain subjects where there have always been issues about recruiting enough teachers. I mentioned that there is a strong pipeline of primary school teachers, but for secondary and key subjects, some of which you have outlined, we absolutely need more. That goes back to the point about working with talented A-level students and graduates and people who are doing other jobs as well.

Q69 Ian Mearns: In primary itself, there is an aspiration that young children in primary schools are taught basic coding, but there is a dearth of expertise in primary schools in how to do that. How are you going to get round that one?

Nicky Morgan: There is training available and I think sometimes with these things—the confidence about coding—when you see the programmes, they are very good and support the teachers in terms of learning to teach. I should just add that there is a £30 million programme for English and maths teachers post-16 to attract and recruit and support to help them to train as well.

Q70 Ian Mearns: Has the National College still got a role in all of this?

Nicky Morgan: The National College has, and so too has the forthcoming College of Teaching, which again we will hear more about from the coalition in the next few months.

Q71 Ian Mearns: So we are actively recruiting a replacement for Charlie Taylor?

Nicky Morgan: It is very important that there is a head. I am very focused on the fact that that person should be a frontline professional, because they will be representing the profession in that role.

Q72 Chair: Right. Nicky, we have one question from Twitter and I do not want you to take this the wrong way.

Nicky Morgan: Okay. That is very worrying when you have to issue a caveat before you have asked it, Mr Chairman.

Ian Mearns: Fantastic preamble.

Chair: What would you like your legacy to be?

Nicky Morgan: I would like to go back to the point I made earlier on. I would like to say—and I hope this is not something that is going to happen for a long time—“She absolutely tackled under-performance in parts of the country that had not been tackled properly and systematically before.”

Chair: Thank you very much indeed for coming to our Committee.

Nicky Morgan: Thank you.

