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Witnesses: Rt Hon Nicky Morgan MP and Nick Boles MP

USE OF THE TRANSCRIPT

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Members present

Baroness Corston (Chairman)
Baroness Berridge
Baroness Blood
Lord Farmer
Lord Holmes of Richmond
Baroness Howells of St Davids
Earl of Kinnoull
Baroness Morris of Yardley
Lord Patel
Baroness Sharp of Guildford
Baroness Stedman-Scott
Baroness Tyler of Enfield

Examination of Witnesses

Rt Hon Nicky Morgan MP, Secretary of State for Education, and **Nick Boles MP**, Minister of State for Skills

Q184 The Chairman: Welcome to this final evidence session of the Select Committee on Social Mobility on the transition from school to work. It is a great pleasure to welcome Right Honourable Nicky Morgan MP, who is the Secretary of State for Education and Minister for Women and Equalities, and Nick Boles MP, who is a Minister of State in the Department for Business, Innovation and Skills. I know you know this, but I still need to remind you that the session is open to the public and that a webcast of the session goes out live, and is subsequently accessible via the parliamentary website. We take a verbatim transcript, which will be put on the parliamentary website, and you will receive a copy in a few days' time. We would be grateful for advice about any corrections as quickly as possible. If, after the session, you want to clarify or amplify any points that you have made or make additional points, you are very welcome to submit supplementary written evidence to us. With that preamble, may I start by saying that we have been told time and again that there is no national strategy for school-to-work transitions for young people who do not follow the A-level route into higher education? These people make up the majority of young people, and time and again we have been told there is a need to join up current policy reforms and initiatives at the national level. The first question is: why is there no national strategy for the overwhelming majority of our young people?

Rt Hon Nicky Morgan: I have not seen all the evidence that the Committee has been given, but I am not sure I would agree with that. I am happy to read and to understand—and I am sure that Nick, as the Skills Minister, will talk about this—the support in the recent spending review for the further education sector, for apprenticeships and for technical and professional qualifications. In the past under previous Governments we saw a focus on getting everybody to university. I think we have now realised that is not the right route for everybody. I should declare that I speak as a Member of Parliament who represents a large and successful university in Loughborough, but I fully recognise—and I think we all do across government—that university and higher education is not the right path for everybody, or may not be the right path at 18, although, as I am sure we will come on to discuss, apprenticeships now offer the opportunity to study to degree level later on.

I hope we will also have a chance to discuss careers advice. I realise the Committee is looking at the 16 to 24 year-old age group, and the Department for Education looks after 16 to 19 year-olds, but a huge amount of direction, social mobility and the opening up of the world of employment happens pre-16 in our schools, and we are doing a lot of work on that too.

Nick Boles: Would you like me to answer as the Minister responsible?

The Chairman: Yes, you are very welcome to.

Nick Boles: I was wondering slightly whether you were saying national strategy with a capital “N” and a capital “S” or a small “n” and a small “s”. I have no idea quite whether there are national strategies with capital Ns and capital Ss with a formal status, but I can reassure you that there is absolutely a national strategy with a small “n” and a small “s”, because I am in charge of it and driving it through. Perhaps an area of common ground is that as a country we have failed for somewhere between 30 and 130 years to focus adequately on people whose paths in life are more likely to be technical and professional than academic. It has always been, through Governments of every stripe, the poor relation in education. I am very happy to go into detail on any of these points. When you look at the combination of an unprecedented commitment to high-quality apprenticeships that will have to last at least a year, that will have to be according to standards developed by employers, that will have to have at least 20% off-the-job training content, the introduction of a new tax and the apprenticeship levy to pay for this very substantial increase in the number and quality of apprenticeships, and the work that the panel led by Lord Sainsbury of Turville, the former Labour Minister for Science and Innovation, looking into much clearer routes into technical

and professional careers for young people who are going down the vocational path, I think it would be quite hard to sustain the argument that this is not an area of priority for this Government and that we do not have a national strategy to improve the quality of opportunities offered to the people you are talking about.

Q185 The Chairman: Most of the evidence that we have had has suggested that the impact of what we have been told is constant change could be mitigated by responsibility for all education from the age of 16—or even, preferably, 14—sitting within one department. What is your reaction to that?

Nick Boles: Madam Chairman, you did not mention an important detail about my job, which is that I am also the Minister of State for the Department for Education, for the very clear reason that all education up to the age of 19 is the exclusive responsibility of the Department for Education. The only reason why I am also in BIS is because further education colleges and apprenticeships also involve people who are over the age of 19—adults—and it is the adult side of skills training that is the responsibility of BIS. All education of all kinds until the age of 19 is the responsibility of the Department for Education, where I am a Minister and on whose business I spend certainly more than half of my time.

Lord Farmer: We have talked about apprenticeships, but, as we have heard, we are looking particularly at what is called the overlooked majority, particularly those aged 14 to 19. The Prime Minister said recently that there should be, “either apprenticeship or university for almost all”, but the evidence to us has shown we need more intermediate and technician-level roles to meet the supply of middle attainers into the labour market. The Local Government Association stated that by 2022 there will be 9.2 million low-skilled people chasing 3.7 million jobs; there will be 12.6 million people with intermediate skills chasing 10.2 million jobs; and across the economy employers will struggle to recruit to the estimated 14.8 million high-skilled jobs with only 11.9 million high-skilled workers. How can these roles in the intermediate and lower levels be created and demand brought more in line with supply?

Nick Boles: It strikes at the heart of the challenge that every developed economy faces. The shift in the nature of technology means that jobs that used to be multitudinous, stable and secure are now becoming challenged, either by people half way round the world who can do it for a quarter of the price or not by people at all but by computer programs and software and everything else.

The only reason why I do not think we should take it as a counsel of despair is that skills create jobs and it is not just a one-way street. If you have a better-educated, more capable, more competent, more confident workforce, it will stimulate the creation of jobs that do not exist. That is the wonderful thing about a dynamic free market economy. We should not get into the business of central planning and trying to imagine what jobs are going to exist in 10 years' time and then which people we are going to shape somehow to be able to fill each one of them. We should be ensuring that people are educated with both the broad and fundamental competencies—and that is why there is such a huge focus on school reform and the fundamentals of English, maths and the other EBacc subjects—and those professional and technical skills that will give them value in the labour market even as that labour market is transformed in a way that none of us, and certainly not the LGA, is able to anticipate.

Rt Hon Nicky Morgan: I think what you were saying, Lord Farmer, was that we want to create those lower-skilled and middle-skilled roles. Personally I think that is the wrong way to look at it. As Nick has said, the labour market is changing hugely and there is competition from overseas. We are not going to be able to row back, so we need to make sure that our young people have the highest possible skills and to facilitate those who have entered the workplace to continue to learn and to gain more skills. I am very clear that as far as I am concerned things such as English and maths are non-negotiable for the employment market in the 21st century. These days there are almost no jobs—of course there will be some, and I am sure those watching will want to contradict me on that—that do not require you to be literate and numerate, so it is the duty of the education system to make sure that our young people are leaving school both literate and numerate.

This Committee is not looking at school reform, but we have done a huge amount on that in primary schools, in secondary schools; and of course, post-16, if young people leave school without a grade A to C in English and maths at GCSE they need to retake those, and we are seeing that working. This year the number of those over 17 taking GCSEs in English and maths and getting those good passes has gone up by 4,000 for English and 7,500 for maths, so we are having that impact, and I think it is the right thing to do to help people get those higher-skilled jobs.

Q186 Baroness Berridge: We have heard a lot about the importance of high-quality apprenticeships and level 3 vocational education being made available as routes into

employment. What about those learners who are not ready at the age of 16 for level 3 learning or training? What are the Government's plans to provide robust routes of access for those young people who are not high-level apprenticeships and level 3?

Nick Boles: I really welcome that question, because I think there is a danger in people's understandable desire, which I endorse entirely, to encourage the growth in higher-level apprenticeships. As a Government we are determined to create many more higher apprenticeships, and indeed degree apprenticeships through which you can earn a full degree. In doing that, however, we should not buy the line that somehow level 2 apprenticeships are not worth the name. One of my biggest disagreements with the Opposition before the election was a proposal that level 2 apprenticeships should not be deemed as apprenticeships. I can tell you that we as BIS have done one of the biggest single pieces of research on the income impact of different apprenticeships and different programmes. There are over half a million individual cases where we linked up what educational programme they had completed and what income they earned, and on average a level 2 apprenticeship has an 11% positive impact on people's incomes three to five years later. Even if you stopped at that level—and we do not want anybody to stop at that level, and certainly not if they have the capability to go further—that has huge value.

What is worrying about the current position is that most young people are not going to get an apprenticeship aged 16, most of them are probably not going to get an apprenticeship aged 17, and the question then is what they are doing in college to maximise their readiness to get that apprenticeship at 17 or 18 or 19 and do really well in it. That is why we have asked Lord Sainsbury and others to form this panel.

I went to Norway and the Netherlands in August, and, in truth, I could have gone to three other Scandinavian countries and several other continental European countries and discovered pretty much the same thing, which is that they are much more prescriptive about the early phases of technical and professional education, and they require people to be preparing for broad categories of career choice such as care, engineering or business administration, and we do not do that. We made a big reform in the last Parliament of study programmes, whereby we winnowed out some of the worst qualifications and insisted that people did a whole programme that included English and maths if they had not achieved adequate results. The son or daughter of the study programme says that it is not good enough to staple together a slightly random series of qualifications and courses; they need

to cohere and make sense and be taking you somewhere identifiable that you have actually thought about, which then links back to careers advice and guidance.

Baroness Berridge: After you have given evidence, we are hearing evidence about the House of Lords as an employer, and I think you have been put on notice that we are intrigued about Whitehall and particularly the announcement over the weekend of 200,000 public sector apprenticeships. We have had such encouraging evidence of people going into, say, BAE Systems and ending up on the board, so this is not just about degrees. What is the thinking about how Whitehall can take in young people at level 2 and level 3 and have a progression alongside the fast track? Clearly there are young people who could go to the top of the Civil Service without necessarily having a degree.

Rt Hon Nicky Morgan: I agree entirely with that. I can find the exact numbers in my folder, but the Department for Education has at least 70 apprentices, and I will provide that information for the Committee so that it has the right number on record. We have committed to take overall another 200 or something. All government departments are doing that. I had a conversation with our Permanent Secretary yesterday about the importance of apprentices. I have had an apprentice in my own private office. It goes back to the heart of the Chairman's first question, which was about making sure that there are alternative career paths and that a degree does not have to be the only way. Before I was elected as an MP, I was a solicitor by profession, and it used to be the case that you could qualify as a solicitor, or an accountant, through serving a traineeship for a number of years. I think we are returning to that model. I know Nick is looking at that with employers. It is critical to have the involvement of employers in those apprenticeship study programmes to make sure that the right skills are being taught exactly so that young people gain the confidence to go all the way to the top. You mentioned BAE Systems, but you could probably have the same conversation with Rolls-Royce about the number of people on their board who were originally apprentices.

Nick Boles: I will add one point. Last week I went on an amazing trip to Pizza Hut. They were launching their apprenticeship programme. I suspect all of us would think that it was burger-flipping and that it was going to be a very low-grade apprenticeship in doing something quite basic. Not a bit of it. They are doing level 2 and level 3 entry-level apprenticeships, but with high-quality and well worked out content, and, having been put through my paces, I can certainly say that it was not immediately easy to do. They are also developing with the

Manchester Metropolitan University a degree apprenticeship in managing a restaurant and managing a chain of restaurants. I think that is stimulated in part by the apprenticeship levy which it is probably going to have to pay a lot for. It is looking at having 1,400 apprenticeships across Pizza Hut in the UK, which will go right the way up, as you say, to leadership positions. The Civil Service needs to do the same and it is, but we need to go further.

Q187 Baroness Tyler of Enfield: Could I press you a little further on the issue about the quality of apprenticeships? This year we received evidence from the Ofsted inspection of apprenticeship programmes that 11% were judged inadequate and 38% needed improvement, so that is a little under half of apprenticeships not really reaching a satisfactory level, which I am sure we are all concerned about. What is your goal for improving quality and how do the Government intend to go about that?

Nick Boles: In a sense the evidence that Ofsted brought forward—and I very much welcomed that contribution from them—underlines the reason why we are undertaking this pretty major transformation and, literally, revolution in the system. The system as it works currently is the Skills Funding Agency gives a contract to a training provider and the training provider says, “Right, I am going to do 1,000 apprenticeships next year”, and then the training provider goes out and finds employers which it can place apprentices with. Some high-quality training providers do a fantastic job and I have no doubt that even after the system changes those employers will continue to use those training providers, which is great and nobody should mind. Unfortunately, however, the system has also allowed a lot of behaviour that leads to some employers not even knowing that these people are apprentices and some of the apprentices not even knowing that they are apprentices. The reason for that is because the decision-making and the purchasing power is in the wrong place. It should not be the Skills Funding Agency giving contracts to training providers. It should be the Government empowering and enabling employers to spend money on training and then to start being a bit picky about what they are getting and saying, “Sorry, if you only turn up one hour a month to do an assessment, that is not proper training”.

That is why we are moving to a new system. It will take us the course of this Parliament, but by the end of this Parliament we will have switched off all the old apprenticeship frameworks, of which, bluntly, there are far too many, and which were developed to suit the training providers. They will be replaced by these new standards that are being developed by

groups of employers. Also, by 2017, we will also have moved to a system where the money is in an account with the employer, which will then pick a training provider to provide the training, and hopefully that will begin to lead. Ofsted does a brilliant job of rooting out the absolute worst behaviour, and they alert us to people and we cancel their contracts, but to get sustained quality improvement you have to change the whole system.

Q188 Baroness Morris of Yardley: You have sort of answered the question I was going to ask in the previous answer but I would like to explore it a little further. I think you have just acknowledged there has been a problem with level 2 apprenticeships, otherwise you would not be changing the system, and I am pleased to hear that. I would like to explore exactly what is happening at level 2 and in that gap pre-level 2, which is where this question started. The words “apprenticeship” and “A-level” are about the only two words that have survived half a century of educational reform and people still know what they mean. Even though they have changed dramatically, there is a common currency in the country whereby we know what we mean by apprenticeship. I think part of the problem is that level 2 does not fit into that. It is not at the standard that people are used to in the old three-year apprenticeship or in the higher education apprenticeship, and I think that causes a problem. We have received a lot of evidence from people who have been doing level 2 and employers that the quality is too low. Under successive Governments, mine as much as yours, we have failed to crack that.

The other area you referred to that I wanted to take up is that gap and those young people who are not ready for level 2 who often go to FE. Caring is a perfect example. The evidence that we have had from FE is that they wander into a caring course at 16, they use one year’s funding at FE and at the end of it they find it is not for them. Then they drop out, there is a problem with funding and they have to travel to change to another vocational area. It is a mess and they get disillusioned and depressed and they go off. It is a long-standing problem. Could you be a bit more straightforward and give us your real thoughts on where you think we are with level 2? I accept entirely that you have painted a way forward which I hope works better. Given that 80% of apprenticeships are at level 2, we have a real concern that in order to meet the target that the Government have set, if they are 80% level 2 and 20% level 3, we have not progressed the agenda as we would want. I am trying to explore where you think we are with level 2 and pre-level 2.

Nick Boles: There was quite a lot in there, so it may take me a little while to answer, but it is all really important and interesting stuff. First, on level 2, in everything you said, the only part I do not accept is that, innately, a level 2 apprenticeship cannot be high quality.

Baroness Morris of Yardley: Neither do I. You are absolutely right that it is a perfectly good standard; it is what is being passed as level 2.

Nick Boles: You are right; it is what is being slipped through. I have talked about the monthly assessment, and at the moment there are apprenticeships where, literally, an assessor comes to your place of work for an hour a month and looks at your homework. I am sorry, but to me that does not count as off-the-job training. That is why in the new standards there are not very many minimum requirements but they are absolute. Under the new standards, an apprenticeship has to be a job, so you have to have an employer; it has to last for at least a year, even if it is level 2; and it has to have a minimum of 20% off-the-job training. Just to be clear, off-the-job training can take place at the site of the employer but not in your job. You should be away from your job and being trained. Those are the absolute minimum requirements, and all level 2 apprenticeships will meet them.

Baroness Morris of Yardley: It could be online, could it not? It need not be face to face.

Nick Boles: You are right, it could be online, and if it is entirely online I hope there will be good quality control and inspection, but I agree with you. If you talk to builders, they will tell you that if you took away the level 2 in plastering or bricklaying or site carpentry, it would be devastating not only for the industry, which has a desperate need for skills, but for a lot of young people. While of course you would much prefer every young person to sign up to a level 3 qualification from the get go, some are not ready and do not know whether they want to go that far. They can be lured into it, but they cannot necessarily immediately be signed up. That is why I think we need to keep this as part of the mix.

On the balance between the different levels, funnily enough one of the things that we and the Treasury are a little bit nervous about is that the levy is going to give employers—which are going to be paying it if they have a payroll bill of over £3 million, whether they like it or not—an incentive to move up the levels in their apprenticeship programmes, for the very simple reason that the amount of money you are allowed to spend on a level 2 apprenticeship is generally much lower than the amount of money you are allowed to spend on a level 4, 5 or 6 apprenticeship. If you are a big employer and paying a huge levy bill, there is no way you are going to be able to employ enough level 2 apprentices to use up

your levy. Remember it is digital vouchers going into an account. We think there will be a natural progression into higher and degree apprenticeships by employers because they will get to use up more of their levy on people who are going to be really useful in their business. There will be a natural progression, which to some extent makes us slightly worried about our 3 million target, although we are confident that the combination of measures we are taking will enable us to deliver that. If you ended up with everybody only offering higher and degree apprenticeships, we would be hard pressed to be creating 600,000 a year.

The other point you made about pre-level 2 is absolutely critical and that is, in a sense, what the Sainsbury panel reforms need to address. At whatever level you arrive at 16—please God after five more years of Nicky Morgan’s reforms, everybody will be arriving already capable of starting a level 3 programme, but at the moment a lot do not—we need to ensure that you are not put on, as you say, a ragbag of time-filler employability courses and others. You need to be getting ready for the route you want to take to employment. Even if you are at level 1, you need to have a study programme that is getting you on the path and up the rungs of the ladder. I hope that is what will come out of this review by Lord Sainsbury.

Q189 Baroness Sharp of Guildford: Can we turn to the funding of the further education sector? Quite a lot of the evidence we have received has highlighted the disparity of funding between the sectors, and in particular, as you know, the FE sector tends to receive quite a lot of young people who have come from more disadvantaged homes. The sixth-form level of funding of £4,000 is lower than the 11 through 16 level of funding on the one hand. On top of that, there has been this drop in the funding for 19 year-olds. Quite a lot of those who go on to FE first have to retake GCSEs before they move on to a level 3 course. Further education colleges end up with less funding per pupil, even though they are dealing frequently with more disadvantaged pupils because the pupil premium does not apply to them. Is there not considerable disparity, and should we be funding them rather more generously?

Rt Hon Nicky Morgan: Nick might want to talk about some of the details of those who perhaps have taken retakes and then carry on studying. Overall, I would say that we are two weeks after the spending review and we have made a very clear commitment as a Government to continue with the rebalancing of the economy. All parts of the Government have to play their part in that. From the reaction we have had, I think the sector has welcomed the protection of that base rate of £4,000—

Baroness Sharp of Guildford: In cash terms.

Rt Hon Nicky Morgan: Absolutely. They have welcomed the continuation and the certainty of that over the next few years, which does enable them to plan. Our evidence is that amount of money does allow the provision of 600 hours of study time, which is what is expected post-16. Of course in the last Parliament we moved from funding per qualification to funding per student, which I think was important, so that students are taking the right qualifications for them and their employment ambitions. You are absolutely right to say that we are looking at the entire funding formula of the pre-16 schools-funding system, because there are disparities right the way across the country. We made a choice in the last Parliament and we continue to make that choice, which goes back to the point I was making before that we have to get the education system right from primary school upwards. Getting those basic skills locked in and building confidence in literacy and numeracy is the choice we have made for funding, particularly at primary and then at secondary school.

Baroness Sharp of Guildford: When you are looking at the funding formula, will you be looking at 11 through to 19 rather than 11 through to 16?

Rt Hon Nicky Morgan: It is schools with sixth forms, but there is a separate review of FE with the area-based reviews, which the Committee might want to ask about as well, but it is for schools and academies.

Nick Boles: On the funding, post-16 we have achieved something that we are only now going to be putting in place, which is the national funding formula, and every institution, whether it is a sixth form in a school, a sixth-form college or an FE college, gets the same amount per student per annum. We would all agree that if we lived in a perfect world we would all love to spend £6,000 a year on educating everybody in our care until the age of 19, whatever they are doing, at least. Of course we would. That is not the position with which we were presented. If you have constrained resources, on which bit of a life of education would you focus those resources? As a Government, indeed in combination with the Liberal Democrats in the coalition, we took the painful decision, backed up by a lot of academic evidence, that the most impact is had earlier. Of course you are right that the institutions are often trying to make up for a lot of the failures of before. Our responsibility is to fix the stuff that is happening before so that those institutions are not having to pick up so many failures.

Baroness Sharp of Guildford: True, but if you have institutions that are having to pick up some of the earlier failures, which many FE colleges do, should they not be funded at least at the same level as the school sixth forms?

Nick Boles: No, if that would mean lowering the amount of funding for schools, because we are not funding to excess.

Rt Hon Nicky Morgan: No school would say they have more money than they need.

Nick Boles: It is a political choice, but I think it is the right one.

Rt Hon Nicky Morgan: The base rate has been worked out on the basis of 600 teaching hours and it also covers, as I say, English and maths. Nick is right that if money was unlimited of course you would want to invest more, but it is not, and therefore it is the 600 hours, plus provision if students need to retake English and maths. We have given bursaries to make sure that the institutions can be confident that they have the teachers who are able to teach well English and maths. That is what we are seeing.

Nick Boles: You mentioned the pupil premium, and I would add one small detail. We do not have the pupil premium post-16 but we have two blocks of disadvantage funding in addition to the bursaries, which are not insubstantial and are specifically targeted at helping those young people who come with particular needs, either special needs or who have come from very disadvantaged backgrounds. It is not just the base rate; there is funding beyond that.

The Chairman: If I may address this question specifically to Mr Boles, you referred to a ragbag mix of time-filler employability skills courses. Is not the corollary of that that they should form part of the curriculum to ensure that they are taught coherently?

Nick Boles: I want to be clear that not all employability courses are low quality; some are very high quality. As an education system, we became, over a long period, too hung up on qualifications and not sufficiently focused on the coherence of a programme of study. A qualification can be very high quality in combination with some other qualifications and be entirely pointless and a waste of time in combination with other qualifications. An individual qualification should never be seen on its own. The whole point of Lord Sainsbury's review is to do almost exactly what you are saying, which is to establish coherent programmes of study from the age of 16 for anyone who is not going to be taking A-levels or a combination of A-levels and BTECs with the clear intent of going to university. For anybody pursuing a technical and professional route, there should be a clear programme of study. Employability

courses may have a role in that, but it should be, as you put it, as part of that programme of study, not as a sort of, “Oh my gosh, here’s a hole in the timetable. Let’s put them in there”.

Q190 Baroness Morris of Yardley: Secretary of State, when you were talking about funding you mentioned the area reviews for the 16 to 19 cohort. Is that about funding or motivated by funding? I am not sure it is.

Rt Hon Nicky Morgan: It is about sustainability. I am sure that funding is a part of that, but it is also about making sure that in each area colleges are working together and not duplicating courses:

Baroness Morris of Yardley: Might you come out with some recommendations about the funding level for FE, because that was the context in which we were talking about it when you mentioned that?

Rt Hon Nicky Morgan: Unless things change dramatically over the course of this Parliament, and that would be a matter for the Treasury, the announcement made two weeks ago is that the base rate of £4,000 is protected for the rest of this Parliament.

Baroness Morris of Yardley: Is the contrary true: that you will not be looking to save money through the area reviews?

Rt Hon Nicky Morgan: The area reviews have not been set up to in order to save money. They have been set up to ensure sustainability of institutions, to make sure there is not duplication across different provisions and that there are employers involved.

Baroness Berridge: Minister of State, you said the education system was hung up on qualifications. Is the adult education sector hung up on full-time courses? We met a young woman who has been failed by the system. She is out the other side and in her early 20s. She is a carer, so she has the carer’s allowance and is in the benefits system, and she cannot get into a course she wants to get into because it is a full-time only course. Is there something around for those young people who have been failed previously and who are now trying to regroup? Do you have discussions around the benefits system and how some of these courses such as midwifery are only offered on a full-time basis? If the carer goes for that, all the carer’s allowance goes, and she has been caring since, I think, the age of 11.

Nick Boles: You are absolutely right that there are lots of people who would benefit and would like to be able to combine work, caring responsibilities and a part-time programme of study. In the last Parliament we made progress with the benefits system, in the sense that the rules relating to benefits were lifted to enable people to do traineeships. I do not know

whether traineeships have come up in your discussions, but they are these programmes involving work experience, English and maths that last six months or so, with a very strong focus on then getting you into an apprenticeship or full-time employment. The jobcentre is now able to allow people who are still on benefits to do those programmes, but, you are right, there will always be examples of other programmes where maybe the requirements of the course are for full-time study. Our main response to that, as Nicky was saying, is the apprenticeship programme. We would like pretty much every single job you can think of—maybe not nuclear physicists—to be accessible through an apprenticeship route, which is of course innately part-time study/part-time work because that is the whole point, as well as a full-time study programme, and to make no judgment between the two as to which is better; it is simply which works best for the individual.

Q191 Baroness Tyler of Enfield: I declare an interest here as co-chair of the All-Party Group on Social Mobility. We have heard a lot of evidence, particularly from employers, about how much they value, alongside the literacy and numeracy and academic skills you have already referred to, what are often called life skills and sometimes referred to as character and resilience. How confident are you—and I know you have been doing a lot of work in this area yourself—that the education system in the way that schools are funded, the performance measures and the inspection regime has a really strong incentive to ensure that all young people are prepared with what I would call a rounded set of skills, both the academic and the character and resilience skills that are needed to succeed in the modern-day workplace?

Rt Hon Nicky Morgan: I am pleased you asked the question, because it is very important. I think the reforms of the education system over the last five years have lifted academic standards, and we have already discussed why that was necessary: to allow our young people to compete with the best in this country and the best in the world. I think you are absolutely right to say that the other side of that is as parents we all want our children to be well-rounded individuals, and that is also what employers are asking for. We have placed a huge focus in the department on this work on character and resilience. We have a lot more to come on that. Initiatives such as the Character Awards last year demonstrate that the best schools, often in unexpected areas, are prioritising this and encouraging students to take part in extracurricular activities. Last week I was at the University of Birmingham visiting the School of Education. It is working with Birmingham University's Jubilee Centre for Character and Virtues and Professor James Arthur to look at how they can embed character into the

curriculum. It will be very interesting. I have always said that I am not sure that I would necessarily want to see, “Today we are going to have a lesson on integrity”, but it is the sort of value you want to see woven right the way throughout the curriculum.

Ofsted inspects what it calls the spiritual, moral, social and cultural well-being of children. We want there to be a broad and balanced curriculum. We are working on a lot of evidence. We have also given funding to the Education Endowment Foundation. There are clear links between high attainment in academics and that work on character. It is about getting that best practice out. I think there is more we could do with initial teacher training as well, making it clear that we think those are important parts of the curriculum.

The National Citizen Service, which is quite relevant to the age group we have been discussing, is a tremendous programme for developing some of those skills that you mentioned: putting young people into new situations, social action projects, all sorts of things, and we want to see many more. The Prime Minister has made a clear commitment that we want to see all eligible young people taking part in National Citizen Service. There is more that we can do. Teachers are already working extremely hard, but they are able to facilitate and enable young people to find out about those opportunities and that is what we would like to see.

The Chairman: When you talk about character, are you talking about life skills? Those were the skills that young people themselves said they did not have, which employers said young people did not have and which further education colleges said young people did not have. One of the things that I found most concerning is that for at least six years before 2010 life skills had A-level equivalence and employers really welcomed it, and it was abolished summarily in 2010 on the election of the new Government. Do you think that abolition was a mistake?

Rt Hon Nicky Morgan: No, I do not, because I do not think some of these skills can be examined. They are things that run right the way through the curriculum from a young age. It is not only for the education system. Families and parents also have a responsibility. We know there are going to be some situations where young people are not going to get that from their home life and it is important to have a strong role model, whether it is through school or through another activity, helping them to develop those skills.

We have been very clear not to define what we mean by “character”. If you were to ask me, I think that things such as persistence and resilience and that indefinable quality of grit are

hugely important. Other people talk about moral virtues, and that is what the Jubilee Centre is working on. It is also things such as self-confidence, self-esteem and teamwork, which are also valued by employers. They cannot be examined. You cannot have a tick box—

The Chairman: They can.

Rt Hon Nicky Morgan: I am afraid, Madam Chairman, we will have to disagree on that. I think they are things that run right the way through good schools, and that is what we want to see everywhere across the country.

Q192 Lord Holmes of Richmond: I congratulate the Secretary of State on this character education initiative. Earlier, you set out the fundamentals of numeracy and literacy, and alongside that I would also set digital literacy, but even more important than all of that is all this stuff around character education, particularly with what is going to happen with the labour market over the next 10, never mind 50, years. How seized are you as a department to get this into teacher training and to industrialise this across every element of the education system? It could not be more crucial in the times that we live in.

Rt Hon Nicky Morgan: I am absolutely focused on it. Edward Timpson, who is my junior Minister, and Sam Gyimah are working on this. This also ties in with the issue of child mental health, which is something else I have been very focused on, and we have just launched some pilots on that. It is going to be one of the key priorities. Post spending review, we are finalising the departmental priorities, which will then be made public and will tie in with our departmental plan, which the Cabinet Office wants us to produce. Character will absolutely be up there, developing those attributes which, as you say, help our young people to take their place in the 21st century.

I should mention that one of the other ways in which young people develop is through sport. We have seen some fabulous innovative programmes across the country. I went to a wonderful rugby programme at a primary school in London, where boys and girls of all ages and nationalities were playing rugby and learning those skills.

I am glad you mentioned digital literacy as well because, of course, one of the things we have introduced in the new national curriculum is coding. Yesterday I was taking part in the Hour of Code. This is about helping young people to really understand and take advantage of things such as computer programming to give them that confidence. I think it is something that we as the older generation are going to have to catch up with. We need to find a friendly seven year-old who can help us to learn these skills.

Q193 Baroness Howells of St Davids: I am going to divide my question into two parts. It has been suggested to us that the first priority of the education system should be to prepare all young people for adulthood and the world of work. It is suggested that one of the ways to do this might be to add employment and education destinations data as part of the accountability framework for schools. What are your views on this?

I come to the second part to my question. I have been living in this country since 1951—before you were born—and I would like to ask you why black boys seem to form the greatest part of the prison system. It is the third generation going through. There are no data available to show what is happening for young people who do not go on to higher education. I feel this country is losing out and I would like to know how the Government plan to address this, because if they are going to be fodder for the prisons, it will cost the country more.

Rt Hon Nicky Morgan: Absolutely.

Baroness Howells of St Davids: When I have spoken to people who take apprentices, they suggest to me that they have very seldom offered one to a black boy.

Rt Hon Nicky Morgan: You have asked a number of absolutely fascinating questions which I suspect we could spend the next couple of hours debating, and I think there is a lot of evidence needed. Let me unpick them. First of all, you asked about destinations data, which I think are hugely important. We mention in our written evidence that we have carried out a consultation on destinations data becoming part of the accountability mechanisms. I think it is very important. I want to see all parts of the education system not only doing well for the children at the time that they are with then but being cognisant of the fact those students will move on, and how they are going to do beyond that. While education is a good in itself—it is life transforming and opens up horizons—at the end of the day most of us, unless we are very fortunate, have to get a job, and therefore the education system does need to help young people get those skills for the world of work.

We have quite a lot of data which are pretty robust for key stage 4—so that is GCSEs moving into post key stage 4. Key stage 5 is harder to get. We are collecting more of those data. The Enterprise and Regulatory Reform Bill allows us to use data from DWP databases and from HMRC to find out what happens to our young people once they leave post key stage 5. We want to make sure those data are robust before we publish them, so we need a couple of years' worth of data. It is absolutely critical and goes to the heart of what the Committee has been considering.

Answering your second question about black boys in particular, I do not have the evidence, but I think you are right anecdotally. One of the other issues we are very clear about is white working-class boys and their educational attainment in this country, which is not good enough. Interestingly, one of the potential reasons for the London success story in education is because of, often immigrant, families who really value education and therefore support their young people at home to study. Michael Gove, the Secretary of State for Justice, is doing a lot of work on prison education. I visited my local prison and talked to the governor there and she was saying that a lot of prisoners are not literate or numerate, and therefore that goes to the heart, as we have been saying, of their ability to gain employment in the 21st century. Michael Gove is doing a lot of work on prison education.

One of the things we do not touch on often is the work on alternative provision. I have asked for some work internal to the department as to how confident we are that alternative-provision schools are preparing the young people in them to achieve good GCSEs. I think it is a mixed picture and I am waiting for the final results of that. There is some alternative provision that does very well and some that clearly is not helping. Again, if you do not get those qualifications, it goes back to the heart of what this Committee is about regarding social mobility, and helping everybody to get on that starting block with good qualifications, which is so important.

Finally, on apprenticeships—Nick might want to say something about this—only around 9% of apprenticeships go to those from BME backgrounds. The Prime Minister has been very clear that he wants to increase that number by 20%, and it would be great to go further. There are things we can do such as name-blind applications. It is also about raising aspirations and being clear about the route of apprenticeships in schools. We know that sometimes it is very hard for different providers to get into schools to talk about the alternatives to going on to university or leaving school at a certain age and going straight into the world of work. I cannot say there is a magic wand and we are going to suddenly change the numbers, but we are very cognisant of certain groups which are not taking advantage of things such as apprenticeships which should be.

Baroness Howells of St Davids: One of the things the Race Relations Act achieved is the idea that data should be kept, and I have not been able to get that at all.

Rt Hon Nicky Morgan: Okay. Do you want to add any more about BME and apprenticeships?

Nick Boles: Not really. As Nicky said, we have this very clear commitment to increase the proportion of apprenticeships that are going to BME, which, given that the overall number is also going to be increasing, will be a very substantial increase in numbers. The main way that one will achieve that is by increasing dramatically the number of different kinds of apprenticeships that are available and the number of employers offering them, because they have been focused in particular industries traditionally, and those industries may not have been offering so many opportunities to black boys. I just hope—and I am not sure if I am allowed to ask questions—the noble lady will be encouraged by the change in the position within the schools system of black boys. To be honest, when we hear about a problem group in the schools system now, it tends to be white working-class boys. Certainly in London, but not only in London, the performance of black boys and girls in schools has been remarkable, as has the progress. I hope that can flow through the system, but that does not mean we are only going to rely on that to achieve the Prime Minister's very clear target.

Q194 Earl of Kinnoull: Could I move the discussion on to data? We have had a lot of evidence on data, much of it very thought provoking, and it has been in two main areas: the amount and quality and, secondly, the availability. I have three questions, two of which are very brief and are really yes/no answers. First, as a general proposition, would you agree that proper analysis of a good set of high-quality data could be very helpful in driving change to the benefit of everyone concerned here?

The second question is, there is a little bit of conflicting evidence about whether a unique pupil number exists that follows a pupil all the way through the system. Could you confirm that it exists, even if it is not really being used at the moment? I think that would be very helpful for our thinking. You might have to write to us.

Rt Hon Nicky Morgan: I am not sure I can confirm that one.

Earl of Kinnoull: That would be very helpful for us. My final question is a general one about availability. We have taken evidence from a number of people who have been frustrated in their research by a feeling generally that government departments are very closely protecting their data, often using the refrain, "The Data Protection Act prevents ..."—a refrain I have heard professionally many times and I know often is nonsense. Secondly, there is a feeling that departments will share data that is held at a departmental level only with research projects that are funded by those departments, and that does not seem to be a very good idea. Thirdly, we have heard that departments will not share data among

themselves. We have heard specifically that HMRC will not share data with BIS. That appears to be a bit of a muddle. Could you explain that and comment on that and do you have plans to improve the situation?

Rt Hon Nicky Morgan: Nick will come in on the BIS point in particular. In answer to one of the previous questions on destinations data, I did mention the fact that as a result of the Enterprise and Regulatory Reform Bill we are now going to have access to DWP data and HMRC data to help us with destinations. I think that is an example of more joined-up government, but I am sure you are right in what you say about government departments sharing data. They are getting better but there is some way to go. Unless those behind me can help, the unique pupil number is not a question I have been asked before and is not something I am aware of, but it is a very good point.

It would be helpful to know from the Committee the sort of data that people are looking for and cannot find. In the last Parliament, Francis Maude, who is now a Member of your House, did a lot of work in getting data sets out and on open government. There is a lot more that is out there in the system. There is more we can do on areas such as school accountability measures and helping parents to know what is going on in schools through data. I am sure there is room for improvement.

Nick Boles: I have a couple of points to add. First, I am sure you are right that people plead data protection inappropriately, but it was true about the HMRC, which is why we had to pass this measure in the Enterprise Bill in order to enable us to link up income data with people's educational data. Now that hurdle has been cleared, I think there is going to be a huge amount of data we can access. Recently we helped sponsor the creation of a new Centre for Vocational Education Research at the London School of Economics, which is charged specifically with doing a lot of research. We funded the creation of it, but it is entirely independent of government, so I hope we will get a lot of high-quality information and analysis out of that. The Committee may be aware that in the spending review the Chancellor announced we are going to be creating a new institute for apprenticeships that will take over the job of approving apprenticeship standards and assessment regimes and have responsibility for quality control. I think it is quite important that it should also have a research capacity, particularly on the labour market information about which jobs are returning what levels of income and which qualifications are producing what results. I agree

with you that all this should be informed by data and I am sure you are right that government can go further in being more transparent and less territorial.

Rt Hon Nicky Morgan: I do not think we have an answer on the unique pupil number, so I will write to the Committee when we are able to establish that.

The Chairman: Thank you very much.

Q195 Baroness Stedman-Scott: I must declare an interest in that although I am no longer the CEO of Tomorrow's People I am an ambassador for them and a champion for this underserved group. What plans do the Government have to work with and incentivise employers to recruit those from that group, otherwise they are going to miss out on great opportunities?

Rt Hon Nicky Morgan: It is about the qualifications and going right back to school and the use of the pupil premium, and making sure that this group of disadvantaged pupils is given the additional support that the pupil premium money allows, so that it ends up with the qualifications that are required by employers.

We have not touched on the whole issue of careers. This time last year, I announced the backing of a Careers & Enterprise Company, and it has been working in the course of the last 12 months with LEPs right the way across the country. The idea is to bridge the gap between schools and employers. In my tours around the country, I see that employers absolutely know that they need to get into education, they want to be involved in education and they want to explain the job opportunities that they offer, but sometimes getting into schools can be quite hard work. Likewise, schools want to invite people in. If you are lucky, you will have a big company down the road with a whole department that is aimed at getting into schools, but I know from my own constituency, where there are lots of smaller manufacturing companies, for example, that it is not quite so easy, so it is there to bridge that gap. It is about making sure from primary onwards that young people are exposed to what is officially called workplace interventions. What that really means is getting people in to talk about the opportunities that are offered, to talk about careers and particularly using strong role models. With my Minister for Women and Equalities hat on, I am very keen that girls are encouraged to pursue STEM careers and to go into higher-earning jobs and all of those things. Work experience will be a part of it. I was at a fantastic school in Harrow earlier this year where an organisation called Primary Futures went in. It was a school in a quite disadvantaged area, but they had a number of people who went in to talk about their jobs to

engage primary-age children in the things they did. That is one of the key ways. It is about over the school years exposing young people of all backgrounds to what is out there in the world of work.

Nick Boles: Can I add a word on a particular group—care leavers—because our colleague, Edward Timpson, has worked up a whole strategy for care leavers. The only part I can give you detail on is my bit on the apprenticeship side. I am sure the Committee will know that in apprenticeship funding you get more money the younger the apprentice is, so 16 to 18 year-olds get a certain amount; 19 to 24 year-olds, I think it is, get about half that amount; and then post-25, it is for the employer to fund. What we have said is that care leavers, whatever age they are, should receive the same funding as a 16 to 18 year-old, so hopefully an employer can see they may have to do a bit more work to support that person but the Government are helping them and encouraging them to do that.

Baroness Stedman-Scott: Can I make one point? Employers, whether they are small or large, have enormous workloads and in the drive to drive up the quality in schools, teachers and head teachers are really marching on to achieve that. Do you think the capacity exists in the system to get the employers in and get the schools doing more in order to engage with them?

Rt Hon Nicky Morgan: I do because the best schools do this anyway, right the way across the country. It is about great leadership. It goes back to the question about destinations data and getting schools thinking about where their students are going to end up. You are absolutely right: teachers are very busy, but it does not have to be teachers themselves; often it is about inviting people in. That is partly what the Careers & Enterprise Company is doing with the advisers and co-ordinators it is appointing. It is about making sure that there is resource available for schools to call on.

The other point I would make is about internships, which, as we know, are often unpaid and not open to people for whom that is not an option. In the last Parliament, we had the BIS-funded Graduate Talent Pool, which advertises 100%-paid positions. It is not something I know much about, but I think it is worth putting on the record the Social Mobility Business Compact and the best practice for high-quality internships, which ask for them to be paid. I think that is very important and it is about equal opportunities.

Q196 Baroness Morris of Yardley: You have started the next question which is about careers guidance, but if I may introduce that formally. We are aware of the changes that

have been made, including the launch of this company 12 months ago, but we have not had one positive word about careers education from those we have visited, or talked to, or had sat in front of us. I cannot recall one positive thing that has been said about what has happened over the last five years, and that is backed up by Ofsted. Without giving us a list of what you have done, because (a) we know it and (b) it is in the submission from your department, what has gone wrong and what are you going to do about it?

Rt Hon Nicky Morgan: The honest truth, Baroness Morris, is there has never been a golden age of careers advice.

Baroness Morris of Yardley: I agree absolutely with you, but we do not want it to get worse; we want it to get better.

Rt Hon Nicky Morgan: I do not think it is getting worse. I have already talked about the company and we will be publishing a comprehensive careers strategy early in the new year which will build partly on the company and other things as well. It is about making that link and about being able to invite people in and about having the resources. I think the destinations data will be very important, particularly for secondary schools, in focusing minds on the preparation of young people from education into the world of work. I must be honest and say I do not think this is something that has ever been cracked. I do not think any employer is ever going to say 100%, “Yes, we are getting exactly what we need in terms of school leavers”, nor should they, because young people coming out of school need to be nurtured and trained. They are not going to be fully-fledged, perfect employees on day one when they start their job or their work experience or their internship.

Baroness Morris of Yardley: I accept that. I think there have been areas where it has been better than it is now, but it certainly was not perfect. I think there are lots of problems. I am not sure whether you are saying that you accept the last bit has been wrong and that is why you are going to launch a new strategy in January. The other thing is, which I think is at the core of it, do you think careers education is about getting employers into schools and nothing more? Every answer you have given has been about making sure children from very young right up to 18 can listen to people talk about careers and have visitors in. Is that your definition of careers education?

Rt Hon Nicky Morgan: I do not have a definition of careers education.

Baroness Morris of Yardley: Let me put it another way then. If a school had a series of visits from employers into the classroom, would you say it is providing a really good-quality careers education?

Rt Hon Nicky Morgan: I think it requires a number of different interventions.

Baroness Morris of Yardley: What else might it be?

Rt Hon Nicky Morgan: Let me go back a stage. If I thought it was all perfect, I would not have launched the Careers & Enterprise Company last year. If employers are saying they are not getting the skills or the people they need, they must be involved in providing the answer. I do not think it is enough to have somebody who has a range of leaflets in a little box room—which was the careers education in my school—nor is it about psychometric tests. It is about high-quality interventions. It is very important that young people see the world of work and different kinds of employers and actually have those people in front of them. I think it is partly about work experience and it also goes back to the skills that we been talking about. They might not be badged as careers education but having those skills, which are valued by employers, is very much part of the picture. It is right that schools take responsibility for this. They know their young people. They are able to have that conversation with them and are able to see them as their talents develop and advise them on what the next stage is and where they are likely to do really well.

Baroness Morris of Yardley: One of the other things that has come back to us time and time again, and I think you acknowledge that, is that business and many employers want to go in. There is the whole question of the schools not having access—rural schools and all the rest of it—and, if that is the national careers programme, we have a lot people lining up not to do very well in it. It has been played back to us that what is missing is a co-ordinating body. They would like to go into schools, and schools would like them in. In the old days, there was something called education-business partnership. It was variable across the country, but where it worked well, it fulfilled the need. At the moment they tell us there is no infrastructure and it is damned hard work to make it work. It cannot be left to chance. It needs to be 100%.

Rt Hon Nicky Morgan: That is exactly what the Careers & Enterprise Company with its enterprise co-ordinators and enterprise advisers is: that is the infrastructure.

Baroness Morris of Yardley: So in every school in the country it will be making sure that employers get in?

Rt Hon Nicky Morgan: Absolutely.

Baroness Morris of Yardley: And it will have the resource and capacity to do that?

Rt Hon Nicky Morgan: Yes.

Baroness Morris of Yardley: When do you think that might happen?

The Chairman: We are going to ask about this later on.

Rt Hon Nicky Morgan: It is working on it now. It has 31 out of the 39 LEPs covered and we are expecting more announcements early in the new year.

Lord Patel: I do not have a set question so you do not have it on your list.

Rt Hon Nicky Morgan: I do not have a list.

Q197 Lord Patel: I have two diverse questions. One is related to the issue in higher education where we know UCAS provides central co-ordination and a central registry but we do not have such a thing in higher education colleges. Do you think it might be a good idea to set up an UCAS-style system for higher education colleges that is administered locally and monitored nationally? Then I have a second question.

Nick Boles: On that, we are in conversation with UCAS about the possibility of including higher-level courses in FE colleges but also apprenticeships in their system. One of the difficulties with apprenticeships—and I do not want to overstate how quickly and completely that would achieve coverage and therefore universality, that that is where you go when you have to make a decision—is that they do not all start at the same time of year. There is not that natural calendar which leads to university entry. While it might be possible over a very long period to encourage more employers, particularly when they are creating apprenticeships where they are keen to hire younger people, to perhaps consider aligning with the system of choices for university, in truth, the whole point about apprenticeships is they are jobs. They will be created when they are needed, and we are certainly not in the business of stopping employers creating those new jobs in January or March. That is going to be a complexity, but I think your observation is right and fair; and we will try and get as far as we can with it.

Lord Patel: That is a good answer.

Rt Hon Nicky Morgan: May I just add that the former Deputy Prime Minister was working on, and I think we are still working on it, this database to capture all post-16 education and training options to be established, and that is now having the information added in. Future students and third parties will be able to search and create this link into that system as well.

Lord Patel: Both answers are very helpful, because you have indicated that we are on the road to achieving that and that would be good. The second question relates to something completely different and that is the education-employer partnership. We had evidence from the Social Mobility and Child Poverty Commission's report about public sector involvement through its procurement practices to create more apprenticeships. What level of engagement do you get from the public sector and how might you improve that?

Nick Boles: That is a very good question. At the end of the last Parliament, we introduced the requirement in relation purely to infrastructure projects that there should be a clear criterion in the procurement process whereby bidders had to demonstrate their commitment to creating apprenticeships, not only generally but specifically in relation to the particular contract being awarded. That was something Lord Deighton and I introduced. Since the election and the announcement of the apprenticeship levy, we have made a series of further steps. On public procurement, we are now introducing that same requirement for any publicly procured contract of over £30 million. Some urged a mechanistic approach—and literally for every £1 million there is an apprenticeship or something like that. We have looked into that quite closely and concluded that the difficulty is that contracts are very different and they are for very different things, and the appropriate level of commitment that you can require from a major infrastructure project might be different from a back-office administration outsourcing project. What we have said is that departments will be expected to build this into the procurement process so that all bidders who are going ultimately to be successful will have had to demonstrate their commitment to the apprenticeship programme, and they will set a benchmark that is appropriate for that particular kind of procurement. That comes in alongside the obligation on public sector bodies employing more than 250 people to have a certain percentage of their own workforce as apprentices.

Q198 Baroness Blood: We have heard a lot about apprenticeships. Could I ask you to take a step down the ladder? One of the things we have heard from this group of young people that we are looking at is simply about getting ready for work and the fact that work experience is one of the best things they can get. We have done some work round that and it came out that for the work experience you got it was not a question of what you know but who you know. We have had unanimous evidence that the mandatory requirement for work experience for 14 to 16 year-olds should be brought back. Have you any views on that?

Rt Hon Nicky Morgan: My view on that is that work experience is very valuable but it has to be high-quality work experience. We have all heard of young people who have gone on a two-week placement and they have ended up making the tea and not seen anything that is going to tell them about the organisation in which they are working and they have not attended any meetings. Going back to the work of the Careers & Enterprise Company and the employer co-ordinators, work experience will be one of the things that may be on offer. In my own county of Leicestershire, the Leicestershire Business Education Company arranges work experience for schools, and that is something some schools have chosen to invest in.

Baroness Blood: Evidence has been given that only 27% of employers do work experience. Is there any way the Government can increase that?

Rt Hon Nicky Morgan: I am sure it is something we could look at. As I say, it has to be high quality. Depending on the size of the employer, work experience can be difficult and very time-consuming and cumbersome. We got rid of a lot of the red tape around work experience. There was lots of worry about having people under the age of 16 in offices and everything else, and we have got rid of that, so there is a lot more reassurance, but, as I say, it has to be high quality. All this work on careers cannot be tick-box to say they have all had two weeks. It is about what they get out of it.

Nick Boles: I know I sound obsessed with apprenticeships, and the truth is I am obsessed with apprenticeships. The funny thing is we may end up getting a much more sustainable supply of high-quality work experience and work placements because of the apprenticeship levy and the commitment. The truth is you will have employers who know that every year they are going to be looking for 300 apprentices because they want to use up this money that they have just paid over to the Chancellor and, as a result, to get candidates, they may be thinking two years in advance of that about bringing people in so they know about their company and they can follow their progress in schools. I think it may have a collateral benefit, but we are now thinking quite hard about how we can make more overt the incentive and the stimulus to do that.

Q199 Lord Holmes of Richmond: We have heard a strong case for the need for a local brokerage service driven at a national level, bringing together employers and educational institutions, with the aim of invigorating intermediate and technician-level roles, co-ordinating information, advice, guidance and work experience. What is your view on this? Do

you think further education colleges or local authorities are able to perform this role? If neither, is there a need for a new independent organisation to perform this role?

Rt Hon Nicky Morgan: It is partly covered by the company that I have been talking about. The point is that these enterprise co-ordinators will bring in lots of different people in any one region, including FE and employers. BIS funded six enterprise adviser pilots in the last financial year. The Leeds City Region programme began in November last year. Since then 100 business leaders and 60 schools from across the city region have joined the network. Over 3,500 young people accessed new employer-led activities and over 50 action plans were created in schools to develop employability skills. I would argue that we are putting that infrastructure in place and that there is a real appetite for this in schools and FE providers. In my own constituency, it is the FE provider that has led this co-ordinating work with local schools and with employers. We need to give that time to grow. If we start putting more and more in place, it becomes an ever more confusing landscape for schools. Nick, do you have anything to add?

Nick Boles: I do not think we have heard much about local economic partnerships, but they are the critical factor in this and certainly what the careers company is doing in trying to help every school identify an enterprise adviser is working with the local LEP to find current or recently retired executives who are willing to take on those roles. If LEPs want to go further and be more proactive, then our whole approach through devolution is to bring it on.

One of the most interesting models is Bath. Bath has the advantage in the respect that it does not have any schools with sixth forms, so therefore there is not the same desire to hang on to people that perhaps appears in some other places. Bath has a careers trust that is run by the college, but is run on behalf of and with the active and willing participation of all the schools and other providers in the area. That works in Bath. It would be stupid for a Government to say because it works in Bath, it is the right solution everywhere. What we should be encouraging is different LEPs, combined authorities and colleges with leadership positions in their communities to come forward and be more proactive rather than simply telling us that it is not working.

The Chairman: I want to thank both of our witnesses, who are busy government Ministers, for being so generous with their time today. The session is closed.