

# Education Committee

## Oral evidence: [Accountability Hearings](#), HC 341

Tuesday 23 January 2018

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Members present: Robert Halfon (Chair); Lucy Allan; James Frith; Trudy Harrison; Ian Mearns; Lucy Powell; Thelma Walker.

Questions 408 - 505

### Witnesses

[I](#): Richard Atkins, FE Commissioner, Department for Education.

[II](#): Rt Hon Alan Milburn, former Chair, Social Mobility Commission, Rt Hon Baroness Shephard, former Deputy Chair, Social Mobility Commission and David Johnston, former Commissioner, Social Mobility Commission.

### Examination of Witnesses

Witness: Richard Atkins.

Q408 **Chair:** Richard, I hope you do not mind me calling you by your first name. For the benefit of the tape, could you kindly give your name and title?

**Richard Atkins:** I am Richard Atkins and I am the Further Education Commissioner.

**Chair:** Thank you. As you know, when I was previously a Minister I was involved in your appointment as FE Commissioner, just to put it on the record.

**Thelma Walker:** Yes, the original director of Learndirect is a personal friend of mine.

Q409 **Lucy Powell:** Thank you very much for coming. Yes, Robert spoke very highly of you in your interview, so hopefully that will continue today. By way of opening the session, we wondered if you could explain a bit about how your role has changed since you were first appointed, the new powers that you have acquired, and how you think that is going to help or hinder you in driving up standards in further education.

**Richard Atkins:** I am the second FE Commissioner. The post was created in 2013. It is a non-statutory post. Like my predecessor, I am a



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retired principal of a successful college, among other things. At the beginning it was foreseen that the FE Commissioner would be a very part-time job and would be involved in intervening in the most serious cases of failure in the sector, whether they are financial or quality. Then along came area reviews. The FE Commissioner took the lead on area reviews, working with one of the directors in the funding agency. I joined two thirds of the way through the area reviews.

It became obvious to me as the area reviews were coming to an end that simply fire fighting colleges that were already in extensive difficulty was not terribly rewarding work. It would be much more rewarding if we could get involved in colleges that showed all the symptoms of coming into difficulty. We could try to identify those, work with those earlier, and stop them becoming very serious cases. We developed something called diagnostic assessments, which, unlike full interventions, are unpublished, two-day interventions by two members of my team. We identify those colleges either by Ofsted grade 3, and particularly repeat grade 3 Ofsteds, and/or other evidence, such as their financial position, their student number trends over three years, their success rates, and so on.

Those visits are meant to be more private, more supportive and more advisory. That is simply because my experience as a principal is that, while there is a place from time to time for naming and shaming and all the rest, I find most people improve if you encourage them and you get involved earlier. Alongside the diagnostic assessments, I also proposed that, just like David Carter, the Schools Commissioner—who I have met with—we have a Strategic College Improvement Fund, and we now have one.

**Chair:** Could I just interrupt? Could you give briefer answers? We have a very tight timetable, so be concise. Thank you.

**Richard Atkins:** Okay. There is the Strategic College Improvement Fund and National Leaders of Further Education who I could call on to help me with that process. In summary, we tried to make the role more supportive and encouraging with earlier diagnostics, as well as continuing to make interventions in cases of serious failing.

Q410 **Lucy Powell:** Just as a follow up from that—and we will come back to some of the things you have raised there—we did have David Carter in before the Committee before Christmas. I think one of the things we felt as a Committee was that it was not totally clear how much independence he was able to have from Ministers and from Government because Ministers were his direct bosses. Do you feel that your role would be more impactful were you to have more independence from Ministers?

**Richard Atkins:** I would have more independence than David Carter has because it is non-statutory. I am not a civil servant; I am paid a day rate, as are my team. I feel that does give me a degree of independence that the Schools Commissioners do not have. We reviewed that during the past 12 months and considered whether I should become a civil servant



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and part of the machinery of government. The decision that the Government and I recommended was that I remain in the position I am. As a former retired principal, I am trying to bring an independent, professional view to the situations I see. My team of 16 are similar to me in background. That is what we are trying to do.

**Q411 Chair:** Just before I come on to James, if you look at all the interventions for further education colleges, you have yourself, the expanded Deputy FE Commissioners, the Principals' Reference Group, the National Leaders, the Strategic Fund, the education, employment and training organisation, if I have said it right. Alongside that you have Ofsted and, of course, the ESFA. Is there not a spaghetti of intervention organisations involved with further education colleges and too many cooks, if you like?

**Richard Atkins:** Two things: first, I would say there is not, but I would say there is room for further coherence, and that is why we are just establishing the colleges improvement board within the DfE, which I chair. That will bring together all of the organisations you have just listed. That will have around the table the head of further education and skills from Ofsted, the head of interventions from the ESFA, ETF, and so on. I think there is room for greater coherence and explanation, but I think our roles are distinctly different.

Ofsted inspect against the statutory framework; they come in, inspect and go away. The ESFA funds colleges and monitors their financial performance. The ETF is a non-Government organisation at arm's length that gets them grant funding.

**Q412 Chair:** It gets quite a bit, not just for FE, but it gets something like £37 million.

**Richard Atkins:** From a variety of sources.

**Q413 Chair:** Yes. You have them, and you have the strategic fund. Is there not an overlap of interventions and funding?

**Richard Atkins:** I would say we are the only people who bring the focus to governance, leadership and the overall financial sustainability of colleges. It is our experience as former principals. None of the organisations have former principals involved in their work.

**Q414 Chair:** Why would the DfE not have chosen, let's say, to give the £50 million it has given to the new strategic fund—which I am not saying is not a good thing—to the ETF?

**Richard Atkins:** Because I think we are trying to provide a really direct focus between colleges in which we are intervening or doing diagnostic assessments and encouraging them to improve. I think that fund is deliberately intended to help grade 3 and 4 colleges improve, which are the very colleges we are intervening in or doing diagnostic assessments for. It enables us to work with particular colleges to say, "If the area for improvement or development is X, we can help line you up for a bid to



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the Strategic College Improvement Fund. We can put you in touch with the National Leaders of Further Education”.

I think ETF has a much, much wider brief, from teacher training in English and math across a whole host of things. Our focus is purely on governance, leadership and overall sustainability and success of colleges, which as you know are quite large and complex organisations.

**Q415 Chair:** Finally, alongside all this that I have just mentioned, there is obviously what was the £700 million but is now the £600 million restructuring fund. There is a case to be argued that some say it is being used to prop up failing colleges rather than being used for the restructuring that it was supposed to.

**Richard Atkins:** No. We put some figures in the background. I think the area reviews recommended 58 mergers. We have had 35 so far, and 17 of those have benefited from restructuring funds.

**Q416 Chair:** Why is there a lack of transparency about how these funds are being used? Why are they not put up publicly?

**Richard Atkins:** I do not have responsibility for allocating those funds. They are, as you probably know, overseen by an external advisory board of financial experts.

**Q417 Chair:** Should it not be transparent so everyone can see what is going on with £600 million of taxpayers’ money?

**Richard Atkins:** I would argue, as I do whenever I intervene in colleges, that openness and transparency is really, really important in running any organisation. Indeed, one of the things I find—not always, often—in the colleges I intervene in is a lack of openness and transparency.

**Q418 Ian Mearns:** You are the FE Commissioner and you understand the rules of the different organisations; the fact that the ESFA, Ofsted, yourself, and the external advisory board that you have just talked about are not regularly parking tanks on each other’s lawns in terms of who is controlling this sector and who is doing what, where and why. Do you think people out there in the sector at the chalk face understand the distinctions you have just outlined?

**Richard Atkins:** That is why we are creating the colleges improvement board, to make sure that we explain that.

**Q419 Ian Mearns:** We are creating another body?

**Richard Atkins:** No, I think we are simply bringing together the organisations you have listed. I would not disagree with you, but I would probably argue that I would not want people at the chalk face, as you describe it, to be overly concerned with what we are all doing, because I want the teaching and learning to be the real focus of what every organisation is about. I am sure the message could be explained more



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clearly about what these various organisations do. I am sure that is the case.

I think that our uniqueness is bringing the experience. I have worked in this sector, as you all know, a very long time, and I think bringing some experience and hopefully a little bit of wisdom from a group of former expert practitioners is the unique bit that we bring. I do not think any of the other organisations you have identified have a group of former principals and finance directors in the same way that we do. What we offer is unique.

I am sure we could bring greater coherence and explain even more clearly what these different organisations do. Any further move towards coherence is not within my realm, really. I am doing the job I have been given to the best of my ability with my team, and I believe that we are having a positive impact in improving colleges, including colleges in serious failure that we are intervening in. We have also just done the first six of our eight pilot diagnostics, and I am very encouraged by the earlier intervention and the fact we are moving things forward.

**Chair:** Just brief answers, thank you.

Q420 **Ian Mearns:** I want to quickly come back on that. You are the FE Commissioner and you are saying it is above your pay grade, as it were, to do some of the strategic thinking. If you can see that there are some synergies or some joining up that could be created by you making recommendations to Government, would you do that?

**Richard Atkins:** That is exactly why I have created the colleges improvement board, for that reason: to bring those synergies and so on. The first meeting is within the next six to eight weeks. I think it is incredibly important we explain better to the sector the roles of those various organisations, including myself, and I am delighted that I am going to chair that group.

Q421 **James Frith:** I want to ask about colleges graded good or outstanding by Ofsted, but you mentioned in your earlier answer your status within the DfE. You are on a day rate, so are you self-employed?

**Richard Atkins:** No, I am paid through the payroll and taxed at source. I am not a company, but I am not an employee and I am not a civil servant.

Q422 **James Frith:** Are you on a temporary contract or a fixed contract?

**Richard Atkins:** No, a day rate.

Q423 **James Frith:** What is the agreement with DfE as such?

**Richard Atkins:** I am paid on a day rate. I was appointed initially, as a guidance I think, for two years. I do not have a long-term contract of employment, and I am not an employee, and I am not a civil servant.

Q424 **James Frith:** Do you think that was a good conclusion in terms of giving



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stability, certainty and authority if from day to day you are uncertain of your own position?

**Richard Atkins:** I think it strengthens the independent view that I was asked about earlier, this position.

Q425 **James Frith:** You are not protected. You are easy to hire and fire, essentially, on a day rate. They have not shown commitment to you.

**Richard Atkins:** No, when you are a retired college principal you have a different view of hiring, firing and careers. This is not my first career. My first career for 40 years was working in further education. I was a principal for 21 years. This is a unique opportunity to put something back into the sector in which I have worked and love, really. I quite like the way we do it. Clearly, there is a degree of trust involved. I suppose I could in theory walk away tomorrow. I have no intention of doing so.

On the other hand, I think my shelf life is limited. What I bring is having been a recent principal. In five years' time I will not have that capability because lots of principals will say, "Who is he?" At the moment, people say, "Richard Atkins, he was the AoC president and he ran an outstanding college. Not long ago he retired". I think that brings a degree of credibility that in previous years we possibly lacked in the various agencies administering the sector.

Q426 **James Frith:** Yes. I just hope that that passion also comes with some persuasion and power from a DfE point of view. Let us move on. What would you say is the reason there has been a reduction or drop in colleges graded good or outstanding by Ofsted, and what do we need to do about it?

**Richard Atkins:** Yes, I think we are moving. First, I think the sector has been through a very difficult time with Ofsted grades and with financial stability, and there are a number of reasons. In the colleges I intervene in—there are 25 at the moment—the main factor will be the quality of leadership and governance. There is no doubt about that.

Beyond that, the factors that have challenged the FE colleges generally so much include the 40% cut in adult funding between 2010 and, more recently, the cuts in 18-plus funding and so on, and the fact that the 16 to 18 funding rate has not gone up since 2010. There is the fact that there is increased competition in the 16 to 18 marketplace with UTCs and more schools having sixth forms at the same time as there has been a demographic downturn.

There is a range of factors, but in the colleges I intervene in—the grade 4 Ofsteds—it is always to do with the quality of the leadership and the governance; always. In those colleges it is not good enough, but that is 25 colleges out of 290.

Q427 **James Frith:** Of those 25 that you are currently intervening on, have any of them seen an increase or even a breakeven of their budget in



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recent years, or is the reduction in cuts to the budgets a universal feature of all 25?

**Richard Atkins:** All colleges have had to make savings. Not all colleges make a financial loss. Two-thirds of colleges are reasonably stable. They are Ofsted good or outstanding—60% to 65%—and they are financially stable. My Principals' Reference Group and my National Leaders of FE—that is about 14 principals—are running truly exceptional colleges that all make a financial surplus and are all Ofsted good or outstanding. One or two of them are in the constituencies of members of this Committee. I am confident that we have some fantastic colleges.

Two thirds of colleges are doing well; one third have challenges for the reasons I gave. Of that one third, a significant minority have suffered from all of the issues I have listed plus poor leadership and management, not taking the decisions at the right time, not reducing their cost base at the right time, not reducing capacity, and perhaps not going forward with a merger that would be the right solution. That is a small number but it is—

Q428 **James Frith:** Do you think that there is a unique requirement or a unique skill set to be a leader within FE then, given its lack of parity from a budget point of view? Many would argue that within the FE sector they are up against unique challenges given the age demographic of their students and everything else. If so, what do we do about it and, if no, why not?

**Richard Atkins:** That is a really good question, one I think about a lot and talk to others about. First, I think being a successful leader of an FE college is tough. I am a university governor, have established both a MAT and a free school, and have been a school teacher. I have a fair spread, and I am a current university governor. To be a principal of some of the successful colleges on my National Leaders of FE and Principals' Reference Group, is a really tough job. They are among the best educational leaders we have in this country; they really are. It is a complex job with different sorts of students, different modes of study, different funding streams, most of which are very tight, complex property, and so on. It is a really tough job. I find the best blend is education, finance and business.

**James Frith:** Can I just add one point to that?

**Chair:** A very brief one. Very gently, because we have a lot to get through, could we have briefer answers?

**Richard Atkins:** I understand.

Q429 **James Frith:** You have articulated that very strongly. Why do you think FE is overlooked across the educational sector where primary, secondary and HE get by far a higher proportion of attention, budget and emphasis? What do we need to do to uplift the perception of FE as a valuable sector?

**Chair:** Brief exchanges. We have to be fair to other members.



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**Richard Atkins:** First, FE is overlooked locally far less than it is nationally. I run an MP surgery every Wednesday morning from 9 am to 11 am.

Q430 **James Frith:** That is an interesting point. What do you mean by that?

**Richard Atkins:** Within most communities FE colleges are anchor institutions. They are civic community assets.

**James Frith:** I get that.

Q431 **Thelma Walker:** You have outlined a number of the challenges facing FE colleges, and you identify leadership and management. My experience of discussion and talking with FE principals is that they seem to be under incredible stress to do with budgeting, decision making about possible redundancies for the workforce, providing a quality education, and the possibility of cutting subjects from the curriculum, yet you identify that it is poor quality leadership and management. If you look at the rationale behind that, couldn't it just be the stress that principals are under, which is linked to—as Amanda Spielman told our Committee last year—colleges having the biggest funding challenge when they are working under this stress about decision making on possible redundancies? How would you answer this? Would you say that poor leadership and management is the biggest challenge, or is it the impact of funding cuts?

**Richard Atkins:** I would say if two thirds of colleges were not doing well it was more to do simply with the funding cuts or the stress. If you met again the National Leaders of Further Education, some of the outstanding and very good principals are running good colleges. It is a very tough job. There are unfortunately, I am sure, principals who suffer from stress, so we need to provide support.

We also have not had, as I was going to say earlier to James Frith, any form of planned leadership development in the sector until very recently. We have now for the first time for a decade got the first aspiring principals and finance directors programmes off the ground through ETF. I speak at those and I am very supportive of them.

This is a tough job. This is the toughest part of the education sector to lead in, but I do not think all principals are suffering from stress and I do not think they are all doing a poor job. I think the majority, over half, are doing a very good job. I did it for 21 years until 12 months ago.

Q432 **Thelma Walker:** I am not saying that all principals are suffering from stress. I am saying that their concentration is on decision making about, "Am I going to make so many staff redundant in the near future? Am I going to be cutting subjects?" I am not saying they are not coping with those stressful situations. I am saying they are put in that situation, which is taking their eye off the ball in my opinion, in terms of quality education and a discussion about the curriculum and the quality of teaching and learning—all the ways in which we can educate young people and direct them on to future successful careers.



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**Richard Atkins:** I have obviously spent my career arguing for more funding for FE. I was president of the Association of Colleges and lobbied hard. I do not change my view. The funding that comes into FE is both complex and sparse, and it could be improved.

Q433 **Thelma Walker:** Would you say it is unfair?

**Richard Atkins:** Yes, I would say it is unfair. If you asked me about the distribution in the UK between the funding that is given to further education and higher education, I would say that was unfair. I say that as the principal of a college that has offered both FE and HE, and as a university governor. I would say the distribution that we have chosen as a nation over the last 30, 40, 50 years between FE and HE is not fair. Some of the principals who find those cuts very difficult have often not made those decisions early enough, planned and set targets effectively enough. One of the outcomes of area reviews—

Q434 **Thelma Walker:** Isn't that about what they inherit, though?

**Richard Atkins:** No.

Q435 **Thelma Walker:** Surely some principals inherit situations.

**Richard Atkins:** I am sure they do. For the first two or three years it will be very difficult dealing with what they have inherited. Having said that, that is why we are putting in place NLFs, mentoring schemes and support. I see our diagnostic assessments as a way of helping colleges earlier to try to address those issues.

I do not visit FE colleges every day as you have described. I really do not. I was at an FE college yesterday, which is flourishing, that will have to make a few cuts for next year. The management are well aware of that. It is regrettable, but that is also to do with demographic downturn. There are fewer students, increased competition, and more providers in the area. I find that the best management and the best governors make those decisions in a timely way against robust grounds.

Q436 **Thelma Walker:** One of the solutions is to merge colleges. That seems to be happening.

**Richard Atkins:** I do not think that is a panacea solution.

Q437 **Thelma Walker:** It seems to be happening, though, does it not?

**Richard Atkins:** It varies around the country. There have been 35 mergers since area reviews began. There were mergers before. When I became a principal there were 469 colleges, and there are 290 today since 1993. There have been mergers as long as I have been in the sector.

Q438 **Ian Mearns:** Just a quick follow-up on that: in terms of the impediments to the development of further education colleges, would you say that the lack of independent, impartial advice and guidance in schools can denude colleges of potential students?



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**Richard Atkins:** Definitely. All my experience as a college principal in two colleges and what I see in my current role is that young people throughout school, but particularly in secondary schools, do not receive full information, advice and guidance about the opportunities available to them in technical and professional routes post-16 as they did before. If the school has a sixth form, there is a natural motivation to retain those students. I worry a great deal about schools with very small sixth forms, below 150 for example, where the curriculum range is narrow and where the college offer would lead to much better employability prospects. I worry a lot about that.

I am very pleased by the latest initiative where schools have to allow colleges in, but I suspect there is even more to do than that. I think schools are great. They are very successful. They are quite academic places, largely, and my experience is that a lot of young people prosper by following technical and professional routes from the age of 16.

Q439 **Chair:** Do you expect to be able to reverse the slight increase in the number of colleges facing difficulties in terms of Ofsted, and what would you expect to see in a couple of years' time?

**Richard Atkins:** I think it is happening. Two years ago we had 14 inadequate Ofsteds in one year. Last year we had four. So far this year we have had one. We will probably get one or two more, sadly, but the number has fallen. I was very pleased last year with the number of grade 3 colleges that moved to grade 2. We had two last week—Leicester and one I cannot remember.

Q440 **Chair:** What percentage do you think you will get it up to in the next couple of years? What do you hope?

**Richard Atkins:** I think even this year we will move up over 70% from 65% or 66%. Our target has to be over 80%. We need to be near where secondary schools are in the 80s, not in the 60s. I am confident that we are going in the right direction, and I think that is because leaders and governors in more colleges are managing in these difficult situations. It would be brilliant if there was lots more money. I hasten to add, though, that it is when times are difficult that you see exceptional leadership, and I do see in some colleges really exceptional, brilliant leadership.

Part of the reason for creating NLFs is to share that expertise across the sector. We are a very competitive sector, for obvious reasons, and the history has been to have nothing to do with other colleges. I realise you cannot have a lot to do with your neighbouring college—that is a bit tricky—but there is no reason why you cannot partner with a college 50 miles away or 60 miles away, and we can share good practice much better than we have before. Schools have been doing some of this better than FE, I would say. FE is beginning to smell the coffee on that and, as a result, with the diagnostic assessments and with mergers where appropriate, I think we will see a decline in the number of grade 3 and grade 4 Ofsted grades.



- Q441 **Chair:** One of the reasons why I am so supportive and passionate about further education in colleges is not just because of my constituency experience but because I see it as a ladder of opportunity for the disadvantaged. What I do not understand—and perhaps this was touched on by the questions from James and Thelma about the resources—is why there is such snobbery towards further education.

The previous Inspector of Schools keeps calling them Cinderella. I have said we should remember that Cinderella became a princess, and we should banish the ugly sisters of snobbery and ignorance or intolerance. Why is this, given that students in FE colleges are more likely to enter employment than those who have not been to college and the statistics are pretty good in terms of destination? Where does this snobbery come from? Snobbery is partly the cause of the funding, not just on the question of resources.

**Richard Atkins:** I find it a mixture of snobbery and ignorance; lack of knowledge, really. Everywhere I move in this current realm nationally I meet people who really know very little about further education, because they themselves did not go to a college, they do not aspire for their children to go, but they are quite quick to have opinions about how it could all be put right. These are often people who went to university and did very well, and I respect them for that.

Those of us who have been in FE for a long time have a much clearer idea about the benefits FE brings. One of the most amazing moments of the year—and some of you will have been—is when they do the gold awards on the terrace here every summer. You get people from amazing walks of life, and their lives were transformed by going to an FE college. They are from lots of different walks of life. FE has an enormous amount to offer, and in most communities that I go to—I was going to say “particularly”. No, in both the large urban areas, but even especially outside those areas, the FE college is a large, anchor institution in that community. People know their local college, and if that college gets into difficulty they make a lot of noise about it.

That is why I say that locally FE does seem to make a noise, but I could not agree more. Nationally getting further education on the radar is extremely difficult, particularly when so many policymakers and opinion formers have not had personal experience of it but often are not slow to have opinions about how it could all be put right.

- Q442 **Trudy Harrison:** The socioeconomic prospects of those living in coastal and rural areas were particularly picked out in the “State of the Nation” report. When you are intervening in colleges, what is your focus on disadvantaged students?

**Richard Atkins:** First, it is really interesting in FE how some of the most outstanding colleges are in those communities—places like Grimsby, Dudley and Gateshead. It is really interesting. These are some of our most outstanding colleges. They are in very unlikely parts of the country.



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I think that is interesting of itself. I have not yet seen a study about that; I would like to see a study done. Blackpool is another one—outstanding sixth-form college and outstanding FE college—yet I read all the time that these are areas of difficulty in the schools sector. It would be really interesting to see why that is the case; why in a number of those areas we have very successful colleges.

Secondly, when I intervene in a college it normally means the college has just had an Ofsted grade 4, or it is financially on the verge of completely running out of money, or has already run out of money. I focus very much on the governance and leadership initially. Every college I go in has examples of excellent teaching, even if it has had a grade 4 Ofsted. There will be pockets of the college and it is really important that that teaching and learning continues. I disrupt that to a minimum during that process.

I tend to focus on the chair. I always ask when I visit a college for the chair first, principal second, finance director third, clerk to the governors fourth, and curriculum and quality deputy fifth. I normally try to see those five people one after the other for an hour each.

By the end of that process I have a pretty fair idea where things are really going badly awry. That is not because I am particularly clever, because I am not. It is just because I have done this a very long time and I have been to a lot of colleges. My predecessor used to say the same. This is not PhD rocket science; this is about good governance and leadership. I think that is true of all colleges. Of the Committee, I have visited the majority of your colleges—not all, the majority—since I have been in this role or just before, and I know that to be the case. If I went into those colleges and had those five meetings, I would have a pretty fair idea as to whether that college was generally well run.

What I do know is when you drill down there will be pockets of good teaching in any college. I do not want to name individual colleges, but I am thinking one of you in your constituency has a college that has been in intervention since 2013, the only one, which is about to merge. I have been there three times. Even there I could take you to elements of the construction provision that is absolutely brilliant. It is about governance, leadership and management.

It is a really tough job. The resources are very tight. It would be great if there was more, but I do see regularly fantastic leadership and management. It is really important that we get better at sharing that, learning about it, and spreading it more widely. We are in real danger of bottling up all the good people because if you want to make a career in FE you think, “That looks like a good college, I will go there”.

**Chair:** Just gently, while I love your answers and we are very interested in what you are saying, please be very brief because we have only 20 minutes left. Trudy, carry on.

Q443 **Trudy Harrison:** I also wanted to talk about young women, and



particularly how we attract young women into engineering. While 71% of women feel engineering is a career for them, very few are getting on the courses. I do have personal experience; my second daughter is studying electrical engineering in an FE college and thoroughly enjoying it, but she is in the minority in her class.

**Richard Atkins:** Yes. I am a big supporter of things like WISE, Woman in Science and Engineering. My own team has at least an equal gender balance. In fact, the number of principals in FE who are female is quite strong. It is not as good as it could be but it is—

Q444 **Trudy Harrison:** What is being done to improve that?

**Richard Atkins:** A lot of things are done. A lot of those attitudes appear to be set at a very, very young age, so it is as true of girls doing hairdressing and beauty as it is boys doing engineering and motor vehicles, and so on. There is a lot more to be done. I suspect a lot of that needs to be done at a very young age, not at 13, 14, 15. Some of it needs to be done in the home as well as in the school, and it needs to be done through role models. One of the champions of FE, Steph McGovern on “BBC Breakfast”, who does lots of things for our sector, is a fantastic role model. We need more role models like her.

Q445 **Trudy Harrison:** Yes. If I could just add one more thing, in the careers strategy there was very little reference to parents. I believe that parents are the child’s greatest influence in terms of future career. How can colleges work more with parents?

**Richard Atkins:** That is a challenge. Many colleges will have parents’ evenings, but at the age of 16 many young people believe they have a degree of independent learning.

**Trudy Harrison:** It is too late.

**Richard Atkins:** While colleges today are very different to 30 years ago when I started—attendance is monitored rigorously, absence is followed up, and there are parents’ evenings—it would be wrong of me to pretend that a parents’ evening in a college is the same as it would be in a school. Many of those young people have chosen to go to college because they want to be more independent. I think the attitudes about which sort of stereotypical career you want to follow are formed much younger, and I agree with you that families play a huge role in that.

Q446 **Lucy Powell:** As a gold winner myself I am going to move on to area reviews. You said to *FE Week* last year that you thought the area reviews had been a success, yet even by your own measure in terms of number of mergers and so on you seem to be below that target. Why do you feel that they were a success? Then I am going to ask you a bit about the scope and remit of them as well.

**Richard Atkins:** Two things from me; I will try to be brief, Chair. I did not say they were an unmitigated success, but I thought on balance they had a number of successful elements, not least of which was bringing



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colleges, LEPs and local authorities together in an area, often for the first time for a long time, and also holding colleges to account in terms of looking at their data and sharing their data. I think there were a number of benefits.

We set out for 58 mergers in those area reviews; 35 have happened. Quite a number of the ones that have broken down—not quite in your constituency but nearby, you will know—when they have broken down, if one of those colleges is weak we have then run a structure and prospects appraisal, which is a bit like rebrokering a school. We started 13 last year, and I suspect we will do 13 this year. Those mergers are continuing.

I think area reviews had a number of benefits. Clearly, in an ideal world it would be great if all the post-16 providers in an area were reviewed together; school sixth forms and so on. That would have had to involve a completely different process in a completely different timescale. These area reviews were chaired or co-chaired by myself and someone from ESFA. Clearly, in one or two of the combined authorities, like GM, they were chaired by the combined authority, but we were there as co-chairs. You just could not have done it with the other providers.

Overall, on balance, I thought it brought a number of benefits, and I have not changed my mind. I watch with interest *FE Week* reporting every time a merger does not happen, because what happens is about six months later you read that one or both of those colleges are merging with someone else and we will have run a rebrokering. In some cases we are getting better mergers second time around.

**Chair:** I really, please, urge you to give briefer answers. I know there is a lot to say, but we have very limited time and more questions.

Q447 **Lucy Powell:** Just on that remit, I sense from what you are saying that you think it was a missed opportunity to not include things like UTCs and free school sixth-form colleges, for example, let alone school sixth forms, in that remit. Yes or no?

**Richard Atkins:** It would have needed to have been a completely different process.

Q448 **Lucy Powell:** Even for UTCs or studio schools?

**Richard Atkins:** Yes. We did all this in 15 or 18 months with 300 institutions. I think with school sixth forms it was 2,000 institutions. It would have had to have been fundamentally different.

Q449 **Lucy Powell:** That leads me on to two quick follow-ups that could probably have quite short answers. My perception of those area reviews is that the starting point and the end point was very much focused on institutional structure rather than demand-side outputs in terms of what post-16 was actually producing in terms of output. Would you agree with that?



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**Richard Atkins:** I would not disagree with that. Of course, the reason LEPs were in the room representing employers and local authorities was to address some of those issues. I took over, as I say, 60% of the way through. The meetings I chaired had a very strong institutional focus because all colleges remain autonomous, independent corporations.

Q450 **Lucy Powell:** Given that, would you agree with me that the next stage of really addressing some of those fundamental issues of the supply and demand-side outputs in post-16 require a much stronger place-based devolution agenda, and that places like Greater Manchester, strong combined authorities, could have direct powers over the provision of 16 to 19 in terms of the outputs? Not necessarily in governance terms, but in terms of the strategic overview and the powers?

**Richard Atkins:** I believe that in a number of parts of the country there is an overprovision for 16 to 19-year-olds. I go to some cities in some areas where every single school pretty well has a sixth form, and there are UTCs, and there are free schools for 16-year-olds, and there are colleges. In those areas, a review of that I think would be beneficial, but I could not possibly go as far as to agree with you because that sounds like a political statement about devolution.

Q451 **Lucy Powell:** No, it is not a political statement. It is just that locally accountable, place-based provision review is the better place to start than a Whitehall-driven agenda. It is not a political point.

**Richard Atkins:** FE is an interesting sector. It is both local and national, isn't it? Its role is fundamentally local, yet many of the colleges now are very large, complex institutions where learners will come from, in some cases, all over the country. I think you have to blend the local with the national. What I would not say is that we return FE to simply being a local service. I think it provides a really important local service, but there needs to be national involvement as well because of the size, the scale, and the complexity.

Q452 **Lucy Allan:** Can we move on and talk about T-levels? I am a great supporter of T-levels and I would like to understand your role in rolling those out in the coming months and years and also what preparations and plans colleges have made to ensure that they are able to deliver T-levels without impacting on existing provision.

**Richard Atkins:** I am going to be a disappointment to you in the sense that it is not fundamental to my role, really. I am obviously aware of the T-level developments. My Principals' Reference Group is commenting on them at the moment and has been involved in the consultation, as have I. I am a supporter of technical routes full-time, 16 to 19, but the rollout of T-levels is not within my remit directly.

Q453 **Lucy Allan:** Okay. Do you have any concerns about the way colleges are going to be able to prepare for that and cope with that new introduction? Is there any concern about the impact on existing services?



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**Richard Atkins:** Those will be well rehearsed. Finding the number of long work placements, for example, is going to be a challenge for employers and for colleges. I would like to see colleges as absolutely central to delivering those. I know they are going to be provider-blind. I would have a concern that if we are going to sustain the quality of these qualifications it is really important that we quality assure the specialist resources, the backgrounds of the staff. These qualifications are best taught by people with industry experience and so on.

I have a number of general concerns, but the delivery of T-levels is not fundamental to my remit, if I am honest. It is best to be honest about that. My job is more focused on intervention, improvement, the relationship with Ofsted and the agency that we have talked about, and the area reviews that we have talked about. You would almost be better getting somebody who is leading in T-levels.

**Chair:** Understood. Lucy, do you have any more questions?

**Lucy Allan:** No, that is fine. Thank you.

Q454 **James Frith:** Employer engagement has been a bit of a problem for education as a sector for years and years. A qualification that within it contains a three or four-month work placement for all students pursuing T-levels: what is your opinion of the further education sector readiness to have as many employers as they need for student placements as a fundamental part of the T-levels?

**Richard Atkins:** I think that will be a challenge. First, I think in general terms colleges' strongest links are with SMEs. There will be some colleges that have strong links with large employers, but many large employers will do their own training or have their own apprenticeship contracts or whatever. Colleges' contribution is particularly at the SME end, which is why it has been so important for colleges to get on the non-levy register.

SMEs in some sectors are going to struggle to offer those long work placements. It will depend from sector to sector. Childcare and social care already has a tradition of taking them on placement one or two days a week while they are at college. I do not think there will be a problem. Taking them into an IT business for three months might be challenging all over the country.

I think there will be real challenges in engaging small and medium-sized employers to offer those long work placements in all occupations. I think construction will be a particular challenge. I have always worked with construction departments. You will know that everything from health and safety to the subcontract culture in the construction industry will make it very difficult to get construction students out for very long work placements.

Q455 **Chair:** Okay. We are going to come on to Learndirect. Just before I come on to Trudy, could I get your feeling on the quality of apprenticeship training in FE colleges? We are doing an inquiry into the quality of



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apprenticeship training. You may have seen *The Times* today, which has a report entitled, "Scandal of inadequate apprenticeships". It says, "Figures from Ofsted show: The proportion of students being taught by inadequate providers increased to 20 per cent last year, or 37,000 apprentices. Of 189 providers assessed 6 per cent were outstanding; 43 per cent good; 40 per cent required improvement; and 11 per cent were inadequate." In the Ofsted report, and what we have highlighted, it says that 37% of apprentice providers are neither good nor outstanding. What is your feeling about the quality in FE?

**Richard Atkins:** Yes. That is presumably talking about all providers, not just colleges.

**Chair:** Yes.

**Richard Atkins:** My view in colleges is that if colleges take that element of their work very seriously—colleges do, as you said earlier, a number of different things—and they focus on it in an appropriate way, they can be very successful. Not all colleges do. One of the reasons for that is the most stable funding stream for colleges has become 16 to 18 full-time, the future T-level students.

Q456 **Chair:** Have you done any assessment of colleges that are not living up to expectations in terms of training of apprentice providers?

**Richard Atkins:** Yes.

Q457 **Chair:** I am not just talking about generally whether colleges are doing well or not, but ones that are specifically having problems in terms of apprentice training quality.

**Richard Atkins:** Yes. Some of the colleges we have intervened in have had a grade 3 or grade 4 for apprenticeship delivery.

Q458 **Chair:** How many? What is the percentage?

**Richard Atkins:** Of the ones I intervene in?

**Chair:** Do you know the general percentages of FE colleges that are either good or outstanding?

**Richard Atkins:** I do not. I can go away and give you a written answer, but I do not know the percentage that have had a grade 3 or 4 for apprenticeships. I am always interested in that. I am going next week to look at a grade 3 college that got a grade 4 for apprenticeships, and I am very interested in that. My experience is that usually the college has not focused sufficiently on that. It seems to me you need to bring as much focus to that, if not more, than any other aspect of this complex FE college, because some colleges have tended to focus on those 16 to 18 full-time and not given enough focus to the specific demands of running a successful apprenticeship.

Q459 **Chair:** If you could provide us with the figures that would be really helpful.



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**Richard Atkins:** I am happy to do that.

Q460 **Chair:** What the Learndirect issue raises is whether or not a significant amount or a vast majority of apprentice training should be done by FE, not by the private sector. What is your view about that?

**Richard Atkins:** I think it should be a mixed economy, but I think Ofsted should have the resources to inspect all of those providers rigorously on what I would call an equitable basis.

Q461 **Chair:** Do you have concerns where FE colleges and private providers are doing a huge amount of subcontracting and then getting huge management fees in the process?

**Richard Atkins:** I do not think all subcontracting per se is wrong. I worry about colleges that do lots of subcontracting. I particularly worry about it when there is not a core theme and purpose to it. If your college happens to be big in engineering and you do subcontracting within it, I get that. I do worry about colleges I go to with generic subcontracting all over the place that is potentially not, therefore, quality assured sufficiently. That is what Ofsted have been telling us for a while.

Where it is very well run the subcontracting has a clear purpose. My college was Ofsted outstanding. One of the ways I did that is we ruthlessly minimised the amount of subcontracting. We only did a very small amount of subcontracting. I always saw it as a risk. I have seen it done really well, but I worry when it gets bigger and bigger and people are trying to fill funding allocations through subcontracting. All of that is a worry.

Q462 **Trudy Harrison:** It is an expansion on that point. We have heard this morning how colleges are getting bigger and bigger, and we know what happened to Learndirect. What lessons do you feel that FE colleges can learn from the experiences of Learndirect?

**Richard Atkins:** We are in a different position, really. Learndirect was a massive, national, independent training organisation with huge amounts of subcontracting. I can only think of one or two colleges—a very, very small number—that would get even similar to that. Those would be colleges that if they were to ask my advice or we intervened in I would caution them about the scale of the subcontracting. I would want to ensure that they rigorously quality assured it, they knew where these subcontracts were, which areas they were in, who the learners were, that they were getting a decent experience, and so on.

The history of subcontracting over the last 20 years—we used to call it franchising; it is the same thing, really—is very mixed. I think if you want to run a top college you need to control it and contain it to a small amount of what you do. What colleges do really, really well is deliver apprenticeships to small, medium-size and sometimes large employers within their area. If you do that well your reputation in the area goes up, then more learners choose to come to you, and then it gets harder for



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the schools to say, "That college down the road is rubbish". That for me is the virtuous circle.

- Q463 **Trudy Harrison:** Is there a danger that you can be a victim of your own success and get bigger and bigger and bigger and lose quality with that growth?

**Richard Atkins:** It is possible. I always felt, going back to the question about locality and place, that the most important thing is for your college to have a local reputation. What that meant was nobody ever came to my college and either asked about the quality of my balance sheet or my finance director, nor did they ask me about any subcontracting work we were doing in Newcastle upon Tyne. They tended to come and say to me, "We want to know what you are doing in your part of the world. In Devon, in the south-west, what are you doing and is it good?" I worry about colleges who lose that from their mission.

**Trudy Harrison:** The local accountability?

**Richard Atkins:** Yes. Locality will look different in different parts of the world, but if you do not retain that strong focus on locality and place and the employers and the community and you start to do this, they tend to be some of the colleges that I end up intervening in.

- Q464 **Trudy Harrison:** Is there not an argument, though, for colleges to have a particular sectoral excellence, whether that be nuclear in my constituency or JCB, for example, where people come from all around the country to work at that particular college because of the sector reputation?

**Richard Atkins:** Yes, there is an element of that in a small number of areas, but personally I do not think there is scope to make all colleges only specialise in a small number of areas. We had this debate 10 or 20 years ago about whether all colleges should just do two or three things. You might do it in a large, urban area with excellent transport links, but in most parts of the country most colleges have to offer a wide range.

The most successful colleges do tend to be famous for something. That something could be anything from nuclear to A-levels to HE provision to marine engineering in the north-east or Blackpool, a whole range of things, but it is important and useful to have something that you are very good at or have a regional reputation.

- Q465 **Chair:** Trudy touched on an important point, because we have national colleges and these new institute of technology colleges. Is there not a danger that you would divert a lot of money away from FE? Why not merge these things with existing outstanding or very good FE colleges so you could link them? For example, you mentioned Blackpool. Why not have the Blackpool FE College Institute of Technology, for example, rather than a completely separate institute? Why have separate national colleges? Could you just give a very brief answer?



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**Richard Atkins:** Two things. The institutes of technology are currently in the bidding process. I would broadly share your views. I think that the more they are built on local FE provision that is very, very good, the better. I think the involvement of a university partner is helpful. I think institutes of technology's raison d'être is they should be built on the FE sector. I have just done a review of the national colleges; there are five of them. I think there is a case for one or two. I think the HS2 rail college looking at national infrastructure projects has a real purpose, and a single FE college would struggle to do that. But the demand for those is very limited. We do not need lots and lots of them.

Q466 **Chair:** They should be more linked to FE, is that what you are saying?

**Richard Atkins:** Yes, absolutely. I think every college benefits if it possibly can from having an area of specialism or excellence.

Q467 **Chair:** Understood. Thank you very much. Without risk of being seen as part of the "chumocracy" can I thank you for your public service? I have watched you from afar and I do have admiration for what you are doing, your love of further education and what you are trying to do. While we have a lot of questions about the how, I think no one doubts your commitment and passion and your determination to improve further education in our country. Thank you.

**Lucy Powell:** Can I add to that that I thought that was a very impressive appearance before this Committee, probably one of the best we have had? Thank you.

**Chair:** Absolutely.

**Richard Atkins:** Thanks very much. Do keep in touch—I know most of you do—with your local college. An MP's involvement is really important.

### Examination of witnesses

Rt Hon Alan Milburn, [Witness Job Title], [Witness Company], Rt Hon Baroness Shephard, [Witness Job Title], [Witness Company] and David Johnston, [Witness Job Title], [Witness Company].

Q468 **Chair:** Good morning. Thank you for coming. For the benefit of the tape could you kindly introduce yourselves and your positions?

**Alan Milburn:** Alan Milburn, former Chair of the Social Mobility Commission.

**Baroness Shephard:** Gillian Shephard, former Deputy Chair of the Social Mobility Commission.

**David Johnston:** David Johnston, Chief Executive of the Social Mobility Foundation.



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Q469 **Chair:** Thank you. I am very pleased you have come here today. Did you raise with the Government previous problems in terms of how you felt the Social Mobility Commission was going and what was going wrong?

**Alan Milburn:** Yes, we did.

Q470 **Chair:** Which members of the Government?

**Alan Milburn:** A succession of members of the Government over a period of time. If it is helpful to you, Chairman, I will take you through some of our chronology. Thank you for having us and thanks for conducting the inquiry.

There were two buckets of issues that we felt increasingly strongly about. First, the seeming inability of the Government to commit to the commission as an independent body with a clear remit, clear reporting arrangements, and an appropriate number of commissioners. Let me just talk you through that to begin with.

In 2015 we had 10 commissioners, and obviously people roll off and come on; their terms of office come to an end and all that sort of thing. By the end there were four of us; three of us here today and our colleague, Paul Gregg. We went through an appointment process to put new commissioners on, which began at the beginning of 2016. It was a bit of a farcical process. We had an independent appointments panel. I was on it so it was a proper appointments process. We then made recommendations to Government about who was appointable. It took almost a year for the Government to decide that none of the people that we had recommended were suitable for appointment. In that time none of the candidates heard anything. In the end I insisted a letter of apology be sent to the candidates and other applicants because it had gone on for so long. That letter was sent.

The calibre of the candidates was very high. It included a former Minister of the Crown, people who have worked at No. 10 Downing Street, very senior people from the world of education. All were rejected. Obviously, there was an ongoing conversation, not just with the then Secretary of State for Education, Justine Greening, but before her with the Chancellor of the Duchy of Lancaster and a Minister of the Cabinet Office, Oliver Letwin, and so on, about what we needed to do in order to make clear the reporting arrangements, the accountabilities and the commissioners. That process over the year—if you were being kind you would say it was indecisive.

Q471 **Chair:** Which members of the Government did you speak to and was it right up until your resignations?

**Alan Milburn:** Yes, the point of reporting had been three Ministers in the coalition Government; the Deputy Prime Minister, the Secretary of State for Education, Michael Gove, and the Secretary of State for Work and Pensions, Iain Duncan Smith, that was the golden triangle, so to speak. We had very frequent interactions with those people. On occasions it felt



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more like a Bermuda triangle in that things got lost and people did not always agree, but there was a very high level of engagement. I personally was invited to attend the ministerial group on social mobility, which the DPM chaired.

After 2015 we had a debate with Oliver, both Gillian and myself, about what would be the best arrangement to replace the coalition arrangements. Obviously, you had the three because of the internal politics of the Government. We got to a point where Oliver was very sympathetic to the idea that we reported directly into the heart of Government, to him and thence to the Prime Minister. That, from our point of view, made a huge amount of sense because you needed the centre to be engaged in this as much as individual Ministers.

After the change of Prime Minister, following the European referendum, that whole conversation frankly went into the void. There was no conversation. There was no response. So, de facto our point of reporting and accountability became the Secretary of State for Education, Justine Greening, simply because she picked up the mantle and decided to run with social mobility as her big cause and issue, and did it tremendously well.

Q472 **Chair:** Baroness Shephard, do you mind us calling you by your first name or do you prefer Baroness Shephard?

**Baroness Shephard:** First name is fine.

Q473 **Chair:** Thank you. Did you have conversations with Conservatives, did you have conversations with anyone in No. 10 in recent months before you decided to step down?

**Baroness Shephard:** No, not in recent months. Those discussions were undertaken by Alan obviously and reported back to us. But I did speak to Oliver Letwin. This was in 2015.

**Alan Milburn:** 2016 maybe.

**Baroness Shephard:** I think it was 2015 because the appointment saga followed that.

**Alan Milburn:** That was 2016. No, you are right.

**Baroness Shephard:** The No. 10 machine was absolutely clear how we felt about this very difficult position that we were in on the Social Mobility Commission. We were in difficulties for a number of reasons. Imagine being a member of the very dedicated and expert staff of the commission when they could see this kind of attrition going on with the failure to appoint new commissioners. Imagine how puzzling for applicants—people who were aspiring to become commissioners—when we could give them no information as to why they appeared to have met a sort of blank wall. Of course, it was the more personal, as it was for us, given the commitment that there had been to social mobility by the Prime Minister



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from the steps of—I always say “steps of No. 10”, there are not any, of course, there is just the one in front—No. 10 when she became Prime Minister. It was the main theme of that first speech that she gave. So there was no explanation.

There were other audiences as well. We have found on the commission that we have increasingly engaged with an enormously wide range of organisations who are interested in what we are doing, who expressed an interest in getting their organisation to commit to the ideals of social mobility. I hope we might have the chance to expand on that a little bit later.

**Chair:** We are going to come on to that in a bit.

**Baroness Shephard:** All these people were watching as well, so there was quite a broad audience of people who were wondering what was going on and we were totally unable to give any answers.

Q474 **Chair:** Did you have any conversations with the Prime Minister’s staff post-2017 and the election about this?

**Alan Milburn:** Yes.

**Chair:** Like the Chief of Staff, senior civil servants?

**Alan Milburn:** Yes, the Chief of Staff.

**Chair:** That was Gavin Barwell? Post-2017?

**Alan Milburn:** Sorry, no.

**Chair:** None since the election at all?

**Alan Milburn:** No, but before then I had conversations with Nick Timothy. I also had conversations with Jeremy Heywood, the Cabinet Secretary. So it was not as if there was not an attempt, certainly on our part, to get clarity and agreement about the way forward. We had a very clear proposition, which from our point of view was far more sensible, that we reported into the centre of Government—you have talked about this yourself for reasons that are obvious in a prime ministerial system of government—on these cross-cutting issues. Social mobility is not just an education issue. It is the labour market, housing, regional policy, fiscal policy, and so on. You need the heft and engagement of the centre, otherwise what you have is piecemeal effort. Our view was very strongly that that was what was needed.

In the coalition years, it was far from ideal, but at least there were three things going for it in terms of dealing with social mobility. One was a very clear and published strategy, “Opening Doors”, which was published very shortly after the coalition came to power. Secondly, objectives and targets being set out as to what should be achieved and a suite of policy, which you could agree with or disagree with but at least it was there. Thirdly, a champion at the centre in the form of the Deputy Prime Minister, Nick Clegg, who was determined to make this an issue, and not



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alone. People like Michael Gove picked up the mantle. Indeed, we rather controversially at the time were rather supportive of some of the education reforms that the then Secretary of State for Education was making.

All of that dissipated and, I am afraid, it became increasingly obvious that there was disengagement. The words were there. There is a question about whether the deeds were, and certainly what became increasingly obvious is that where there should have been clarity there was ambiguity.

Q475 **Chair:** It got worse post-2017 election?

**Alan Milburn:** It got worse post-2017 election. Of that there is absolutely no doubt.

Q476 **Chair:** If I could just move it on into what the actual Social Mobility Commission should be, in my view you have done some remarkable reports, so please do not take my question as any criticism. This is a Wikipedia of social mobility in our country and valuable for many people.

What, in essence, you became was a state-sponsored think tank so, to me, doing similar work to, let's say, the Centre for Social Justice, the Sutton Trust, Rowntree Foundation or whatever it may be. Surely, rather than being a paper tiger, the opportunities of your resignations is to transform the role of the Social Mobility Commission, to move it to the heart of Downing Street, to have the best people in the land running it, and to use it to assess the impact of every single piece of domestic legislation on social disadvantage. What is your view about that?

**Alan Milburn:** My honest answer is yes and no. Let me give you reasons to agree with you first. It makes absolute sense, as you have advocated, that there is co-ordination and coherence at the centre of Government. To be candid with you, that has been absent. You have had individual Ministers—Justine was probably the best example—simply running with the agenda, and all credit to her. She has set up a social mobility unit, as you are aware, within the Department for Education. Several members of staff that formerly worked for the commission now work for that unit inside DfE.

But the truth about social mobility is that if you are going to make progress you need to pull a whole succession of levers and hopefully you should pull them in sync; on the labour market, on regional policy. Our last report, as you are aware, is about social division and geographical division as being at the heart of the problem that the country faces. You need a raft of policy initiatives and a huge amount of applied energy. It makes sense, therefore, to have co-ordination at the centre. I agree with that.

Where I disagree is this. The purpose of the commission when it was first established was to put social mobility on the map, first of all; to make it something that could not be ignored. Over the course of the last few



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years it is gratifying that social mobility has become part of the lexicon of political debate about the future shape of the society we want in our country. It has also become an agenda item for employers and professions and schools and universities in a way that was never the case. The commission has had a role to play in that.

Our functions as a commission stand in their own right as a complement to what you suggested, Chairman, which is something that sits in the centre, something on the inside. But I do think there is power on something that sits on the outside doing three or four things. First, monitoring and reporting. It is rare, in my experience, to be candid with you, that Governments invite more scrutiny of themselves. Normally they want less, so I was very supportive when Prime Minister Cameron and Deputy Prime Minister Clegg decided to set up a commission that in the words of the DPM were about putting the Government's feet to the fire. I asked him how hot he wanted to be. I did not really get a reply but you get the idea. So it is something that sits outside objectively assessing what the Government and other actors in civil society were doing.

Secondly, to undertake in-depth research to ascertain the nature of the problem in its variety of guises, which is what we have done over the years. Thirdly, to suggest remedies. Some of the recommendations—not all by any means—that we have put to Government have been accepted. We advocated very strongly for a living wage and it was accepted. We applauded that. We advocated a pupil premium and, more particularly, the extension of the pupil premium to the early years. When it was we applauded it, having advocated for it. So, we were a body sitting outside with expertise and knowledge and great data being able to analyse and recommend.

The fourth function, which is what I think central Government by itself cannot do, is the most important of all, which is to advocate. The truth is that over increasing years—and David should say something about this—a lot of our focus has been, frankly, to use the commission as a bit of a bully pulpit, to get into some difficult and bruising conversations with the medical profession, the legal profession, and with universities about whether or not they are truly opening their doors to the widest pool of talent. It is a mixed ability class, as always, but there is no doubt that over recent years we met employers, professions, schools, universities, councils, mayors—we had a series of meetings with mayors. You went to Bristol. I went to Salford to talk to people who have a strategic role to play in ensuring higher social mobility in their localities. That is an important role that the commission played and I think it could continue to do so.

**Q477 Chair:** Unless you have some kind of impact assessment, what is to stop any Government just ignoring what the Social Mobility Commission says and what is the point of it then, apart from perhaps making a few waves and public—



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**Alan Milburn:** Of course, in a democratic system in the end what are we, where at best—

**Chair:** There is a difference because you are legislated for by the state, whereas the Sutton Trust is not.

**Alan Milburn:** Correct.

**Chair:** Or a normal think tank is not, so they are there to change public opinion. You are legislated for by the state so, therefore, surely there must be something to give you teeth to make sure that at least a certain proportion of your recommendations are either accepted or assessed. As I say, domestic legislation is assessed for its impact on the kinds of things that you are highlighting.

**Alan Milburn:** What gave us teeth was precisely what you say, which is the statutory underpinning in primary legislation, an independent body that nonetheless worked with Government. That gave us locus—and probably more locus than some of the organisations that you mentioned, good work though they do—with organisations in civil society. I would say you need both. You need coherence, of course, but you also need agitation and advocacy coming from outside to ensure that what the Government say is what they do. There is a world of difference, as you well know, between talking about social division and healing it.

**Baroness Shephard:** I agree that you certainly do need both. I do think that it gives Government policy credibility if it has a body that is absolutely known to be independent and watching what is going on and reporting on that and able to measure progress. But what you certainly need in the middle, however you deliver that, is a body that is responsible for making sure all the relevant Departments of Government are aiming in the same direction on this issue of social mobility.

It is not easy. At the risk of being deeply boring and autobiographical, I had to try to co-ordinate Government's efforts with regard to policy for women. Can you imagine this was 1,000 years ago, and each male Minister came to all the meetings briefed to the hilt to prove why this was not necessary, until we got Virginia Bottomley, a Secretary of State for Health, representing a million women? That did stop it, but it is not easy.

However, the Government have appointed a Minister for Loneliness, I think I am right in saying. This has been widely praised across the board. That Minister is Tracey Crouch, presumably bringing together Government Departments focusing on this issue. There is no reason why social mobility should not be given the same treatment as loneliness. It is as important.

In our latest report, we have multiple examples of fabulous practice across the board and throughout the country. A lot of the initiatives have come from local government, some have come from LEPs, some have come from voluntary organisations. Of course, what you need to make sense of it all, and in order to avoid duplication or copy good practice or



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however you look at it, is a central Government Department or something with the clout to say, "Right, Cornwall, what you are doing in bringing teachers together"—it is a colleges of Cornwall initiative—"is terrific and you ought to go to East Anglia and talk to those people and tell them how they, in a deeply rural situation, could be doing the same kind of thing". We cannot do that.

Of course, we can produce this and say, "This would apply in Norfolk, this would apply in Cumbria" and all the rest of it, but we do not have any clout. Who, working in the field and very busy, would have the time to plough through this and think, "What would apply to me?" Of course, if you had a central dedicated body within Government, first, that would be their job and, secondly, they would have the clout to say to Cornwall, "Look, please, go to East Anglia and tell them what you are doing". I think that would be terrific.

**David Johnston:** I do think there is a place for the body outside and the advocacy. I work a lot with employers and what they are going to do on this issue—because our starting point is it is not all Government's job. Last year, the Social Mobility Foundation created the social mobility employer index in partnership with the commission. Employers who collectively represent 1 million employees in the UK entered this thing, competing to see who the best at it was. A bunch of Government Departments did, including the Department for Education. We can contrast the speed and the power of that with the Cabinet Office consultation on what measures employers should use to measure the backgrounds of their workforce. It was supposed to be a 12-month thing—they started in 2016. We still do not have the report. That is right in the heart of Government and it has not come out the end yet, nearly two years later. It is supposed to come at some point this year. You can move faster with people outside who can take action quicker and who have been geed up by the advocacy that the commission has done.

**Alan Milburn:** If I can just add one final point, post our role as commissioners, one of the things that we plan to do collectively—the three of us here today and Paul Gregg, our colleague—is to establish a social mobility institute, which is not public policy facing at all, which is actually facing into civil society. Why? Because we think there is a big appetite.

The question that employers and professions and universities, in particular, are now asking is less, "Why should we do it?" and more, "How do we go about it?" We want to compile an evidence base about what works. If you are a big employer, for example, what are the five things you should change if you want to diversify your workforce? How should you do it? What are the processes that you would need to change? We want to compile an evidence base and then we want to work alongside those organisations in civil society to bring about some practical change. Right now I would say there is a demand side there but the supply side is lacking.



Q478 **Lucy Powell:** Just back-pedalling slightly, you said at the beginning that there was a second bucket of issues. I am not sure you quite got on to what that second bucket was. The first was the appointments. Was the second bucket just the lack of engagement or was it a different point?

**Alan Milburn:** In my letter to the Prime Minister in December I said, "I will give you two reasons". First, we have explored—and Robert is on to a good thing—the architecture of delivery around this thing. Because in the end it is about delivery. It is about getting some stuff done. We might slightly disagree about the configuration of that, but we very strongly agree about getting coherence and co-ordination at the centre. There is a question about what is out here.

The second reason was all about some good initiatives. For example, we worked very closely with Justine on the opportunity areas. That is a policy that we advocated for. Indeed, she asked us to identify the first areas that we thought were a suitable case for treatment, so to speak, based on our data, our analysis and our reports, so we did that. Some good initiatives, some good Ministers trying to do the right thing, but overall the conclusion was that despite that it did not seem that the Government had either the ability or the willingness to put their collective shoulders to the wheel when it came to delivering social mobility.

Why was that? It is pretty obvious, in a sense, and perhaps it is understandable. There is a huge issue before the country, which is Brexit. It is fiercely complex. It is probably the most complex international negotiation there has ever been. The conclusion I certainly reached was that unfortunately the Government lacked the head space and the band width to match the rhetoric of healing social division with the reality, and I say that as a matter of regret. I really do.

I served three different Prime Ministers in various social mobility roles and so for that matter did Gillian. I served a Labour Prime Minister, a coalition one, and now a Conservative Prime Minister. That has not always made me deeply popular, but I believe it was the right thing to do because social mobility is above party politics and it is the crunch issue for our country. There is a social crisis in the country. We ought to understand that and do something about it. But in the end, there is only so long you can go on pushing water uphill. That was the second reason.

Q479 **Lucy Powell:** Following on from that then, all three of you and Paul, who is not here, resigned. Obviously a collective resignation like that is quite a big, bold statement and sent shockwaves through the system. What were you hoping to achieve by that? Was it that you had all just come to the end of your tether? Did you feel you could make more impact outside? Or was it that you were hoping that that mass resignation would reboot this whole agenda within Government? If so, do you feel that is happening?

**Alan Milburn:** Let me start, and then Gillian and David should speak for themselves. I personally felt that after 10 years of this, and after becoming increasingly frustrated, there was only so long that you could



go on and not get the traction that was necessary. What I hope it achieves is that the Government do think again about two things.

First, we have been warning in successive reports now over a number of years that without a radical rethink on public policy the likelihood is that this country, rather than becoming less divided, will become more divided. The evidence suggests that that is the case. The Prime Minister herself has recognised that in talking about “Left behind Britain”. For the avoidance of doubt, I do not for a moment question the Prime Minister’s commitment to social justice. She has championed some pretty unfashionable causes in her time. Modern slavery would be a good example. My question is less about the level of commitment and more about the ability to deliver.

Secondly, what I hope the Government do is think about some of the questions that you are rightly posing. What would allow not just a part of Government but the whole of Government to engage in this—the Treasury, the Business Department, critical Departments. The biggest question for me is about what is happening in the labour market. You have a bifurcated labour market now. If you have no skills you are not going to make social progress. What are we going to do about that as a country? What are we going to do about transport policy to ensure that parts of the country that are left behind, that suffer peripherality, are joined up so we can get goods to market and people to jobs? What are we going to do about regional policy? We need to rethink these things and we need to do so in a coherent and joined-up way where the centre of government, No. 10 and No. 11, are actively engaged, not as spectators but as actors on the page.

I genuinely hope that as we move forward and as presumably a new commission is appointed some of the lessons about what has not worked are learnt and that they are put right.

**Baroness Shephard:** I resigned because I felt that our position as commissioners had become non-viable. We started with 10. There had been no renewals since March 2015. If the Government were not going to renew Alan’s position, then we would have been left with three. This is a nonsense. If it requires 10 people, it requires 10 people. I felt that it was an intolerable position for the staff and the commission was not in a position to work in the way that was intended. Therefore, I resigned.

Q480 **Chair:** You are a senior figure in the Conservative Party, part of the furniture, and I mean that in the nicest possible way. As I said in the introduction, you were involved when I was selected to go on the parliamentary list. Surely you could have just asked for a meeting with the Prime Minister—given that it is you—and you would have had that meeting and explained all the things that were going wrong and asked her to sort it out.

**Baroness Shephard:** Certainly, I did not try to do that, mostly out of sympathy for the Prime Minister’s diary and the amazing pressures on



her. I would not have thought of doing that because I just felt this is one person out of a multiplicity of things she has to do and achieve every single day. But I felt the writing was very firmly on the wall anyway. It had to be because we could not get answers. There were delays. Not delays, but blank walls as far as appointing new commissioners was concerned, and I thought there was no point. We had had discussions with Oliver Letwin two and a half years before and we were not getting the firmest of answers then. I thought there was no point at all.

**Q481 Lucy Powell:** Do you hope that this will now give it a reboot or do you think it needs to be more radical than that?

**Baroness Shephard:** What has happened is that a number of Ministers, and the Prime Minister in response to the Chair's question at the Liaison Committee, have said it gives an opportunity to refresh the commission. This is true. I do not think anybody has used "reboot", but I think that is what they mean. If our resignation had as part of its effect or result the setting up of an implementation unit or whatever you want to call it at the centre of Government, then it would have been totally worthwhile. We would all have supported it had we still been commissioners, of course.

I do not want to go on too long because I am sure David will want to come in, but perhaps I could just say this. I want to work this in. We have been constantly approached by individuals, by organisations, by local authorities and all the rest of it, to ask for advice on how to introduce social mobility into their organisation, their company, their council, whatever it is. I always thought there is a gap in Government—why are they not going to whatever Department it is? Why are they coming to us? Organisations ranging from the Methodist Church—I think that is one of your latest invitations—right through to Rotary, the whole gamut, LEPs, councils, universities in spades, FE colleges, they are coming to us. We are not an implementation unit. We defined that difference this morning in the Committee. That is not what we are for.

I also thought if we all go, then it is possible that somebody will see that there is a gap—and we are having the opportunity to say this—in how to do this thing. The gap is at implementation level and co-ordination level and only Government can provide that.

**Q482 Lucy Allan:** I want to pay tribute to the excellent work that you have done and also your commitment, all of you, to social justice. That is something that we all share in this room, so thank you for all of that.

It was clearly a frustrating process for you watching the commission dwindle on the vine, and perhaps it was an intentional act to let it dwindle in the way that it did. I was very pleased to hear you say, Alan, that you did not think that meant that the Government were not committed to social justice. You just felt perhaps they were not committed to the commission.

My question to you is: can some of the incredibly important work you



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were just talking about be delivered? Can that be done without a commission and can it be done by Government if there were, for example, a department for social mobility or a Minister for social mobility? Is there another way of doing it? Clearly, the Government were not committed to the way it was being done. We have to look at how else it could be delivered because it is so vital and it is so important. Could I ask all three of you: can that important work be done without a commission but by some other means, and can we discuss further what those means would be?

**David Johnston:** I think you do need the commission. The big thing that was lacking, which is what Alan was saying, was the cross-departmental strategy. The Education Department has produced a pretty good action plan but, as Alan has said, it is just for education. It is not covering the labour market or a whole bunch of other areas you would want to.

The question of whether you should have a Department for it I will probably leave to my colleagues, who understand Government better, but you certainly need a Cabinet Minister who has the ability to pull all the different levers that need to be pulled in order to make progress. We are always asked, "What is the one thing you can do?" and there is not one thing that you can do.

The commission is still important, though, as Nick Clegg said, to hold the Government's feet to the fire because every Government are going to say they are doing great things, "Look at the progress we have made", but it is often not enough. As Gillian rightly said, you still need that advocacy going on. My own view as a non-politician is that none of the parties have done or said enough about this. The issue would not be on the agenda in the way it was if these two had not been at it for 10 years from the first fair access to the professions report. You need a few things simultaneously.

**Baroness Shephard:** One of the things that I had not mentioned but which has become very clear to all of us over this period of being commissioners is the need in all policy areas for there to be a commitment and continuity and consistency. What people cannot stand is a series of initiatives that die when the Minister moves on. That is the thing.

Life is littered with these initiatives. Sometimes you can see them and sometimes you just hear about them. It seems to me that the role of a commission outside Government, or one of the important roles, would be to say to Government, "Hang on, you have just started this initiative. Now the wind has changed or the Minister has changed, where is it going? What about all the people you have enthused to do this thing and now you are just pulling the rug?" That will not do. Believe me, this happens in Government. It happens all the time. A Minister comes in, "I have to make my name. Right, right, right, we will do this, this." They move on. "Oh, what was that?" This is truly how it is.



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If you leave it simply to the political process, especially when there have been changes in Government, I do promise you many fabulous initiatives in which people outside politics have been engaged and given their all will fall by the wayside. How wasteful is that?

Q483 **Lucy Allan:** It is continuity to make it work?

**Baroness Shephard:** I believe continuity, consistency and valuing commitment is what a commission can provide. It is more difficult to provide it within the context of politics.

**Alan Milburn:** One final point is that to do any of this stuff, first, it is going to be a battle for the long term. This is about intergenerational change. In an ideal world—no one in this room is naive about it—there would be a cross-party agreement. That is difficult when you are in politics. It is far easier, believe me, when you are out.

**Baroness Shephard:** I am not out yet.

**Alan Milburn:** No, you are still in. This is my left-wing conscience, so I am sitting symbolically to my left. It is very confusing for me. You need an effort for the long term, first of all. You need a strategy. There is not a strategy, let's be honest about it.

Q484 **Lucy Allan:** But there is a commitment. You do agree that Government are committed to social justice, they just do not have the mechanism?

**Alan Milburn:** No, it is more than mechanism, with respect. The worst thing in politics in my experience is to will the ends and not gift the means. That is the worst position. I would almost rather there were not speeches about healing social division or tackling "Left behind Britain". I would rather there was silence. I am not interested in words. I have heard a lot of words over the years on this issue. What I am interested in is deeds.

Where is the strategy? Where is the suite of policy? Where is the cross-Government commitment to make it happen? Then you get to Robert's point, which is where is the architecture to ensure that what you say is matched by what you do? At the moment that is missing.

To the core of your question: could you do all of that without a commission? Governments can decide in a democracy what they want to do. That is a matter for them. The ideal arrangement, to be perfectly candid, is one where there is that at the centre of Government but you also have outside, externally looking in, and objectively assessing and reporting and saying, "This is good, this is seven out of 10 or it is three out of 10, and, by the way, you have thought about doing X; what about Y?" For me, that is the jigsaw that we need to assemble. Some of the pieces are there, but right now there is no frame.

Q485 **Thelma Walker:** Could I also commend the "State of the Nation" report? It is one of the best things I have ever read on social mobility. I also refer



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back to your letter of resignation, Alan, where you say to the Prime Minister that the rhetoric of healing social division is not being matched by the reality. You just mentioned deeds not words. In your report you expose the divide in our country—the economic, the geographic, and the generational divide.

We have talked about the Government not being committed to the commission. You have over 20 key findings here in this report. Would you say that the Government are not committed to those key findings in your “State of the Nation” report?

**Alan Milburn:** Time will tell whether or not they are because they are multi-various in terms of the recommendations that we make. You have to be sensible about it. We are an outside body. From the outset I was determined to do two things. First, this was going to be non-partisan. It is very easy for us to put all our political prejudices on the table, but we were determined to be cross-party or we were determined to be no party; to work collaboratively in a non-partisan way.

Secondly, and most importantly, I was determined from the outset that whatever we did and whatever we said would be informed by data. Data tells a story; an analysis has been what we have done. We have tried to analyse in order to be objective and bring evidence to bear. But all that we can do in the end is make recommendations. We are not in a position of political locus. We do not have that. We can influence and we can try to shape the debate. We can produce the best evidence. It is a matter for Governments to decide. That is a question that you have to properly address to the Government. Is it going to do it or is it not?

Q486 **Thelma Walker:** Why did you not stick with it then? Why did you resign? You are saying that time will tell, but if you had stayed with it?

**Alan Milburn:** I have been at it for 10 years now, so it is quite a long time. My judgment is that right now, given where the Government are, what they have on their plate and the effort they are applying, I am pessimistic about—

Q487 **Thelma Walker:** So you are saying the Government’s priority is not social mobility?

**Alan Milburn:** I am pessimistic about the ability right now of the Government to be able to do what it says it wants to do. For me, personally, right now I think, unfortunately, civil society is leading; public policy is lagging for all the reasons that I set out in my letter and that we have described here today. It does not mean that public policy will not do anything. It probably will do some things. It probably will because it will need to. We cannot keep going on like this.

We have a social problem, an economic problem and, by the way, we have a political problem. We have a politically divided country in a way that I have never seen before. I have never seen a situation where the correlation between political alienation, social dislocation and



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economically being left behind is as absolute as it is. That is what is going on. Look at how people voted in the EU referendum. There are a lot of reasons why people voted the way they did, but it is not a coincidence that of the 65 areas that we say they are the worst parts of the country for education, employment and housing prospects going forward, only five voted to remain.

**Q488 Thelma Walker:** But the important thing is that one of those divides that is exposed here and highlighted is a generational divide. The decisions that the Government are making at the moment will impact on the future of the younger generation.

**Alan Milburn:** They are going to impact on the future of the younger generation, and I hope that what the Prime Minister rightly said, when she became Prime Minister, about the need to heal precisely the divisions that we point to is what the Government will do. If you ask me candidly whether I am pessimistic or optimistic about that right now, I am pretty pessimistic about it.

**Baroness Shephard:** I am more optimistic than Alan. After all, we have had 10 years of the commission. Let's look at the commission as an issue rather than as a body. Therefore, for 10 years the issue of trying to solve this problem across the board and to introduce all kinds of policies to help via different Departments, that is alive and it continues to be alive. What I am saying, or have been saying, is that I believe that time ran out for the commission. We had to make the judgment whether or not the Government wanted us to continue, and because we got down to three commissioners and because we could not get answers about the future of the commission, we really had to infer that the Government wanted to move on.

If by moving on they refresh the commission, produce a different kind of body that can build on the things that we have done, and if they follow their own example of a co-ordinated approach to loneliness across government, and apply that principle to social mobility, then the whole thing will have been very much worthwhile. Who is to say this will not happen? It is true that everybody has their hands full with Brexit. We make that point in the introduction here in rather a gentle way saying it is difficult. Of course it is true. But social issues do not go away while Government are very, very busily engaged on, you might say, Maastricht after all. I lived through all of that.

**Q489 Chair:** Can I just come in on that before I pass over to James? Many moderate, fair-minded people who are not politically motivated would have been inspired by what the Prime Minister said on the steps of Downing Street. I was. She made that her centrepiece and then this happens. Okay, we know that Brexit is there and so on and so forth, but do you not think that clearly, despite that incredible speech, which was to be the set piece of her prime ministership, we have lost our way on our social justice?



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**Baroness Shephard:** I am sorry, I missed the very last bit of your question.

**Chair:** The Prime Minister made social justice the centrepiece when she got to Downing Street. It inspired many fair-minded people who really liked that speech, and the opinion polls went up to prove it at the time. Given that it was the centrepiece, do you not think things like this should be an incredible priority and that it may be partly to do with Brexit, it may be for other reasons, but for some reason or another social justice and its direction has been lost since the election?

**Baroness Shephard:** There is no need for that to be the case. First of all, we have the Prime Minister's emphasis on the issue and we do know that she takes it very seriously, because although it was a very significant place from which to make that speech, it is not the only time she has talked about these issues.

Q490 **Chair:** But it was her first speech, her very first speech.

**Baroness Shephard:** It was her first speech and it was in Downing Street. Those are not a negative, those are a terrific positive. Who knows what the Government may be looking to put into the place of the Commission as it is presently configured, but there is an awful lot of experience to draw on now with the work that the commission has done over the last 10 years. In my view, this is a positive point.

I think also with Brexit there may well be quite a lot of turmoil one way or another and a lot of change to cope with, which means that social change will become even more important. If the Government were to follow their own example of a Minister for Loneliness—I hope nobody will think that I am using that as an example in any kind of critical sense, totally not. I think it is an inspired idea. But if they were to follow their own example and put this also cross-departmentally at the centre, they have their own example to work from.

We should not be downhearted, but we should continue to press. Certainly, in all the contacts that I have made over my time as a commissioner I shall continue to press via all of those. It is not going to go away. You should not be downhearted but, of course, the Committee itself can make some terrifically strong points. You know yourself that Select Committee reports are debated, often in both Houses, and you can now carry on what we have been grinding away at for 10 years?

Q491 **James Frith:** It has been a remarkable evidence session. Thank you for your contributions. I have listened with interest. I have written so many questions that I could just frame a speech myself on it rather than choose a select question.

Alan, the only thing I think I disagree with you on is the commitment. I feel that I do doubt the commitment, because you are judged in politics on the merit of your actions, not on pretty speeches. The legacy of the Government at the moment is of ignoring a very credible, impressive



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cross-party approach to putting social mobility at the heart of Government. To have walked away from that—actually, not to have walked away but, as Lucy Allan said, to have let it wither on the vine—is quite a damning indictment, I think, of how seriously this Government take social mobility. There was a cartoon in *The Times* yesterday or today about a to-do list versus a to-say list. It does strike me that we do not have nearly enough of the to-do attention on social mobility, that we have these platitudes and the performances outside Downing Street and the reset speeches. Do you think that the political arithmetic of this place will prevent any Prime Minister going forward with the actions that you have recommended? That is, do you need a strong majority in the House to achieve some of the social mobility recommendations? What did you expect to achieve?

**Alan Milburn:** Let me have a go and then I know David wants to come in as well.

I think this is very straightforward. There will be a majority in this House, whichever party it is, for social mobility. I say that for this reason. It is something that is not about the bottom decile in society any more than it is about a few thousand youngsters who miss out on a top university. It is something that affects every ordinary low and middle income family in this country. It is about the prospects for their kids.

I was brought up to believe a very simple thing—that if I put in effort I got reward. I was very, very lucky in my life. I grew up on a council estate and I ended up in the Cabinet. What I worry is that that is not possible any more. A lot of people believe that to be the case, and it is wrong. It is wrong. We were brought up with what I call the Great British promise, that each generation would do better than the last one, and until now that has been true. But it is a promise that has been broken. We know that. We have earnings stagnating, as the Chancellor said. We have a generation of young workers who are the first post-war generation not to start their working years with higher incomes than their immediate predecessors. Home ownership, the aspiration of millions of ordinary people down the generations, is in decline, among the young in particular. It has halved among the under-25s in 20 years. This is not a recent phenomenon. It has declined by 17% among the under-45s. In this city a first-time buyer has an average age now of 41 or 42. That is what is happening in Britain today.

What does that mean? It means that we cannot ignore it. Let me put it this way; let me put it more positively. There is an incentive for the political class as a whole, for the Government, for the Opposition, for the other parties, to make this the centrepiece of what they are about, what they are trying to do, because it affects everyone in the country. It is not just about the poorest, it is about the aspirations that ordinary people have in their lives. There is a political incentive; by golly there is a social incentive. It feels like an uncomfortable country where you have these massive divides that are unfair and unjust, and there is an economic



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incentive. We are wasting talented potential in a highly competitive world. With somebody somewhere, eventually the penny will drop. I do not know when eventually is, but I hope it is sooner rather than later.

**Q492 James Frith:** I would argue that in the 10 years that you have been involved there have been significant developments that I would say are counterintuitive to social mobility investment in early years—Sure Start centres. You go to a children’s centre and you will canter through all the departments of state that should be attentive on social mobility. You see in the efforts of those children’s centres that are still there, health is there, prospects are there, a young person’s social interaction, education, and so on. Do you feel that the commission was too much of a front, something to point to and say, “We have a Social Mobility Commission; therefore, we are committed to social mobility” rather than there being active policy in that decade?

**Alan Milburn:** No, I do not. No, I definitely do not.

**Q493 James Frith:** Can you give us some examples as to what—

**Alan Milburn:** I think, although it is controversial, as I said earlier, we are supportive of aspects of welfare reform, for example, not in their execution but in their strategic intent. Universal Credit is a perfectly good idea. It is a really good idea to bring together the confusing, duplicating mechanisms in the benefit system. Anybody who has ever been a constituency MP knows that it is the worst thing you have to deal with because of the sheer complexity of it. It is a good idea. The problem has been, as we know, the execution. We are supportive of things like the opportunity areas. We are supportive of aspects of educational reform. We are supportive of the devolution deals. We are supportive of those things because we think they can make a difference.

Now, are they enough? No, they are not. Do they sometimes go wrong in execution? Absolutely they do. Is there a bigger picture, a bigger jigsaw that has to be assembled? Totally there is. But the world is not entirely black and white, is it? Maybe it is a function of getting older, I do not know, but there are some good things and some bad things that this Government, just like every Government, do. It is always a mistake to doubt people’s intent. My experience in politics, both outside now and inside, is that the overwhelming majority of people that I ever worked with on all sides of politics were trying to do the right thing.

**David Johnston:** There is a quick point I wanted to make. As it is often said, one of the reasons we do not make progress, and I think it is true, is that you have to take a lifecycle approach on this and the actions you take as a Government may not bear fruit for 10, 15, 20 years. That is a lot to do with the problem. We all want to be able to show things by the time of the next election, and that can mitigate against the actions you need to take on a cross-party basis.



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The other thing I just say for interest for this Committee is that when Justine Greening was appointed in 2016, the Social Mobility Foundation had a flurry of officials getting in touch saying, "Justine Greening is really interested in social mobility, so what is that and what do we do about it? Can you come and talk to us about it?" The idea that in the Department for Education in 2016 they had not been thinking about it until Justine very commendably got there and said, "This should really be a national priority" is, I think, something interesting for your Committee about what is going on within Government generally. That is not a party political thing.

Q494 **Ian Mearns:** I suppose you should be feeling hopeful in that case that Damian Hinds, the new Secretary of State for Education, was the chair of the All-Party Group for Social Mobility. The question about what social mobility means rings through this whole discussion.

I am afraid, Alan, from what you have said earlier, that it does not really sound like what happened in terms of winding up of your unit was withering on the vine—that last year sounded like slow strangulation and you decided to put yourselves out of your misery by resigning at the very end.

**Alan Milburn:** What a great metaphor.

**Ian Mearns:** Am I wrong in that assessment?

**Alan Milburn:** It certainly became increasingly frustrating, that is certainly true. As I say, I think the worst position to be in is when the words are ringing in your ears but the deeds are not before your eyes. I guess that is certainly where I felt we were.

Q495 **Ian Mearns:** In response to something you just said, you went through a whole gamut of different initiatives. You are a former MP from the north-east of England and a former Cabinet Minister, the former head of the Trade Union Studies Information Unit in Newcastle at one time. Are you at all surprised that the opportunity areas do not extend as far as the north-east of England?

**Alan Milburn:** That is a good question, Ian. Yes, to be loyal to my region. Justine's idea was very sensibly taking precisely the long-termist view that David has just alluded to, which is let's go and test it. Let's see if we can make it work in a few places like Derby and Southampton and so on. I know the intention was, certainly in discussions that I had with her, that she wanted to roll it out more widely. Heaven help us, we know that there are huge issues in the north-east, particularly as far as educational attainment is concerned, less in primary schools and more in secondary school performance. It is lamentable, to be honest, that the region sends fewer kids to Russell Group universities than virtually any region in the country. I personally never believed that that is about lack of ability, it is lack of opportunity that is the issue.



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I would hope that these sorts of initiatives that are promising extra cash and delivering some are focusing extra effort in those parts of the country that are really lagging in terms of educational attainment and the unfortunate gap between social class and educational performance. We have to find a way of breaking that. The north-east should receive its fair share of those types of initiatives.

**Q496 Lucy Powell:** Building on some of the things that have just come up, as you said, the real testament to the work that you have all done over many years is that social mobility as a phrase, as a concept, is now so central to the political debate, albeit not really being realised. Do you maybe think there is also a slight difficulty in the phrase and the way in which we conceive of social mobility? You said it yourself just a moment ago, Alan, in describing your council estate to Cabinet table journey. For me, and I think for Robert and other people on the Committee, it is more constituents of mine, instead of having a life stacking shelves in a supermarket, having the potential to go on a journey on a level 2, level 3, level 4 apprenticeship or whatever, to have a secure life in a secure home—those kind of things. Maybe it is part of the challenge that we focus too much on the very able in deprived areas and less so on the less able and everybody else.

**Chair:** If I could just interject somewhat, I have a huge problem with the words “social mobility” because I do not understand why we do not just use the words “social justice”. I have asked constituents, just normal people, what is social mobility and no one has a clue. I make the joke, but it is genuinely true, that somebody thought it was a Vodafone advert. When I say social justice, although they may not understand the word “social” they understand what the word “justice” means, which is fairness and equality of opportunity. Why do we keep using these words “social mobility”? Why do we not focus on social justice, which is literally not just helping the most able, which I want to do, but helping the most disadvantaged get to the ladder or when they fall off that ladder?

**Alan Milburn:** It is a good question. There is a danger of dancing on the head of a pin on this. To be honest, I am not really bothered what we call it. I am bothered about what we do and what we are trying to do.

**Q497 Chair:** Yes, but language is also important.

**Alan Milburn:** Yes, of course, and the reason I quite like the social mobility term is this. People often say it is a bit nebulous and it is a bit motherhood and apple pie, so let’s define it. What does it mean? It means the correlation between the class, the income and the status of parents and the eventual class, income and status of their children. The closer the correlation the lower the levels of social mobility. If it is low social mobility, your chances in life are dependent on background and birth. If it is high levels of social mobility, it is dependent on opportunities, aptitude and aspiration.



What is it really about when we are talking about trying to get high levels of social mobility? It is not a nebulous thing, it is a really big thing and it is a very radical thing because it is about breaking the transmission of disadvantage from one generation to the next. That requires radical action across the piece. It requires radical action in civil society as well as in public policy. For me what it has never been about is lifting a few thousand youngsters out of educational disadvantage and getting them into a Russell Group university. It has never been either, to be candid with you, about the bottom 5% or 10% in society, important though they are. It is about making sure that we genuinely have a country where aptitude and ability, not background and birth, determine where you get to in life. If that is what you mean by social justice I am with you. It is what I mean by social mobility, so I hope you are with me. Maybe we can meet somewhere in the middle on this. I don't know whether we are going to have to invent a new term.

**Q498 Ian Mearns:** In a nutshell, Alan, is it not about each individual fulfilling their own potential?

**Alan Milburn:** Of course, absolutely, and about the ability of them to do so, and that is dependent on the opportunities that are available to people in life. If you have a situation where you are 27 times more likely to go to a school that is rated inadequate because you are living in a disadvantaged part of the country as distinct from a wealthy part of the country, that is not what we call an opportunity society. Is it any surprise, therefore, that the correlation between income, class and educational attainment at every level from the early years through higher education is absolute? That correlation is more profound than the correlation between gender or race and educational attainment.

These are the facts of the matter. For any Government, anywhere, at any time, it should be something that they are ashamed of and that they are determined to do something about.

**Q499 Lucy Powell:** We do see Government Ministers and others constantly trotting out—Michael Gove did it, Justine Greening did it, you just mentioned it yourself this morning. We have to move away from the idea of plucking out the few—even the recent Government social mobility action plan, and you have talked a lot about Justice Greening being a key advocate for it. The only new policy area in that social mobility action plan was about the most able from the most disadvantaged rather than people who have perhaps become—it is a life, isn't it? You maybe come into your own in your 20s, but you have no opportunity at that point.

**David Johnston:** I do agree with you, but I just have a slight difference of emphasis, which is that if you look at all the work we have done on elitist Britain and the profile of the country's key institutions, there is a passport to the levers of influence, which is often that you went to private school. Not always but disproportionately that you did, and then that you went to one of those Russell Group universities. Most of the people, even those who say it should not just be about middle-class universities and



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middle-class jobs, went to middle-class universities themselves and are now in middle-class jobs. I do not think it is the be all and end all of social mobility, but we cannot forget that because of the influence it has in Britain. If we want better, more responsive policy making, it is important to get people into those places who have a very different background.

**Q500 Lucy Powell:** Sure, I do not disagree with that, I just wonder about the masses, for everybody.

**Baroness Shephard:** That is precisely why you need a cross-Government strategy, because if it were left to education then they might be tempted to think that educational attainment was the only thing that mattered.

There are a whole load of other things that matter. Aspiration in disadvantaged areas is a tremendously important thing. There is a whole section on the impact of Hinkley Point in this report, on the fact that it is opening young people's eyes to the possibility that 1,000 high-level apprenticeships are coming in the wake of Hinkley Point. They are able to see the outcome when they hear some of the people working at the top, at the research end of Hinkley Point. There are all of those kinds of areas that you have to take into account. That is not about the Russell Group at all, it is not about private schools, it is not anything, it is young people seeing in their own area something to aspire to right there.

Government have limited opportunities. We do not have that kind of command economy, thank goodness. If you look at the example of Lincoln University, the vice chancellor perceived the need to attract different kinds of employers and set about getting them there. That is what she did. That was the role of a university in an area. The same thing might be happening, we do not know yet, with the Coventry Campus in Scarborough. We do not know.

The point is that every sector of our society has something to contribute to all of this. What it does need, and the commission was not set up to provide that, is a co-ordinated cross-government approach that can see what all the Departments—and not just Departments—are doing. We have talked about HE, we have talked about employers, we have talked about outside organisations. All of these together can achieve in their own area. Again, this report is full of local examples. I feel so strongly that one must not just look to Government, but a central framework from the Government is necessary.

**Q501 Lucy Powell:** Sure. My final question, which relates completely to that, is how we might deliver some of this. Alan, you maybe can reflect on your time in the Labour Government, because I remember in 1997 the big push was joined-up government; we have to do joined up, joined up, joined up. All those attempts are very, very difficult to do from Whitehall. Would you agree with me that—and it links to what you were just saying yourself, Gillian—to achieve these strategies in a joined-up way and



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deliver them on the ground requires very strong place-based devolution of powers across all these areas, from FE to early years to housing and so on—place-based strategies that join up what we need to deliver that?

**Alan Milburn:** Yes, that is absolutely right. Social mobility is not something that can be gifted. It starts with individual endeavour and aspiration. It is about the community. It is about parenting, critically; that is easy to forget. We described it as the last great taboo in social policy. What are Governments going to do to help parents to parent because everybody is scared of the nanny state accusation?

**Baroness Shephard:** Health visitors is the answer.

**Alan Milburn:** Health visitors. We know the data is so compelling. We know that four in five wealthy parents, or better-off parents rather, read to their kids every day and only two in five poorer ones do, for reasons that might be perfectly understandable but exact a lifetime price for that child. What are we going to do about it? What are we going to do about building social capital in communities? What are we going to do about joining up, as you say, services and communities in local areas?

That is where I think the advent of the mayors, particularly in the city regions, is really important. Certainly, the conversations that David and I have had with a couple of them indicates that there is a real appetite to use their strategic powers to advance social mobility because they have convening power, first of all. They can literally get heads in a room and say, "Come on, what are we doing?" from early years services through to big employers. There is the making of something there.

We have to activate civil society as much as we have to activate public policy. Wouldn't it be wonderful to think that we could join the two because that is when you get the magic happening? That is where you really get the Government doing what they can do, setting the framework, doing the legislation, providing the resources, providing the leadership, and you get civil society doing what only it can do, which is to employ people, educate people, give people capital, read to your kids, all of those things. I think the place-based idea, and it is no coincidence that our last report was absolutely on that, indicates that unfortunately there is a social mobility lottery out there depending on circumstance. That is about the economics and it is also about social change.

We have what I would describe as a middle-class brain drain from a lot of these areas. Frankly, this is the problem with the opportunity areas at the moment. It is great to raise standards and improve attainment in those parts of the country, but if there are no decent jobs to go to what then happens is, guess what, people leave. Once they leave they will never go back. The question is: can we put these two things together?

People often ask us what the biggest priority is and we are always reluctant to give an answer to that because there are lots of levers that you have to pull. The biggest priority right now and the biggest absence



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is that there is no labour market strategy. How do we ensure that we are getting people not into jobs but into a career? How do we ensure that it is not just London that is attracting more and more professional jobs—700,000 professional jobs created here during the course of the last few years? In the West Midlands it has been 140,000 jobs and in the north-east, Ian, it has been less than 60,000. We cannot keep doing this. It does not work for anybody. It does not work for house prices in London any more than it works for lack of professional job opportunities in the north-east of England. That requires Government to step in and right now we are in a no man's land.

Q502 **Ian Mearns:** An alternative economic strategy you say?

**Alan Milburn:** You can use those words. I am slightly scarred by that experience, but anyway.

Q503 **Thelma Walker:** Speaking about Government and cross-party working, I am all for effective cross-party working and I think our Education Select Committee is a very good example of that. We presently have a Government who have cut over 1,000 Sure Starts, cut local government grants and cut early intervention grants. Is there not some hypocrisy almost in the thought that this Government would want to have cross-party working? The reality is that funding has been cut in some of the most deprived areas in the country.

**Alan Milburn:** Yes, funding has been cut and indeed we made a very important and difficult point in our last report. If you look at education spending, for example, we know that, until the recent changes, on average per pupil kids were getting £1,000 more in London than they were in the areas of the most acute educational disadvantage and where the biggest attainment gaps lie, and that is not meaning north-south. The worst part of the country is the south-east of England, outside of London; the south-east, not the north-east. Yet kids in London get £1,000 more per pupil than elsewhere in the country. The others were the south-west and the Midlands.

In a time when the cake is expanding, when public expenditure is growing, it is far easier to do redistribution for obvious reasons. At a time when the cake is static or is contracting, if you do a redistribution what you end up doing is taking from one in order to give to the other, and that is clearly very, very difficult indeed. Maybe the answer lies in that we need to expand the cake. After years of austerity and so on, I think the public are fed up, they have had enough, and they want to move on. We have to do this in an eminently sensible way, but we need to keep devoting, in my view, a growing proportion of GDP, of our national income, to education, skills and employability. Why do we need to do that? Because that is the future, folks. That is what it is going to be. Then that allows us the opportunity to do some of these things, including the early years, that are so vital for people's prospects.

**Chair:** That brings me to the final question, you will be pleased to know.



**Alan Milburn:** No, we are quite happy. It is just like old times, isn't it? We like it here.

**Baroness Shephard:** Yes, we do, we could go on for a long time.

Q504 **Chair:** In your previous work you have obviously talked about further education and in this one you did not. That raised concerns with the Association of Colleges and others because many people believe, and I believe, that further education is an incredible ladder of opportunity for people in disadvantaged backgrounds, and technical education for an apprenticeship should be first and foremost in post-16 education policy, with resources as James always highlights. Could you give your view about that and why you did not put it in this report?

**Alan Milburn:** Yes. This report was primarily, as Lucy was saying, about place-based analysis. In our previous reports we have made a point continually, which is this.

Over the years, in my experience at least—and this is not about the current Government, it is about Governments over the years—the priority in terms of effort and resources has been on higher education, not on vocational education. By the way, I am not advocating for a moment that we throw the baby out with the bath water. I think we need to continue to expand higher education. It is going to be increasingly important in what is only going to be a more knowledge-based economy that is going to require high levels of skills, but we do have to get the balance right.

It cannot be right that we live in a country where only 18% of the working-age population have a post-school qualification in the UK, when it is 59% in Germany. Why? Because they have prioritised vocational as well as academic education. We have to be doing both. We have to be doing both for an economic reason, which is higher skills equals higher productivity, higher competitiveness in a global economy, but we also have to do it for a social reason, which is that the premier destination for lower income kids, working-class kids, is not into higher education, despite the advances that there have been over the years in getting more working class kids into university than ever before, it is into vocational education. We have to start thinking about it as something that is of equal priority in terms of resources, effort and public policy focus.

Somebody once said that vocational education was a really good idea for other people's kids. It has to not be that. It has to have status. It has to have the economic returns that higher education has. You know from the advocacy work and indeed the jobs that you have done, that higher level apprenticeships give economic returns that are comparable to a degree, but we have far too few of them. The truth about apprenticeships is that overwhelmingly, let's be candid, they are rebranded adult training schemes. They do not even have the young people, they have gone to the over 25s. Stop using the term "apprenticeship" if it is not an apprenticeship. Stop using it if it is about adults in their 30s and 40s. Start using it if it is about school leavers who want to take a vocational



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route that gives them economic returns that are comparable to getting a university degree.

I welcome the expansion in apprenticeships and the new focus on it. We just have to re-orientate the policy so that it is of equal priority.

Q505 **Chair:** My hope is that one day we have 50% of students doing degree apprenticeships. In your former role, Gillian, do you want to comment?

**Baroness Shephard:** I have listened to what Alan has said about FE. I have been involved in education, man and boy, since the 1960s and people have always said this about further education. FE is for someone else; it picks up all the problems; it does retakes; it takes young people who cannot go elsewhere. Maybe the Committee could have a real go at that. I am sick of hearing about it. It has to be given credibility because it is the most accessible point for most young people; the most possible route for them to improve their qualifications, get guided work experience, proper careers guidance and all the rest of it. It may be a route to higher education, and it works in concert with local employment opportunities. It has everything except the esteem. It would be good if you looked at that.

**Chair:** Thank you very much, first of all, for what you did on the Social Mobility Commission. I think all of us, from whatever party, have admiration for what you have done, but we also believe that addressing social injustice or social mobility should be the defining mission of the Government. We are concerned that it is lost in a haze, without continuing the quotation, which you would know. We are concerned about that and we wish you well.