

Education Committee

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

Wednesday 21 November 2018

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Members present: Robert Halfon (Chair); Ben Bradley; Marion Fellows; Trudy Harrison; Ian Mearns; Lucy Powell.

Questions 1498 - 1641

Witnesses

I: Claudia Harris, Chief Executive, Careers & Enterprise Company, and Christine Hodgson, Chair, Careers & Enterprise Company.

Written evidence from witnesses: to be agreed and published at a later date.

Examination of witnesses

Witnesses: Claudia Harris and Christine Hodgson.

Q1498 **Chair:** Good morning, everybody. Thank you for coming, and I thank the people in the public gallery.

For the benefit of the tape and those watching on Parliament TV, could you kindly introduce yourselves and where you are from, from our left to right, recognising that the acoustics are not always fantastic in this room?

Claudia Harris: Good morning. I am Claudia Harris, chief executive of the Careers & Enterprise Company.

Christine Hodgson: I am Christine Hodgson. I am the chairman of the Careers & Enterprise Company and I am also the chairman of Capgemini UK.

Q1499 **Chair:** Thank you for coming. The CEC may have a positive impact, but sometimes it is difficult to know either way. You have introduced various funds, but you have only published an evaluation report for one, the 2015 Careers & Enterprise Fund, and there is a lack of published data on hard outcomes. Why is this?

Claudia Harris: We absolutely focus on the outputs on young people. One of the things that we have done in the last few months is introduce a tool that looks at the impact on young people in terms of motivation, employability and resilience. We have found that that has improved and we will be publishing the results of that tool as we roll that out now across all of our funded beneficiaries.

Q1500 **Chair:** Will you be publishing evaluation on all your funds?

Claudia Harris: Absolutely.

Q1501 **Chair:** When will that be?

Claudia Harris: As funds finish. They are each 18 months, then there is an evaluation and then all of them will be evaluated and published.

Q1502 **Chair:** In terms of the quality of the schools' careers advice, would you not accept that there is a self-selecting bias? The schools that use the CEC Compass tool and report progress are much more likely to be proactive on careers advice in the first place, so this might not be a reliable gauge of progress in terms of careers advice more broadly.

Claudia Harris: I think we would worry about that if a small sample of schools were using Compass, but 3,000 schools in England now use the Compass tool and there are only 3,800 mainstream secondaries.

Q1503 **Chair:** But schools self-report on meeting the Gatsby benchmarks and the sample sizes are fairly small. They are not that statistically significant.



Claudia Harris: There are 3,000 schools that are doing it, so it is a large proportion of the population. Schools do self-report, so you have to believe that schools are reporting accurately, but what we find is that they are not reporting huge progress; they are reporting progress on one or two benchmarks. I think if we were finding that lots of schools suddenly reported eight benchmarks, we might think there was something to be worried about, but we did look at that. It is one or two benchmarks. I think we do believe that schools are reporting accurately.

Christine Hodgson: I think also what is impressive is not just the scale but the speed with which schools signed up to do this. It was incredible, from the moment the tool was launched. To get to 3,000 so quickly shows in my mind that there is a real appetite for schools to benchmark where they are and to then monitor their progress against those benchmarks.

Q1504 **Chair:** It is self-reporting, so there is no outside monitoring.

Claudia Harris: I think there are a couple of things on that. One is that the questions are very specific, so the questions are things like, "In this year how many young people had this experience?" It is not, "Is your career support good?" It is very specific, factual questions, which means that it is quite difficult to game it.

The second thing is that where our co-ordinators are working with that school, they will spend time with the schools, often going through and calibrating those results. I think over time there is a question about whether you bring in more calibration—peer-to-peer, for example, is something that we are looking at: should one school should go and look at another school's results?—but the fact is that 3,000 schools are now doing it and they are reporting quite moderate progress. Frankly, they know the challenges. I do not think there is huge benefit to them in cheating the system. We have a lot of faith in the schools and colleges that we work with. I think there is a lot to take in terms of confidence in that.

Q1505 **Chair:** In your annual report and your accounts you say you spent £4 million on mentoring, but seemingly the only outcomes data available on this is, "92% of young people value the advice shared by their mentors". That is good, of course, but does it make a difference to the outcomes? It seems to be that you tend to report the impact as self-reported answers to surveys and anecdotes that do not focus on those hard outcomes. I have examples I could quote to you, but for the sake of the time, I would be grateful for an answer.

Claudia Harris: In the survey that we conducted of young people, we looked at impact on employability, on resilience and on motivation and we saw that all of those things went up for the organisations that we had funded. To bring that to life, one example is that we asked young people, "If you cannot get in the first time, do you keep trying until you can?" Before the intervention, which included some of the mentoring



interventions, 50% of young people said that they did keep trying and afterwards 70% did. That was a pilot that we conducted over the summer and we are rolling that out across all of our organisations, including our mentoring organisations.

I would challenge whether it is or is not a hard outcome. For us, young people reporting an improved sense of motivation is quite a hard outcome and quite a strong indicator that there is an impact on young people.

Q1506 Chair: You have announced your intention to measure individual outcomes, but as yet there are no firm details about when and how. Would you not accept that you need to get on with this urgently? While it may be hard to establish the direct causality, surely it is reasonable to accept an associative analysis, for instance, based on transitions to further training and employment.

Claudia Harris: Absolutely. As you will know, the Government publishes destinations data at Key Stage 4 and Key Stage 5, and at school level. At school level, schools that we are working with have improved destinations, fewer needs and better apprenticeship take-up. That data is, as you know, work in progress and is quite lagged. This year the school level data that was published was for the cohort before we were in operation and we often work with young people who are lower down the school. As the data becomes available, that is of course what we will look at.

Q1507 Chair: When?

Claudia Harris: From next year, the first cohort that we are working with will be available. For many of the organisations we fund, we already look at, "Do they have better destinations?" Career Ready is an organisation we fund extensively; it has 98% positive destinations. ReachOut, a mentoring organisation working with disadvantaged people, has 98% positive destinations. We absolutely do look at it. That Government-level destination data is lagged.

Christine Hodgson: You can see some of those examples in our annual report, as you have probably seen.

Q1508 Chair: They are anecdotal examples, though. You have a lot of anecdotes about people saying that everything is wonderful, but without qualitative outcomes data.

Claudia Harris: The examples that we give—Career Ready and ReachOut—are hard data. They have done analysis on the 3,000 to 4,000 young people they worked with.

Q1509 Chair: You control a huge amount of grant funding to front-line organisations. How are you sure that you are granting money to the organisations that need it most?



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Claudia Harris: We run a very robust process to select which organisations receive funding. We take it very seriously—there is not that much funding—and we set out criteria to do with proven outcomes and targeting areas of young people in need.

Q1510 **Chair:** Do you carry out proper impact assessments related to the grants that you hand out and the effect that these have on the students' educational, training or employment decisions? We could not find that anywhere.

Claudia Harris: We run a process that checks that the organisations that we are funding are ones with proven outcomes. We look at the data that those organisations have built. One of the things we look at is how good they are at evaluation in choosing how we fund them. As we say, we publish an evaluation of those funds afterwards.

Christine Hodgson: Some of the beneficiaries will tell you that we put them through an awful lot of hoops, both as part of the selection process, but also then as part of their ongoing evaluation.

Chair: Do you carry out proper impact assessments, as I say, which link directly to the students' educational, training or employment decisions?

Claudia Harris: As we have explained, we are using our Future Skills tool, which looks at the impacts on motivation, resilience and employability and we are now requiring all organisations that we work with to use that tool.

There is always a trade-off when you are working with organisations about how much you put them through, because some of them are very small. We fund a lot of grassroots local organisations that do not have a huge amount of capacity and we want to make sure that we get the balance right, but we are now standardising that measurement across all of these organisations from this September.

Q1511 **Chair:** Will you publish that?

Christine Hodgson: Absolutely.

Q1512 **Chair:** And proper impact assessments will be published?

Claudia Harris: We have independent assessors doing this work.

Q1513 **Chair:** Will people be able to look at the outcomes of every organisation that you fund—the successful outcomes?

Claudia Harris: Yes.

Q1514 **Chair:** What is driving disillusion in the one-fifth of your enterprise advisers who are having a bad experience?

Claudia Harris: I think you are citing the fact that 80% of our enterprise advisers are positive about the experience. For 2,000 volunteers, an 80% satisfaction rate is good.



Q1515 Chair: That is not my question. I am asking you what is driving the one-fifth. What is the problem?

Christine Hodgson: They may be early in the process, or they may have struggled to get engagement with the school. They may struggle to give the time commitment. There could be a plethora of results. The most important thing, especially given that we are a relatively new organisation, is that 80% are positive.

Q1516 Chair: So you have not assessed particular reasons why one-fifth are unhappy?

Claudia Harris: Sorry, Chairman. We do look at that. We try to work out what are the drivers behind it.

Q1517 Chair: What are they? That is what I am asking. Is that published?

Claudia Harris: I can check whether we have something published, but that is exactly the kind of thing that we do look at. Often the things that affect enterprise adviser satisfaction are to do with engagement in schools. You might match somebody with a school and they might feel that they can have less impact than they wanted, and often that is because schools have competing priorities. Schools are under a lot of pressure, and I think that is one of the main reasons for it.

Q1518 Chair: In one of your research reports—and I quote this—on effective employer mentoring you say, “The length of the intervention is important. Few effects can be seen from mentoring relationships that last for less than six months and some researchers argue that short mentoring relationships can actually be harmful. There is widespread consensus that a year-long relationship constitutes a quality mentoring interaction.” Do you agree with that in your report?

Claudia Harris: Yes, we agree with what has been written in our report.

Q1519 Chair: Yes. Why is it, then, that Develop, one of your organisations in Milton Keynes, is offering its mentoring programme for a total of 13 to 19 weeks? EBP North West provides a 22-week one-to-one and group mentoring programme; in Envision, year 10 students attend face-to-face group mentoring sessions monthly for a 13-week programme. You said you had previously evaluated the impact of these reports. In your own research report you say that mentoring should be much longer, and yet you support organisations that are doing much less. Why is that? What is the point of spending a lot of money on research reports and then not following through on your own conclusions?

Claudia Harris: The research reports set out what you want to achieve in terms of what you fund. In reality, one of the things we found with mentoring is that, first, there are quite a small number of organisations that work at the scale you would need to work at to reach these young people, and secondly, some of the programmes that we have funded take a slightly different approach to mentoring, which is more group activities and a slightly broader way of working in mentoring to drive outcomes.



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What we look at is what these individual organisations have achieved historically.

Q1520 Chair: In your own report you also say that meeting every two weeks over the course of a year is optimal, and yet EBP North West only has face-to-face mentoring around every three to four weeks, and Opportunity Peterborough has sessions that take place every four to six weeks. Again, you say you do the impact assessments on the organisations, you pay a lot of money for research and yet you do not seem to mind if the organisations are not following through your own research recommendations.

Christine Hodgson: All of those investments that we have made have been assessed, so in each case we will have looked and seen whether there was benefit from those shorter periods of mentoring.

Q1521 Chair: It still goes against what you are saying, and you are supporting these organisations.

My colleagues will come on to opportunity areas. I know you have cold spots, but there are many areas outside opportunity areas with huge amounts of deprivation. Is there not a worry that opportunity areas are getting such a lot of attention and resources that everything will be sucked into those organisations and resources will be less for other deprived areas?

Claudia Harris: We work with opportunity areas, but we also have our own definition of careers and enterprise need in the cold spot areas of the country. There are a large number of cold spot areas and we think it is appropriate, when we think about incremental funding, that we look at which are the geographical areas of need. Our overall network is a nationwide offer and we provide enterprise advisers and co-ordinators across the country. Incremental investment goes into geographical areas of need.

Q1522 Chair: The National Careers Service is heavily scrutinised. They have Ofsted, mystery shoppers, quality standards and payment by results. Seemingly, you do not have anything remotely comparable to this. Do you think there should be?

Christine Hodgson: We would welcome it.

Q1523 Chair: Would you welcome Ofsted inspection, for example?

Christine Hodgson: Absolutely.

Q1524 Chair: In terms of your initial remit, your staff size has doubled in just over three years, from 24 to 43. You are now responsible for all eight Gatsby benchmarks. You now have a mix of functions: broker, grant controller, research organisation, designer of careers toolkits and running a fund for disadvantaged pupils. Is there a danger that you have assumed too many roles, despite the fact that you have not yet demonstrated the impact and tangible return on investment regarding



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your initial brief? Should you not first establish this before you become a jack of all trades?

Claudia Harris: Career support in England is improving, and it is improving on every dimension of the benchmarks. Young people are reporting improved outcomes, better resilience, better motivation and better employability. Schools have really responded. We have a huge number of schools now signed up and working with us, so I think we are seeing the demonstrated impact.

In 2013 Ofsted said that they were concerned about careers and that it was not in good shape. This year Ofsted have said that careers is improving.

Q1525 **Chair:** What is the evidence that the DfE could not carry out some of the functions that you do in-house? Why can the DfE not control grant funding to front-line providers? Why do you need to take on that role?

Claudia Harris: I think that is a discussion to have with the Department for Education.

Q1526 **Chair:** Do you have a view?

Claudia Harris: I think it is their decision how they want to organise their activity.

Q1527 **Chair:** Do you still count an assembly as a meaningful encounter?

Christine Hodgson: Perhaps I could take that one. Yes, an assembly can be a meaningful encounter. I know from my own experience if I just went and gave a speech to a whole auditorium full of schoolchildren, then it would be less impactful than if I go with one of our apprentices. With my Capgemini hat on, I will always take an apprentice, and I can say with hand on heart that that apprentice will engage with the whole assembly, will increase the interest in apprenticeships and at the end of the talk will be absolutely inundated with young people asking lots of questions. If the apprentice has been to that school, then that really is the epitome of a relatable role model and it is a fantastic experience. An assembly absolutely can be a meaningful encounter.

Claudia Harris: That said, when we think about encounters, we think of 14 different ways in which employers engage with young people, from business competitions, to mentoring, to work experience, so there is a huge variety.

Q1528 **Chair:** I think many would argue with you about whether that one assembly a year is a meaningful encounter.

According to latest accounts, your cash in the bank and in hand is £9.142 million. That is quite a lot of money. There may be a very sensible reason for that—it might be just good housekeeping—but some people might say it is a bit excessive, and that that money should be invested more urgently at the front-line.



Christine Hodgson: No, all of that cash is committed cash, whether it is going to the LEPs or the beneficiaries of the fund, so the cash stays in our accounts to ensure—

Q1529 **Chair:** Who gets the interest on that? Is it you or is it the DfE?

Christine Hodgson: The interest accrues to us, but it is a very modest amount, because it goes in—

Q1530 **Chair:** I wonder whether some of that interest could be used to help fund Ofsted inspections of the CEC.

Claudia Harris: That is a good idea.

Q1531 **Chair:** Finally, before I pass over to my colleague, are your salaries benchmarked against public sector salaries? The accounts reveal £2.6 million on wages and 43 staff; that is roughly £60,000 per staff member. My colleagues will come on to this, but are they benchmarked against public sector salaries in equivalent roles?

Claudia Harris: They are benchmarked and that includes on-costs, so the salary is lower than that.

Q1532 **Lucy Powell:** Thanks for coming back in. I think it is fair to say that the last time you were here, it was a very gruelling and tough exercise for you. What were your reflections on your visit here last time?

Claudia Harris: We have thought about a few different things since we came. First, we have taken your feedback seriously on transparency, on measurement and on impact. We have published every line of our grant funding agreement with Government. We have introduced the Future Skills measure that looks at outputs, which we can talk further about, and we have published our annual report to clarify our role, which had changed with the career strategy. I think a lot of your feedback was that we had not explained that change correctly, and we laid that out in the annual report. We have continued to focus on our core mission, which is to inspire and prepare young people for the world of work.

Lucy Powell: Do you have any reflections?

Christine Hodgson: I think one of the key things that I took away from what you said, as Claudia just mentioned, was the clarity of purpose. As Claudia said, when we were first set up we were very much set up as an organisation to connect businesses and schools. Last December, with the career strategy, that changed, and now we are helping schools and colleges put in first-class careers provision and helping them put a plan in place, helping them with the careers leaders and also helping them still get those important employment encounters. What was helpful was the idea that we had not articulated that shift well enough, and I hope now you see that we have.

Q1533 **Lucy Powell:** Great. Although it was tough and something that you would not want to repeat very often, have you found it a useful



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experience to engage with the Committee?

Christine Hodgson: Absolutely.

Claudia Harris: Of course. We welcome it and we would love to have the opportunity to engage further.

Q1534 **Lucy Powell:** I am sure we will get to some tough questions as well, as Rob has already demonstrated.

One other thing that came from that was the ongoing scrutiny. Rob has touched on it in terms of Ofsted and so on, and we touched on it last time about your board. You still have only four board members. Do you think that is enough? Is that something that you would look at in terms of making sure that there is that broader scrutiny?

Christine Hodgson: I think that is a very good point. We are looking at it and I hope that in the very near future I will be making an announcement that will increase the size of our board.

Q1535 **Lucy Powell:** Can I ask you two what you both earn? I do not know if that is in your accounts.

Christine Hodgson: I take nothing. I work pro bono, so no expenses to the company. Claudia earns £135,000. When I was looking for the recruitment, I can tell you in all transparency that I advertised the role at £185,000. Claudia volunteered a £50,000 reduction on that and she takes £135,000. I am sure you will know, looking at Claudia's CV, that that is a significant reduction on what she was earning in the private sector.

Q1536 **Lucy Powell:** Sure, but with that kind of money you would expect to come before a Select Committee and do tough things. I was a bit perturbed, I have to say, by the e-mail that you sent out the day after you were here, or later that day, trying to get people to support you and so on. It did not seem to me that that was an organisation that was self-reflecting on the experience that they had. It was more like a PR exercise about who could say the Careers & Enterprise Company was better, because we had given you a tough ride.

Christine Hodgson: It was not meant to be. A lot of people called us straight after the Select Committee to say, "What shall we do to help?" Ever since we started over three and a half years ago, we have been overwhelmed with support. We have a number of supporters with us today. Frankly, whether it is from the world of education, the world of business, the world of careers providers or the LEs, we could not have wished for greater support.

It is absolutely fair that there is an accountability review. That is to be expected with Government funds.

Q1537 **Lucy Powell:** I think as individual Members, we had quite a mixed view. We had a lot of people also saying to us, "It is good that you are asking



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those questions because we wanted some answers to those questions as well.”

Perhaps you could quickly turn to this better understanding of who you are. Could you now articulate for me what is your core purpose as an organisation, which you struggled with a bit last time?

Claudia Harris: We were set up to inspire and prepare young people for the world of work. Our role has evolved. Originally our role was to help schools and colleges connect to employers. Now our role is to help schools and colleges deliver world-class career support to their young people.

Q1538 **Lucy Powell:** Is that as a “what works” centre, or is that through direct delivery? This was the tension that we were getting to last time that you were here.

Claudia Harris: We help schools and colleges understand what good looks like and make progress against it. We help schools and colleges deliver careers programmes by equipping careers leaders internally and we help schools and colleges connect to employers to deliver those crucial opportunities and inspiration that young people need.

Q1539 **Lucy Powell:** Finally, to follow on from what Rob was saying about staff costs, obviously we had this discussion as well last time you were here, but there is still quite a high proportion for a grant-giving organisation: £2.6 million out of £15 million goes on staff costs, with quite a few high salaries in that. I think even since we last met you advertised for a head of digital on £80,000 to £90,000 and a deputy CEO up to £117,000. That is obviously more than any of us in this room. Not to compare, but those are quite highly-paid public sector jobs, in my opinion.

Claudia Harris: Our salaries are 15% of our total budget, signed off by the Department for Education. The people in our organisation oversee a network of 2,000 schools and colleges, 2,000 business volunteers, 150 programmes that we support and we benchmark the individual salaries. As far as digital is concerned, 3,000 schools are using our digital system. We aim to appoint at the mid-point, and £80,000 to £90,000 for somebody to oversee a digital system that almost all schools in England are using—

Christine Hodgson: Yes. With my Capgemini hat on, I can say that anybody that can spell “digital” can command huge salaries today. I am afraid £80,000 to £90,000 is a—

Lucy Powell: Yes, I know. It is just different. I think that is what we got to last time—it is a hybrid of public versus private here, and obviously this is mainly public money that you are distributing and there are other benefits from that.

Q1540 **Chair:** Why, for example, do you need a deputy CEO when you have a big organogram of people at the top here: HR investment directors, finance, network, digital—as we have just discussed—external affairs and



employers?

Claudia Harris: Our scope increased significantly with the career strategy last December. More recently the Government have further expanded our scope with 20 new careers hubs and an extended careers leaders' bursary. It is appropriate to have more senior leadership to lead that.

Christine Hodgson: There are a lot of senior stakeholders that we need to engage with and the board is quite happy to have that important appointment of a deputy. It does not increase the overall size of the senior leadership team.

Q1541 **Lucy Powell:** I would maybe suggest that you look at some other non-departmental public body-type organisations and make sure that you are benchmarking properly against them. Those do seem like high salaries. Like I say, we are MPs and we are paid £78,000 a year. I have 100,000 constituents. I deal with senior stakeholders, most of whom who earn more than me, but that is what you do in public service. It is a different job to working in Capgemini or in the private sector, where you would expect to command twice that salary, I am sure.

Christine Hodgson: Absolutely, hence why we do benchmark against public salaries. Also I am pleased to say that a number of people who join us—we have had some that have come on secondment, where the private sector has paid for it, and we have some people who have come in and have taken a pay cut. We are absolutely alert to that fact.

Q1542 **Lucy Powell:** When you are looking at that extra one or two board members, maybe look to somebody who has a bit more of that public sector experience about what is really acceptable and appropriate and how you can make sure that you have an efficient team there.

Christine Hodgson: We will look at that, but could I just say that we already have Brian Lightman, who was the General Secretary of ASCL—the Association of School and College Leaders—which many of you will know? Brian was a head teacher, so he is very alert to public sector salaries. Also we have Dame Julia Cleverdon, who has spent the last 40 years working in the voluntary sector and again is acutely aware of the value for money around salaries.

Q1543 **Chair:** You doubled your salary. According to your own figures you are going to go up to £80,000. You have already doubled your staff. Some may say that having a deputy chief executive officer and digital marketing directors on big salaries—it is better that that taxpayers' money is spent on the front-line rather than just having lots of expensive staff.

Claudia Harris: I do not think we have a digital marketing director.

Q1544 **Chair:** No, but you are advertising for one.

Claudia Harris: Head of digital.



Chair: Head of digital—whatever.

Claudia Harris: In this team, our salaries are 15% of our total spend and they are not changing in terms of the percentage. They are signed off with the Department, and they oversee a national network of schools and colleges. We are so fortunate to have some of the head teachers with us today that we work with. We work across England and we have 2,000 business volunteers. We fund 150 different programmes in different parts of England. We work at huge scale. We are extremely careful in terms of our salaries. We run a really tight ship in terms of the way that we spend the money. It has not gone up from 15%.

Christine Hodgson: Of course, what has been spent on the Careers & Enterprise Company is a small fraction compared to what has been spent on careers in the past.

Q1545 **Lucy Powell:** But perhaps all I would say is that there are other grant-giving organisations, whether it is the Arts Council or Nesta, who I used to work for. I do not think that we had those kinds of salaries, and we were a very similar type of organisation in a different field. Just be acutely aware of it. It is part of a package of being able to really articulate your impact, which we struggled with. Obviously, you have done some work on that in the last six months, but you have to demonstrate the impact that justifies those kinds of salaries, given the whole picture. A lot of the senior salaries are more than a head teacher, more than a Member of Parliament and more than a senior civil servant would earn.

Christine Hodgson: Yes, we are acutely aware of that, and we are acutely aware that we need to focus on impact.

Q1546 **Ian Mearns:** You said that the stated aim of the organisation is to help schools and colleges deliver world-class careers advice, but real world-class careers information, advice and guidance has to be delivered impartially and independently. The thing is that the model that you are pursuing, under instruction from Government, is helping schools and colleges deliver careers information advice and guidance themselves. This reminds me of the 1990s when the shadow Minister, Malcolm Wicks, described much of what was being done in careers advice in schools as being akin to pensions mis-selling, because it was about putting the interests of the institution before the interests of young people.

The publication of your annual report reported that schools with sixth forms are failing to provide pupils with the same level of careers advice as schools without sixth forms. That rings an alarm bell in my head, because the schools with sixth forms, as institutions, have a vested interest in trying to recruit as many young people into their own sixth forms as they can, because of bums-on-seats funding regimes. Given the need for a world-class careers service to be delivered in an impartial and independent way, what are you going to do to improve that aspect of that very important work?



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Claudia Harris: That is a great question, and I really appreciate the challenge. The definition of best practice careers support that we use, and that schools and businesses across England have adopted, is the Gatsby benchmarks. The Gatsby benchmarks lay out a set of different dimensions, including one-to-one personal guidance, which must be impartial. It is, as you say, crucial that it is impartial, because of course there are all sorts of reasons why impartiality is crucial.

Q1547 **Ian Mearns:** Your own report says that, schools with sixth forms are 16 percentage points less likely to give pupils information about further education or higher education providers other than themselves.

Christine Hodgson: One of the Gatsby benchmarks says that they have to have access to that information.

Claudia Harris: It is one of the things that we are asking—putting schools and colleges in control of that overall programme of career support. The schools and colleges want to do the right thing for their young people.

Q1548 **Ian Mearns:** Just from the information in your annual report, it raises the question in my head: are schools somehow circumventing the delivery of the Gatsby benchmarks?

Claudia Harris: Isn't it great that we can see the information? We can see what the challenges are, and we can see where the differences are. That is the opportunity now. We have transparency and we can work on it.

We work with schools and colleges across England that are absolutely committed to their young people, to give them the best possible destination. That is why people do this work; they really want their young people to have great futures. Of course, there are complicated incentives in there and that has to be thought about, and I understand that. It is a good question probably for the Department, but our experience of schools and colleges is that they want their young people to have great destinations, and that is what the Gatsby framework sets up.

Q1549 **Ian Mearns:** But the information in your own annual report says that there is a problem there, and we need to address that problem.

Claudia Harris: Absolutely. We must ensure that there is parity, and now we have the information, we can ensure that there is parity. That is the great opportunity.

Q1550 **Ian Mearns:** Moving on, the Chair has already asked you about giving grant money and grant aid to other organisations. You do give considerable amounts of money to other organisations, including grants of over £500,000 to some organisations. How do you ensure that what those organisations are delivering is absolutely what is needed out there in terms of value for money, value to the public purse and outcomes for young people so that when it comes to the grant round next time you



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can, with confidence, award that money again, if necessary?

Claudia Harris: One of the privileges of giving money out to lots of different organisations is that you understand unit cost differences, so you start to understand what is it typically that organisations need to invest to deliver different kinds of activities. We are able to see whether or not an organisation that we fund is operating at the sort of unit cost that you would expect for certain types of activity.

We are able to create a lot of transparency around that and ensure that we are achieving value for money. There is then ongoing monitoring of the delivery of that activity to ensure that that activity that the organisation has committed to provide is delivered at the quality level that is expected.

Q1551 **Ian Mearns:** Have you come across any organisations to which you have awarded grant funding, but they have not met your expectations, and you have then said that no further funding is available? How often has that happened?

Claudia Harris: Yes, it does happen. I think you would want it to happen.

Christine Hodgson: Of course, the money is not all given in one lump sum either.

Q1552 **Ian Mearns:** Do you carry out a robust analysis of effectiveness on how money is being spent in every case?

Claudia Harris: As the Chairman said, we have an independent evaluation of each of our funds.

Q1553 **Ian Mearns:** Grants of £500,000 are substantial amounts of public money.

Claudia Harris: They are serious amounts of money. Brian Lightman oversees our investment committee, and he takes a final view on the awards. We run a process where every project is evaluated, then calibrated by our assessors, then interviewed, and then calibrated. It then goes to the investment committee, the decision is taken, and then there is follow-up. Money is given out in arrears, everything is monitored, and then there is an evaluation of the fund.

Q1554 **Chair:** Who does the independent evaluation?

Claudia Harris: We have a set of assessors who have expertise in education, in skills and in—

Q1555 **Chair:** It is not an organisation; it is just people you employ.

Claudia Harris: It is people we have identified who have expertise in this area.

Q1556 **Chair:** Who are they? Are they auditors, or what?



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Claudia Harris: No. One of them used to work in education as a head teacher, one of them—

Q1557 **Chair:** They are not independent because you employ them, so they are not independent assessors?

Claudia Harris: As in they do not work for us. They are people who are expert in this area.

Q1558 **Chair:** Yes, but you employ them?

Claudia Harris: Yes.

Q1559 **Ian Mearns:** Lastly from me, going back to my first question, do you have any examples of how you are specifically engaging with schools with sixth forms to make sure that they are doing what they are meant to be doing, according to your overarching principles?

Claudia Harris: We work with lots and lots of schools with sixth forms. We work with 2,000 schools in our network and many of them do have sixth forms. The way that we work with them is that we make sure that they understand what good looks like, they make progress against the Gatsby benchmarks and they bring in the different elements of support. We have head teachers here who represent schools and colleges that we work with across the country, so absolutely we do that. This data is new and we will be looking at it.

Q1560 **Ian Mearns:** Just for the record—do not get me wrong—I understand entirely the pressures that head teachers are under in terms of running their own institutions, securing enough students to run courses and so on, but that can lead to perverse incentives within the system.

Christine Hodgson: Yes, it can. We welcome the introduction of the careers leader, as somebody who is either part of the senior leadership team in a school or reporting to them, working with the enterprise adviser and looking at the Gatsby benchmarks, where they are today and how they can make progress. That would flush out exactly the sort of thing that you are asking about: has there been independent guidance, and has there been the opportunity to look at further and higher education?

Q1561 **Ian Mearns:** From your own annual report statistics, that is work in progress.

Claudia Harris: Yes, and that is new information for us, so we just brought that data out in the last few weeks. Each time we bring out that research, one of the things that we do is we then go and react to it and think about what we do now.

Q1562 **Ian Mearns:** It is not a surprise. It may be new information in terms of the data, but it is not a surprise.

Claudia Harris: No, it is not a surprise at all.



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Q1563 Marion Fellows: As has already been said, you give considerable amounts of money to other organisations. How do you decide which organisations receive these grants?

Claudia Harris: We run a process in which we set out criteria. Are they proven programmes? Are they operating in the areas or among the cohorts of need we are focusing on and do they meet the quality criteria? We then have assessors that mark the applications. There is then a process where that is calibrated across the assessors, there is a shortlist, there are management interviews, there is another calibration process and then it goes to the investment committee chaired by Brian Lightman. It is quite a robust process.

Q1564 Marion Fellows: What information do you collect on how the organisations are spending the money?

Claudia Harris: In order to receive their funding they have to report to us on the impact that they are having and the number of young people reached, and so on. That is the basis on which they receive the funds.

Q1565 Marion Fellows: You have already mentioned staged payments. How does that work? Is there a percentage given at the start or is it time-bound?

Claudia Harris: Most of the payments are paid in arrears, based on delivery—quarterly in arrears.

Q1566 Marion Fellows: What outcomes do you ask for under the terms of the agreement? Is it simply numbers of pupils reached?

Claudia Harris: It varies depending on what the fund is. One of the things is that they have worked with the expected number of students, but it will vary depending on the fund.

Q1567 Marion Fellows: At what stage would you withhold money? Would it just be that they get the first quarter to get them started, and then they may not get anything else?

Claudia Harris: To bring it to life, if an organisation is underperforming in terms of the expected reach, we would probably have a management—top-to-top—meeting with them to understand what is going on. If we needed to, we would stop funding.

Q1568 Marion Fellows: There have been some difficulties in getting some organisations to sign up, because you only give one month's notice on a contract termination, but the organisations are expected to give the CEC three months. Is that correct?

Claudia Harris: I can look into that for you.

Q1569 Trudy Harrison: It is nice to see you here again. Last time you talked about the money—I think it was £900,000—that you were spending on research. You have just talked today about knowing what good looks like. It would be helpful to understand what good does look like in the light of



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the research that you have carried out. I think that is a question to both of you.

Claudia Harris: Absolutely. We have spent £300,000 each year. I think that was the number when we came in here last time. Our definition of best practice in careers is from the Gatsby Foundation, which lays out that young people need to have exposure to the world of work and exposure to labour market information.

Q1570 Trudy Harrison: The Gatsby benchmarks, as I see it, are: a stable careers programme, learning from careers and the labour market, addressing the needs of each pupil, curriculum learning, encounters with employers, uni and further education and personal guidance. That does not tell me what good looks like.

Claudia Harris: Can you just explain your question a little bit further?

Q1571 Trudy Harrison: What I would like to know is this: after you have spent all of this money on research, how has your interpretation of what good looks like changed?

Claudia Harris: Many different ways. One thing we focus on for any individual examples of the Gatsby benchmarks—let us take mentoring, which is one of the things that we have invested in. Our research revealed that the way that you match the young person, the relatability of the mentor and the way you close that relationship were crucial. One thing that has driven the way that we have approached mentoring is really to focus on relatable mentors. We found that a lot of the people who were doing mentoring previously came from one demographic—typically female—but the people who had the biggest impact on young people are relatable individuals, who may have similar backgrounds. One thing that we have really driven is trying to get these more relatable role models.

Q1572 Trudy Harrison: What is your measure of success that that makes a difference?

Claudia Harris: That is what we learned from the research, so the research revealed that that was very important, and that changed what we do.

Another example is that the research finds that social action is a very powerful way of supporting young people in work experience. If a young person is working on a project that they believe in—perhaps it is related to their community—they might engage with that more than they would with two weeks of work experience doing photocopying in an office.

Q1573 Trudy Harrison: That is just common sense. I would have thought most people off the street would know that. How do you know that what you are doing is making a difference? For me, the measure of success would be a young person not following in their father or mother's footsteps because that is all they know, but having an inspiration or a new



ambition. It would be better attainment at school, and better attendance at school because they are now engaged and thinking about their career and future. It would be whether they got through an aptitude test or applied for a job that they had not considered before, or whether they got through the interview, and then later whether they were enjoying that training, that education or that employment. That, as a parent, would be the measure of success that I would look for.

Claudia Harris: Apologies; I misunderstood your question. If the question is how we think about impact from this work, we think about it in terms of three things: what are the inputs for good careers? Are we getting young people to have the Gatsby benchmarks? We know that that is improving. On all dimensions, schools are delivering that career support. Then we think: are young people's personal attributes being impacted by that work? Is their motivation up? Is their resilience up? Is their employability up? In our pilot work we find that all of those things have improved, and that young people report greater motivation. 70% say that they will work harder at school after one of these interventions. They do feel that they can do something.

Q1574 **Trudy Harrison:** If that is the case, I would expect to see a marked difference in results from your work. Can you demonstrate that at all?

Claudia Harris: That is effectively what we hope to see.

Christine Hodgson: You start to see it on an individual school basis, and it can be schools across all the piece. I will give you an example: Saxon Mount is a special needs school in St Leonards, down in East Sussex. They have an enterprise adviser who comes from a local grounds maintenance landscaping company. He has worked with the head teacher to try to get employer encounters for the special needs pupils, not only at his own company but with Combe Haven, General Dynamics and lots of other companies. What they now report is better attendance and better behaviour. They have now seen it in the results—so in attainment—and they are starting to see positive destinations.

What is refreshing is not just looking at the pupils and seeing their personal confidence and their aspirations grow, but seeing the parents observe that their youngsters have a whole different level of aspiration that they did not think was possible. Each and every school that we are working with can quote examples like that.

Q1575 **Chair:** The problem is—it is not that that is not happening; it is great that it is happening—that you do not systematically do the data to show it. Apart from just questioning people on surveys, you do not do systematic data as to what is happening with the outcomes of those students. It is great to quote good examples and have supporters here, and clearly much of what you do is very good, but there is not enough data and evidence.

Christine Hodgson: There is a lag in being able to show that.



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Claudia Harris: But we can show that motivation is up and resilience is up.

Q1576 **Chair:** That is just according to surveys, questions of pupils and so on. That is important, but it is not systematic data or proper quantitative data analysis. I am not saying you are not—I have no doubt what you have just said is completely true in the school, but it does not prove a lot across the board.

Claudia Harris: But we will absolutely have that data. That is the great thing. As more and more schools are doing this—and we know which schools are doing it—you will have that data.

Q1577 **Trudy Harrison:** As I said at the last session, one of the ways to measure this is where you have focused on cold spot areas and how the numbers of children that are now not NEET—I do not like that term at all, but we all know what it means—has improved, whether they are now in education, training or employment, particularly where they never thought they would be before.

Claudia Harris: That is absolutely right, and we realise that we did not have a great conversation about this last time. Just to explain, NEET numbers across the country have reduced significantly over the last few years for all sorts of reasons, and we would not claim to be the reason why that has happened. There are lots of reasons why NEET numbers have reduced since 2011.

For the schools that we are working in, we need to be able to see whether those numbers are reducing. The school-level data is lagged, and the data that has come out in the last few weeks is for the cohort before we started. Once the school-level data is out—the Department's destination data; it is great that we have it, and that is new, but it is lagged—we will be able to see that, at the schools that work with us.

Christine Hodgson: Just to give you one good example of that, as you know, the original pilot for the careers hub was up in the north-east. After two years, 88% of the schools that were part of that pilot achieved five or six of the Gatsby benchmarks. At the same time, over the same period, NEETs went down from something like 23% to 12%, or something of that order. Do they claim that the pilot was the only reason for that reduction? No, but it is one factor you can point to.

Q1578 **Ian Mearns:** But the schools in the north-east got some money; they got £9,000 each, did they not? That is not available to schools in other parts of the country.

Claudia Harris: What schools in the north-east got was support from a co-ordinator in Ryan Gibson, who worked with them and helped them to make progress against the Gatsby benchmarks. We are operating very similarly in the careers hub, including funding for many of those schools for careers activities.



Ian Mearns: But will it be £9,000?

Claudia Harris: Many schools will receive £4,000 or £5,000 to access careers activities.

Q1579 **Ben Bradley:** I am Ben Bradley, MP for Mansfield. I did not have the pleasure last time. I am relatively new to the Committee, so forgive me if I am catching up. Just to touch on what the two of you were saying before, do you evaluate your research, talking about some of the things it has been used for or looked at? For example, you talk about different kinds of assemblies and approaches that are more engaging for kids. As Trudy says, some of that seems to be common sense. Rob touched at the beginning on elements of research about what makes a good placement, but it does not seem to follow through in some of the organisations that you fund. Do you evaluate how you commission that research, what you use it for and whether you think it is value for money?

Claudia Harris: Our research means that we are targeting the young people that need it the most with the activities that are best evidenced. That is our focus, and we think that is a worthwhile way to engage in research.

Q1580 **Ben Bradley:** To take up Rob's example again: the research says good placement is every two weeks for a year, but you fund organisations that do not do that. What was the value of that research?

Claudia Harris: What we always try to do with the research is follow it as far as we can. This is a space where the research is patchy and there are often not that many organisations working in the areas that we are working in. One of our key principles is to test and learn. We absolutely do follow the research where we can, and we build up additional data points as we go and learn from our own experience. We are very focused as an organisation on learning.

The question of whether we look at whether we use our research appropriately enough is an interesting one, and one we could think about. But as an organisation, we obsess about what the data tells us and what that means we should do differently.

Q1581 **Ben Bradley:** It will be interesting to have that analysis. We are talking a lot about hard and soft outcomes, but it is about having that analysis of the hard outcomes of research and what it achieves.

My line of questioning was slightly different, so I will move on a little bit. Obviously, a careers strategy has been added to your brief quite recently. What progress have you made in implementing that? How is it going?

Claudia Harris: The careers strategy set out 20 careers hubs to be launched this year, and they have been launched. It was announced in December. We announced careers hubs in the summer, and they were launched in September. The careers strategy said 500 schools should receive bursaries to support their careers leaders. We set those bursaries in train within a few months. In fact, many more than 500 schools and



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colleges bid, and the Government have now tripled the number of bursaries as a result.

Christine Hodgson: The same is true of the careers hubs. We were asked to do 20, and we were again over-subscribed for those 20. As you know, since the summer the Secretary of State has announced a further 20 hubs.

Claudia Harris: The investment funds have been launched. We have gone from the publication of the careers strategy in December to having 20 careers hubs operational in September, with 1,400 careers bursaries allocated to schools and colleges, providers up and running to deliver that training to careers leaders in schools, and online training provided with Teach First.

Ben Bradley: Are you satisfied that that is progressing as it should?

Christine Hodgson: We are absolutely satisfied, yes. We have been delighted with the response from schools and colleges.

Q1582 **Ben Bradley:** Do you have plans to review that formally at some point to come up with the data that we have been talking about?

Claudia Harris: We do review it with the Department.

Q1583 **Ben Bradley:** Obviously, it is another additional thing, so you are talking about how your remit has changed since you started as an organisation. Do you think you do too much? Do you think it is too broad? Those are obviously DfE decisions, but I am interested in your view as to whether all these additional things make things more difficult for you as an organisation.

Claudia Harris: For young people it is quite simple. The challenge is that good careers support for young people requires them to have loads of different influences. They need one-to-one personal advice, they need to meet employers, they need to meet higher education, they need to meet apprenticeship providers and they need to find the people who are relevant to them locally. That can make it complicated for all of us, but for the young person it is very simple when it is done right.

Q1584 **Ben Bradley:** You think it is better, from their point of view, to have one point of contact, as opposed to you specialising and having expertise in one particular area?

Claudia Harris: The challenge for young people has been that no one has brought all those different influences together. Speaking of learning and what we have learned over 40 years, we have learned that young people need all these different influences. If there is one thing we have learned, that is it; that is what we are trying to bring to young people.

Christine Hodgson: For the first time ever, we have now a recognised view of what good careers support looks like, and I do not think that has ever existed before. It is great that the 3,000 schools, in completing the



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tool, are all happy to baseline what they are doing against this recognised standard. It is quite profound.

Q1585 Ian Mearns: I have an update from my previous questions. I have had a message from Judith Doyle, who is the principal of the outstanding Gateshead College, and I raised the matter of impartial advice and guidance. She says, "Our own research among students still shows that young people are not receiving consistent or balanced careers guidance, especially around vocational options." That is an example from someone who is doing on-the-ground work in a large FE college in Tyneside. Gateshead College takes students from a number of different educational authority areas and many different schools. It is a problem.

Claudia Harris: Absolutely. I just want to address that, if I can, for a second. There is a huge challenge in careers support for young people. Just look back over the last few years: in 2013, when Ofsted published a report on careers support, they said it was not in good shape. Young people were not getting the support they needed. We know that it has been a challenge for decades in various forms, so we know that we are just starting to make progress. We absolutely know that. All the schools and colleges that we work with feel it. We want to see progress, and we are so delighted that the evidence is that there is progress and that Ofsted is recognising it.

Q1586 Ian Mearns: It is very difficult to provide impartial information, advice and guidance without people who are not directly connected with the school. I will declare an interest. I used to be chair of Tyneside careers, which covered four local authority areas and had about 140 professional full-time careers advisers going around schools, but they were not tied to the schools and salaried by the schools. That impartiality was important. I am not sure how we are going to recover that. There was never a golden age of careers advice and guidance, but that impartiality and that independence were vitally important to the interest of young people.

Claudia Harris: I completely agree. One of the benchmarks is personal guidance—and we work very closely with organisations like the CDI, led by the brilliant Jan Ellis, to make sure that we are supporting that—and we have brought out a fund recently to back personal guidance because it is one of the things that young people need.

Q1587 Ian Mearns: You have 1,000 enterprise advisers and Cornerstone employers. How are these roles different and how are you monitoring the impact of what they do?

Christine Hodgson: We have 2,000 enterprise advisers. A Cornerstone employer is an employer that is working in one of the opportunity areas and is working with us to guarantee for young people that they will get four or more encounters with the world of work. They are employers very much dedicated to and interested in our mission.

Q1588 Ian Mearns: You have mentioned opportunity areas. I have another question later on about the difference between cold spots and opportunity



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areas, and how that is being managed. We know that there are 12 opportunity areas. There is not one in the north-east of England, although the Secretary of State has announced a £24 million opportunity fund, which seems to be particularly biased towards areas where there are Conservative MPs, it has to be said. But where are you identifying the cold spots that need attention, which are not part of the opportunity areas?

Claudia Harris: We acknowledge it is confusing. Opportunity areas identified by the Social Mobility Foundation are areas where the most disadvantaged young people do not make good progress. Our cold spot areas are looking at areas where Careers & Enterprise Company support is most in need. It is driven by, for example: are there large numbers of employers engaging locally? Are there good destinations for young people? It looks at something different.

Q1589 **Chair:** The Social Mobility Commission draws on poor labour market prospects and indicates general deprivation. Could you not just have used those measures, rather than doing your own research on it, to save money?

Claudia Harris: To bring it to life, most of them are very similar. Derby is not. The Social Mobility Commission identifies Derby as an opportunity area. That would not be a cold spot for us because there is a very large number of businesses working there.

Q1590 **Chair:** But the Social Mobility Commissioner identifies cold spots. They are not career cold spots specifically, but they look at labour market deprivation and other indicators, which are similar. Why has it been necessary for you to update your initial cold spots research a year after it was first carried out?

Claudia Harris: That is in terms of exactly some of the challenge that you have provided us with, which is to look at what happens over time on some of these indicators. The indicators that we look at are Careers & Enterprise-related. What are the inputs? What are the outputs? What are the outcomes? That is our theory of change, and that is what we look at in terms of that cold spot data.

Q1591 **Chair:** Even though the Social Mobility Commission has done the work for you?

Claudia Harris: It looks at something slightly different.

Ian Mearns: It came up with the wrong conclusion.

Chair: But that is an opportunity area; it is not necessarily cold spots.

Q1592 **Ian Mearns:** To be fair to the Careers & Enterprise Company, if they had not done what they have done, they would have just put the money into opportunity areas and nobody would know about identified cold spot areas. The situation is still that there is not an opportunity area in the entirety of the north-east of England, which is perverse.



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Christine Hodgson: We did our original cold spot analysis in 2015. The very first thing that we did was to look at which areas of the country they were in. The opportunity areas, as designated by the Department for Education, came later and it was their choice to focus on the Social Mobility Commission.

Ian Mearns: Could you provide us with a list of your cold spots?

Christine Hodgson: Of course.

Claudia Harris: We have it here.

Q1593 **Lucy Powell:** I have a brief follow-up on that. How do you guard against it just being the more pushy networked schools, even in those areas, that access your resource better?

Claudia Harris: We use the cold spot data at school level to prioritise.

Q1594 **Lucy Powell:** So you can see?

Claudia Harris: For all the schools in all the LEPs, we have the free school meal levels and the NEET levels, and then we encourage the Local Enterprise Partnerships to start with the schools that need it most.

Q1595 **Lucy Powell:** I represent a very deprived constituency, but I know the one school in my constituency that would always be the first at the door for any kind of new initiative, and that kind of thing. How do you guard against that? Because even in the state sector there can be an inequality.

Claudia Harris: We guard against it with the data. Two thoughts: first, it can be useful to have some of the pushy schools because they can be the beacons in an area. Secondly, we only go to schools that want to work with us. If some schools say, "We just cannot—"

Q1596 **Lucy Powell:** So there is a certain amount of self-selecting there?

Claudia Harris: It is voluntary, which is why we are so proud that the 2,000 want to.

Q1597 **Lucy Powell:** So it is not just a challenge for you, but potentially a challenge for schools that might be struggling and up against it on a load of other issues, where the kids do not get access to your service?

Claudia Harris: There is of course that challenge, but we do try to guard against it with the data. Another example is White Bridge PRU, which has absolutely embraced this and taken this, recognises the value of it, and makes it happen for them. It is not always just the schools that have easy cohorts of young people that are—

Q1598 **Lucy Powell:** I am not talking about easy cohorts. I am talking about the same kinds of schools that access the things that are on offer, and they are often not the schools that need it most.

Claudia Harris: Understood. We do try to use the data to guard against that.



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Q1599 Ben Bradley: You say that some schools say, "We are not interested." Obviously, it is a voluntary thing. Is there a pattern around which schools they are? Anecdotally—similar to you, Lucy—I found that the schools from the most deprived parts of my constituency are often the ones who do not engage as much with outside bodies. They do not engage much with employers or with me. When you say, "Here is an opportunity to go and do something," they are the ones who are not interested, or not able to, because of the challenges that they have. I would pick up the two primary schools in the most deprived parts of my constituency, with perhaps the toughest catchments of kids. The head teachers are particularly unhelpful, if I am being honest. I do not know if that is reflected in the schools that do not take up the support.

Christine Hodgson: I just want to make two observations. It is a very fair point. A good enterprise co-ordinator in that area would absolutely go and try to break it down, if there were barriers or if there was resistance in a school that needed help. By shining a light on what is happening in the area, with schools seeing how easy it is or how it can fit into the curriculum, they can learn from others' experience. That is one thing.

The careers strategy now tells schools that they need to complete the benchmarks and achieve all of them. Frankly even if their initial reaction is one of resistance, they know they are going to have to do it.

Q1600 Ian Mearns: Finally from me, for the moment, when you were last here, we did have a discussion about the amount of money you were spending on research. There was roughly £1 million that you had to identify—

Claudia Harris: £900,000 over three years.

Christine Hodgson: It was £300,000 a year.

Ian Mearns: Have you reflected on that and have you looked at that? Are you sure that what you are getting is value for money, and that the outcomes from that are good guides to future policy development?

Claudia Harris: We reflected on it and we welcomed the Committee's advice. Because we work across England getting young people the right support, to make sure also that we are getting to the young people that need it most, we do need some research, but we absolutely scrutinise it and make sure that it is the most value for money. Always what we are thinking is, "Does this help us decide which young people to work with?" which is what a lot of it is for. Does it make sure that we are doing the best things for young people? That is our test.

Q1601 Chair: How do you scrutinise it and make sure, formally, it is value for money? Again, going back to the front-line thing, £200,000 a year is a lot of money to spend on research papers when think tanks, universities, the Social Mobility Commission and so on can do a lot of this work.

Claudia Harris: It is about 1% or 2% of our budget, and we—

Chair: It is still £200,000. It is a lot of money that could go on front-line



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work.

Claudia Harris: For us it is for the front line. It makes sure that we are getting the support to the young people that need it most. To build on Lucy's comment about how we choose which schools—

Q1602 **Chair:** How do you formally evaluate the research that you are undertaking? Who does it? Do you procure it?

Claudia Harris: It is procured. We do very little of the research. Our core papers we do ourselves with our core data, but we procure from the experts and we have multiple—

Q1603 **Chair:** There is a formal procurement process of people bidding to do the research?

Claudia Harris: Yes.

Q1604 **Ian Mearns:** Spending £300,000 a year on research is laudable, in many respects, as long as you are making sure that what you are looking for does not already exist out there.

Claudia Harris: I absolutely agree with that. That is why with a lot of the things that we use, we use other people's insight. The Gatsby Foundation is amazing and we use its work a lot. We are working with the EEF in terms of evaluating some of our projects. We always work out what there already is. Our Future Skills tool builds on Tom Ravenscroft's Skills Builder framework. We are always piecing things together.

Q1605 **Ian Mearns:** In terms of data about schools as well though, you are engaging with the Education Datalab, what used to be the Fischer Family Trust. It must be a mine of information if you want to use it.

Claudia Harris: Yes. They have all their segments, which are also relevant. We always look at what are the right organisations to be working with.

Q1606 **Lucy Powell:** I had a quick look while we were here—I know I am set on salaries, but I do think this is important, Chair, if you do not mind—and Nesta has double your expenditure and is not a dissimilar organisation, but because it is more mature it probably understands its impact better. Its head of digital was recently advertised at £70,000, its head of programmes at £60,000 and its head of its "what works" centre at £60,000. Perhaps a remuneration committee that has some clearer guidelines and benchmarking against voluntary or non-departmental public bodies might help you to get those a bit more in line.

Claudia Harris: Our heads are paid at that level as well.

Q1607 **Lucy Powell:** There was another report out last week, so we are not the only Committee that has been looking at you recently. How will you be responding to the recommendations from the Youth Select Committee that talked about needing a full review of your impact and wanting some proper Ofsted inspection?



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Claudia Harris: We absolutely welcomed that report and we agreed with what it said. First, it was crucial to get young people's voices in this space and so it is brilliant. I will be meeting the Chair in a couple of weeks to discuss the findings. The report said three things: first, we need more work experience. It should not just be two weeks of photocopying; it needs to be thoughtful work exposure, which is exactly what our organisation is focused on. That is where we have seen the improvement—35% to 50% of schools getting that more diverse work exposure. We agree with that.

Secondly, it needs to focus on disadvantage, and careers support is now better in more disadvantaged communities, so we again completely agree with that. Finally, they said there should be a review to make sure that we do not make the mistakes that have been made in the past before we were set up by other organisations. Again, I could not agree more. Everything we do is about testing and learning, and learning from mistakes that have been made. When I sit down with the Chair and talk through that, we will think about how we can put it into action. We welcome scrutiny.

Q1608 **Lucy Powell:** We talked a lot about the feedback from schools and so on, but this is the voice of young people.

Christine Hodgson: We agree with it.

Q1609 **Lucy Powell:** It is a critical voice, isn't it?

Claudia Harris: It is an excellent report. We welcome it.

Q1610 **Lucy Powell:** How might you go about doing that review? Would that be something you would initiate, or would you ask the Department or Ofsted?

Claudia Harris: The suggestion in the report is that that is commissioned by the Department.

Q1611 **Lucy Powell:** Have you spoken to the Department about that?

Claudia Harris: We will be picking it up. We have reached out and Claudia will speak to the Department about it, absolutely.

Lucy Powell: Maybe we will pick that up.

Q1612 **Trudy Harrison:** My second question is around meaningful encounters. Perhaps I would disagree slightly with you, Chair, if I could be so brave. I do believe that somebody speaking at an assembly, particularly if they are relatable to the audience of young people—like your example of an apprentice, particularly from that school—does have the potential to spark an idea. That is a very worthwhile exercise.

Chair: My argument is about the quantity of it—the amount that it happens—and whether it was just a one-off.

Trudy Harrison: My next point is that if we are going to spark that idea



and then fuel the ambition, there need to be many more meaningful and far deeper encounters to support that young person. How do you prioritise your meaningful encounters to ensure that it is not quantity over quality? Do you weight them? Do you score them? How would you determine that one kind of an encounter has a deeper impact or a more beneficial measure of success than another encounter?

Claudia Harris: We funded about 500,000 young people to have exposure to the world of work and we fund a range of different kinds of experiences, from business competitions to work shadowing to work experience. As we roll out Future Skills and this measure of impact on young people, we will be able to see which of those has different kinds of impacts on young people. It might surprise us and we will be able to learn from that and think about what that means in terms of what we want our young people to receive.

Q1613 **Trudy Harrison:** It surprises me that, three years on, you are just talking about that now. Is it three years or is it longer? How long have you been operating?

Christine Hodgson: Three and a half.

Claudia Harris: There is a lot in this about the professional expertise of the schools and colleges that we work with and that are represented today, because this is about what is the right thing for a young person. A meaningful encounter is an opportunity for a young person to learn from the world of work and bring it to life. One of our enterprise advisers who works with the school set up a careers fair and went to that careers fair, and there was a young man on the edge not engaging at all with the employers. He said, "Why are you not engaging?" The young man responded, "Don't know what to say." The adviser asked, "What do you like? What are you good at?" The young man said, "Not good at anything."

That enterprise adviser then went and found that young man work experience in a local café. He worked closely with the owners and got that young person doing that work experience. A few weeks later, there was another careers fair, and that young man was taking the young people around and introducing them to the employers. For that young man, it was the perfect exposure and opportunity. A lot of this is about professional judgment.

If you look at what David Baldwin has done at the Churchill Community College, a lot of this is about working out what is the right type of exposure for that young person. The schools and colleges that we work with have professional expertise.

Christine Hodgson: From an employer's point of view, employers are getting more sophisticated and learning more about what sort of work encounters there are and what work experience is meaningful. If I take my own example—the point about quality versus quantity—we started



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touching thousands of young people by my professional colleagues going out into school and doing school talks. We now do a whole plethora of things. We still do that, and we try to make them with relatable role models and apprentices.

We do other things. Recently, we had 67 young people come in, who worked with us for a day designing an app. We had a competition, "How do you design an app?" to try to demystify the world of tech.

Q1614 Trudy Harrison: These examples are wonderful, but I still think it is about measures of success. Finally, the most influential person in any child or young person's life will be their parents. Do you engage with parents at all? If so, how? Very briefly.

Christine Hodgson: That is another of the things that we encourage. A recent apprenticeship fair, where we had different level apprentices from a number of different companies, and in the audience we had pupils, teachers and parents. It is essential that the parents hear for themselves. Doing that with apprentices is good, because I still believe that apprentices are, in a way, the best-kept secret in Britain.

Q1615 Chair: How many apprentices do you employ now?

Christine Hodgson: We have three.

Q1616 Chair: Do you plan to expand that?

Claudia Harris: Yes, we have been expanding it. We bring them all back. We have an alumni group.

Christine Hodgson: We do work experience as well as apprenticeships. The point I was going to make is that when companies send volunteers into school for events, we encourage them not to forget to invite the parents, because the parents are so important.

Trudy Harrison: Glad to hear that.

Christine Hodgson: The stats show that they are the most influential people in a young person's life.

Q1617 Chair: I have a couple of final questions, and then I will pass to Ian for the very last one. We will finish soon, you will be pleased to know. On page 10 of the report you say that 94% of schools would recommend an enterprise adviser network. What is the actual figure? Is that the 94% of schools that have an enterprise adviser, or is that 94% of schools in general?

Claudia Harris: That is 94% of schools with an enterprise adviser.

Q1618 Chair: We talked earlier about the Compass and Tracker. Given that there is a Skills Builder framework already in existence and being used in schools across the country, why are you using a new tool rather than just using or adapting the one that is already there?



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Claudia Harris: We do. That is what we are using in Future Skills—the Skills Builder.

Q1619 **Chair:** What is the difference in the Skills Builder framework and the Compass strategy?

Claudia Harris: Compass measures the input: are young people making progress on Gatsby? Future Skills manages the outputs: are young people improving employability? We use Skills Builder in that.

Q1620 **Chair:** On page 38 of your report you show the breakdown of schools who are partially achieving and not achieving each benchmark. Given that benchmark No. 1 is pivotal to the achievement of the other seven benchmarks, are you—I will not say happy—worried that only 4% are meeting this benchmark fully?

Claudia Harris: Among the schools and colleges that have done it twice—that have worked with us over multiple years—it has gone up. It is still low. That just captures the fact that we are starting from a very low base. It is a long journey we have to go on, but we have 3,000 schools and colleges engaged with this making progress. That is what you have to build on.

Q1621 **Chair:** You recently advertised for a number of consultant head teacher posts on the head teacher panel, for 10 to 30 days a year at a rate of £375 a day. Given that this work is presumably done by heads, is the remuneration paid to the heads, who are already paid to run their school, or is it paid to the school to recompense the school for the absence of the head teacher?

Christine Hodgson: It is paid to the school.

Q1622 **Ian Mearns:** Instead of paying the head, it should go to the school budget because the head is already being paid by the school.

Claudia Harris: It would go to the school.

Q1623 **Chair:** It goes back to the school?

Claudia Harris: Yes. We have lots of head teachers that work with us for free. Where we are starting to use more and more of their time, we think it is appropriate to backfill to the school.

Q1624 **Chair:** Are your conferences funded privately or do you pay for them yourselves?

Claudia Harris: We fund them as part of the CPD that we offer.

Q1625 **Chair:** The Joining the Dots conference at Newmarket—that is done by you; is that right?

Claudia Harris: Yes.

Q1626 **Chair:** That cost £158,000?



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Claudia Harris: Yes.

Q1627 **Chair:** At a cost of £200 per person. Is that money that could go on the front-line, being spent on a conference? How can £158,000 be justified?

Claudia Harris: We are a national organisation focused on helping schools, colleges and employers work together to build peer-to-peer learning and understand what good looks like. One of the ways that we do that is through an annual conference, which brings our constituents together. 30% of the people at that conference were from schools and colleges. 75% said that they need more—

Q1628 **Chair:** Why can you not get private sponsorship for those kinds of things?

Claudia Harris: That is a good opportunity for us in the future.

Q1629 **Chair:** Was the conference that was held at KidZania done by yourselves, again?

Claudia Harris: Again, it is part—

Chair: Was it yours?

Christine Hodgson: It was us, yes.

Q1630 **Chair:** Is that privately funded or did you fund it?

Christine Hodgson: KidZania supported that.

Q1631 **Chair:** That is £46,000 to celebrate two years of the enterprise adviser network. How is that justified?

Claudia Harris: Two thousand business volunteers give us a day a month for free. That is an enormous value that is offered to young people across England. That is what we did in return—an event where we invited them to a learning and training event. Providing these events is how we ensure quality.

Q1632 **Chair:** How much are you spending on these kinds of conferences a year?

Claudia Harris: Conference spend is probably around £150,000 to £200,000 a year. I can come back with the exact number.

Q1633 **Chair:** This one cost £158,000 and then the KidZania conference cost £46,000. That is more than—

Christine Hodgson: That is not something we will necessarily do every year either, so we decided for 2019 that we will not do an annual conference in the same way, but we will still do awards because that was another element of that particular event.

Q1634 **Chair:** Other organisations that do award ceremonies are mostly sponsored by the private sector. Do you not understand that when there are massive public sector constraints—we have a separate inquiry into



school and college funding—when you are spending £158,000 on a conference in Newmarket and £46,000 on a conference at KidZania, people could rightly say, “Why is this money not being spent on the front line?” It goes back to some of the earlier questions about money spent at the back end on research reports and so on. It is just a lot of money when there is very little money going around. It seems that you are flush with so much money that you can afford to do these things and not even seek private sponsorship.

Christine Hodgson: We are not flush with money, to use your expression. We run a very tight ship and we are very conscious—certainly in every event that we hold, we make sure that there is a lot of content in it. It is useful for people not only to network, but to know what good looks like.

Q1635 **Chair:** Why not get private sponsorship for this?

Claudia Harris: One of the things that we do is that we get match funding, so we have £16 million in match funding from organisations like Bank of America, Burberry and EEF. We ensure match funding. We stretch the money and we ask businesses and employers right now for their time, which is why we have not asked for sponsorship. We may ask for sponsorship going forward.

Q1636 **Chair:** I am not saying they should not take place, but it would be much better to get these kinds of things sponsored privately rather than using money that could be spent on co-ordinators in the front line at schools. I cannot see how that can be justified in a time of public sector constraint.

Claudia Harris: We take the feedback, Chairman, and we will look at that.

Q1637 **Ian Mearns:** It is topical, because last week we were in south-west Germany, in Baden-Württemberg, and in Switzerland looking at skills and looking at the different sectors of education there. When we visited Baden-Württemberg, we heard and saw that the attitude of companies towards work experience was quite different from what it is with many companies here. We do have notable exceptions who are very supportive, but it is a problem getting youngsters into work experience across the country. There is a deep-seated cultural difference there. They embraced work experience as they embraced apprenticeships as well. Is there anything that the Careers & Enterprise Company can be doing to try to change that cultural attitude of companies towards work experience and towards apprenticeships for the future?

Claudia Harris: You have hit the nail on the head. That is the big opportunity for this country, which is to make this just a normal thing that every employer does. So many employers do. We are including lots of small businesses, but there is the opportunity to change the culture in England so that this is just a completely normal part of business as usual. That is our goal.



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Q1638 **Chair:** We were completely struck by the culture. They employ or give work experience to young kids from 15 years of age. You do not have to beg them to do it; they see it as investing in their children and students from day one. It is like common sense. They do not even need a levy because all the big companies are doing it already.

Claudia Harris: There are so many businesses in England that feel that way. Dale Power Solutions, one of our Scarborough Cornerstone employers, takes an apprentice to all of its pitch meetings because that conveys their culture. There are so many employers in England that do feel that way.

Q1639 **Chair:** There are brilliant employers.

Claudia Harris: But we need it everywhere.

Q1640 **Chair:** In Switzerland, 70% of the students go off at 16 and do apprenticeships or a serious amount of work experience. There is no comparison to what goes on.

Claudia Harris: That is the opportunity.

Q1641 **Trudy Harrison:** Finally on that point, it is my experience in my constituency that it is not the employers, but the schools. One school in particular does not support the work experience week, and all of the other schools only support one week in the whole secondary year, from year 7 right through to year 11. Does that need to change, in your opinion?

Christine Hodgson: They will not meet the Gatsby benchmarks if they do not embrace it, so that will change.

Claudia Harris: Schools do find it challenging. It is reasonable to say it is not completely straightforward for schools to lay on all of this support and activity, and we have to help them and make it easier for them. That is part of our responsibility.

Chair: Thank you very much for answering some difficult questions and for your service. We recognise that clearly there is some good work you do. There is no doubt about that, but our questions are designed to find out where there are possible flaws and try to help to make things better. We are clearly still quite determined on the outcome side of your work, and also about how some of the money is spent. That is not to recognise that much of the work you do across the country is good.

Claudia Harris: Thank you very much.