

PARLIAMENTARY DEBATES

HOUSE OF COMMONS
OFFICIAL REPORT

Fifth Delegated Legislation Committee

DRAFT APPRENTICESHIPS (ALTERNATIVE
ENGLISH COMPLETION CONDITIONS AND
MISCELLANEOUS PROVISIONS) (AMENDMENT)
(CORONAVIRUS) REGULATIONS 2020

Wednesday 30 September 2020

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The Committee consisted of the following Members:

Chair: †JULIE ELLIOTT

† Britcliffe, Sara (*Hyndburn*) (Con)
 † Crosbie, Virginia (*Ynys Môn*) (Con)
 † Eagle, Maria (*Garston and Halewood*) (Lab)
 † Goodwill, Mr Robert (*Scarborough and Whitby*)
 (Con)
 Graham, Richard (*Gloucester*) (Con)
 † Green, Kate (*Stretford and Urmston*) (Lab)
 † Gullis, Jonathan (*Stoke-on-Trent North*) (Con)
 Jarvis, Dan (*Barnsley Central*) (Lab)
 † Jones, Andrew (*Harrogate and Knaresborough*)
 (Con)
 † Keegan, Gillian (*Parliamentary Under-Secretary of*
State for Education)

† Penrose, John (*Weston-super-Mare*) (Con)
 † Ribeiro-Addy, Bell (*Streatham*) (Lab)
 † Richardson, Angela (*Guildford*) (Con)
 Timms, Stephen (*East Ham*) (Lab)
 † Tomlinson, Michael (*Lord Commissioner of Her*
Majesty's Treasury)
 † Twist, Liz (*Blaydon*) (Lab)
 Webbe, Claudia (*Leicester East*) (Ind)

Hannah Bryce, *Committee Clerk*

† **attended the Committee**

Fifth Delegated Legislation Committee

Wednesday 30 September 2020

[JULIE ELLIOTT *in the Chair*]

Draft Apprenticeships (Alternative English Completion Conditions and Miscellaneous Provisions) (Amendment) (Coronavirus) Regulations 2020

2.30 pm

The Parliamentary Under-Secretary of State for Education (Gillian Keegan): I beg to move,

That the Committee has considered the draft Apprenticeships (Alternative English Completion Conditions and Miscellaneous Provisions) (Amendment) (Coronavirus) Regulations 2020.

It is a pleasure to serve under your chairmanship, Ms Elliott.

Committee members will be aware of the unprecedented action that the Government continue to take to combat the economic impact of the covid-19 pandemic. In March, we swiftly launched the coronavirus job retention scheme to protect jobs and businesses from the worst of the pandemic. We have since seen millions of workers come off furlough and get back to work, and we will pay businesses a job retention bonus of £1,000 for each of those still employed at the end of January next year.

In addition, last week the Chancellor set out a new job support scheme to help affected businesses protect jobs as they seek to return to operations in the coming months. To support apprenticeships to continue during the pandemic, we introduced a range of flexibilities to promote remote learning and assessment, and enabled furloughed apprentices to continue to trade. As we build back stronger from the pandemic, apprenticeships will play a key role in creating jobs and boosting the skills that employers need to increase their productivity. We know that young people starting their careers are disproportionately impacted in economic downturns, so in our plan for jobs we announced payments of £2,000 to employers hiring a new apprentice aged under 25 between 1 August and 31 January 2021. Employers can also claim payments of £1,500 for taking on new apprentices aged 25 or older. For young people seeking the skills to enter the labour market, we are tripling the number of traineeships we make available and rewarding employers for offering work placements, as well as subsidising employers to create new short-term roles as part of the kickstart scheme.

We know that apprentices are not immune from this economic impact. Although employers are doing their best to protect existing apprentices, we know that many businesses are having to make difficult choices that they never wanted to make. Sadly, this will see apprentices being made redundant before they can complete their training. That impacts the apprentice personally and their ability to repay their employer—through increased productivity—the investment made in that apprentice’s future.

To help apprentices through this difficult time, in August this year we launched a new support service for redundant apprentices. It provides individuals who have been made redundant, or who are at risk of redundancy, advice and guidance on the impact of redundancy on their apprenticeship. It also enables them to access wider support services such as careers and financial advice and wellbeing support. Importantly, it helps them find new apprenticeship opportunities with employers. So far, more than 450 employers have registered to share details of their vacancies with redundant apprentices, with each employer often offering multiple opportunities in different roles and in different regions. One example is Troup Bywaters + Anders, an award-winning design SME that has already taken on three apprentices who were made redundant from their previous roles. The company told us:

“Having shared our vacancies through the new Redundancy Support Service for Apprentices, I can confirm that it is an easy way for us to play our part in helping shape people’s futures.”

We hope that any apprentice who is made redundant will be able to secure new employment and continue their apprenticeship with a new employer, but we know that that will not always be possible, so we now require training providers to produce a record of part completion when an apprentice has to stop their apprenticeship as a result of redundancy. It sets out the knowledge, skills and behaviours that the apprentice has already acquired prior to redundancy, providing a record of achievement and helping the apprentice to secure future employment. We already enable apprentices made redundant within six months of the end of their training to continue and complete their apprenticeship whether or not they are successful in finding a new employer.

Where an individual has made a significant commitment to their training and the goal of occupational competence is in sight, it is important that they are not robbed of the opportunity to complete their apprenticeship by the misfortune of redundancy. We now want to go further and give more apprentices who suffer redundancy the opportunity to complete their apprenticeship should they not find new employment immediately.

As we have replaced apprenticeship frameworks with new higher quality employer-designed standards, the average length of an apprenticeship has increased: up from 498 days in 2015-16 to 611 days in 2018-19. In recognition of that, we are now legislating to enable redundant apprentices to complete their apprenticeship if they are more than six months from completion at the time of redundancy and they have completed 75% or more of their training programme. That will mean that, for example, an engineering apprentice who had completed three years of a four-year programme when they were made redundant could now continue and complete the final year of their training, even if they cannot secure new employment during the lifetime of their apprenticeship.

In extending this policy we are acutely sensitive that apprenticeships are jobs, not simply training programmes, and that the unique benefit of an apprenticeship is its combination of off-the-job training and the on-the-job application of those skills. Without an employer for a sustained period of time, it becomes increasingly difficult for an apprentice to develop the on-the-job experience necessary to attain occupational competence and to pass the end-point assessment.

In our judgment, and based on discussions with employers and providers and on advice from the Institute for Apprenticeships and Technical Education, which oversees the development of apprenticeship standards, the completion of at least three quarters of an apprenticeship is necessary for an apprentice to have a realistic prospect of achieving occupational competence without the support and guidance of an employer. For that reason we have defined the policy in the way that we have. It means that up to an additional 8,000 apprentices currently undertaking apprenticeships of longer than two years could complete their programmes in the event of redundancy.

Having taken steps to encourage employers to offer new apprenticeship opportunities, we are now taking steps to extend support to existing apprentices seeking to complete their apprenticeship in the face of redundancy. This legislation strikes the right balance between supporting apprentices and protecting the quality of the apprenticeship experience they receive and the endorsement it provides to employers of those apprentices's knowledge, skills and behaviours. I commend the regulations to the Committee.

2.37 pm

Kate Green (Stretford and Urmston) (Lab): It is a pleasure to serve under your chairmanship, Ms Elliott. I thank the Minister for her opening remarks and also for her letter to my hon. Friend the Member for Chesterfield (Mr Perkins), which set out the Government's proposed changes.

Although Labour Members welcome the measures, I must ask why it has taken the Government six months since the start of the crisis to introduce them. We agree with the Minister that apprentices who are at least 75% of their way through their programme should be allowed to complete, but, for those apprentices who have already experienced redundancy or seen their employment ended in the past six months, the support sadly comes too late. The Minister must surely accept that they should not miss out on support.

Recently, a furloughed apprentice who worked for British Airways contacted my hon. Friend the Member for Chesterfield as he was at risk of redundancy; unfortunately that person has since been made redundant. The Minister is well aware of difficulties in the airline and aerospace sector. What support will be made available for that apprentice and for others in a similar situation, who have already been made redundant and now face an uphill struggle to find an alternative employer to finish an apprenticeship in sectors where new opportunities are scarce? Can she say how the vacancy sharing service, which will make redundant apprentices aware of current opportunities, will operate?

I also want to raise the issue of apprentices who are currently in limbo about receiving their end-point assessments due to coronavirus restrictions. The Minister already knows of Hannah, who has been unable to complete her apprenticeship as a gas engineer since May as the assessment centres are closed and there has been no provision available to assess her work. As the Minister knows, Hannah recently called into "Any Questions?" to highlight her experience and to describe how unfair she felt it was that an assessor is unable to stand 2 metres away from her and supervise her completion,

when she would be allowed to be closer to someone in order to get a tattoo or a haircut. As in so many other areas, Government advice can seem inconsistent.

Due to the delay to her end-point assessment, Hannah has missed out on an employment opportunity, and she still has no date for the assessment to take place. Her apprenticeship is due to end this Friday, I understand, and she faces an uncertain future, unable to complete her apprenticeship or to apply for jobs in the sector. I ask the Minister what advice and support she can offer to Hannah, how many others like Hannah will be left in limbo despite today's measures, and what measures will be taken to ensure that assessments can take place under current social distancing guidelines?

Turning to the Minister's reference to advice and guidance, may I ask which services will be providing this and how many apprentices they are equipped to deal with? Will she give us more detail about the signposting service, which, as I understand it, will act as a triage service, directing redundant apprentices to local and national services? What will the service look like on the ground, and how will she ensure that provision is available across the country, rather than risking its becoming a postcode lottery? Can she set out what services will be involved in the support and how she can be certain that they can handle the number of former apprentices who will need their assistance?

In the past few months, we have seen many announcements from Government: for example, in July, the Chancellor of the Exchequer announced 30,000 new traineeships but, almost three months on, the tender for procuring those has not even been issued, and just last week the Chancellor ignored Labour's call to introduce a national retraining strategy. However, if the Government will not listen to Labour, perhaps the Minister will listen to business.

My hon. Friend the Member for Chesterfield recently met a delegation of employers, trade unions and sector bodies who are desperately concerned about a skills shortage caused by redundancies. They have written to the Education Secretary to call for the creation of a national skills taskforce to redeploy skilled workers and provide retraining and upskilling opportunities for both young and older workers. Will the Minister consider their proposal, which includes skills matching, which she also described and which could support redundant apprentices and redundant workers alike?

The signatories to the letter included chief executives and general secretaries of many different bodies, including Make UK, the TUC, Cogent, UK Steel, the British Plastics Federation, the High Value Manufacturing Catapult, the Food and Drink Federation and many others. It is difficult to imagine an issue that could bring together such a wide-ranging and diverse group of bodies, but they are united in their call for the Government to act decisively and urgently to set up a skills taskforce to address the urgent skills crisis that we face.

Labour supports the call for a cross-party, pan-industry taskforce, and we commit to working with the Government, trade unions and employer organisations to ensure that such a taskforce could assist the Government in making decisions more holistically and strategically. Will the Minister take on board that suggestion and set up the taskforce that those industry bodies have proposed?

[Kate Green]

In conclusion, Labour will support this statutory instrument today, but these measures alone are not enough. I urge the Minister to be bolder and to act now to help all those redundant apprentices and those in limbo, so that they can use their much needed skills to help to rebuild our economy, something she rightly says she wants to achieve.

2.43 pm

Jonathan Gullis (Stoke-on-Trent North) (Con): It is a pleasure to serve under your chairmanship, Ms Elliott.

I would like to say that this is a fine statutory instrument that we need to come in. In Stoke-on-Trent North, Kidsgrove and Talke, 570 young people are undertaking their apprenticeships at this moment in time, and it will be a huge relief to them to know that if, God forbid, the worst-case scenario happens and they are made redundant, having committed so much to their apprenticeship, they will now have this safety net to ensure that qualification—which, sadly, is not regularly taken up in my constituency; in terms of level 3 or level 4, west Staffordshire is well below national averages. This will cause a huge sigh of relief.

I will also mention that yesterday we saw the Government announce the change to the apprenticeship levy, which is a huge step forward with regard to apprenticeships. At the moment, small and medium-sized businesses struggle to access properly the funding and support in place for apprentices. That change would go a long way to ensure that apprenticeships become a more viable option for businesses. Sadly, the stats show that the number of apprenticeships was dropping before coronavirus, which is something that we in this House need to urgently address. Young people in what are now nicknamed blue wall seats, who I proudly represent, do not normally see university as a viable option and in some cases need the money to support their family while getting on to the career ladder. Apprenticeships are a huge opportunity for them.

I urge the Minister to think about how the apprenticeship scheme could be tied into the superb kickstart scheme that the Chancellor announced. Although I appreciate that the scheme is a short-term measure, the Government should certainly consider it as a longer-term solution and a step towards an apprenticeship. Many young people need to understand why doing an apprenticeship is beneficial.

We have had a big focus on apprenticeships at the higher end with degree apprenticeships. I urge the Minister that level 2 and level 3 apprenticeships have their place, especially in areas such as Stoke-on-Trent, where young people are sadly not leaving school with the grades that we would like to see compared with national averages and are not ending up in the destinations that we would like to see either. In Stoke, we earn £100 less per person on average than elsewhere in the United Kingdom.

This is a fine piece of legislation and I am glad it has been brought forward. I appreciate that things take time as we are in a global pandemic. We also have to make sure that all the relevant bodies are happy and that future employers are satisfied with the fact that someone who has completed only 75% of their course is actually at the right level. I thank the Minister for her work and

for her sterling performance at the Education Committee yesterday. I look forward to more innovative legislation in future.

2.46 pm

Gillian Keegan: I thank the hon. Member for Stretford and Urmston for her comments. I also thank my hon. Friend the Member for Stoke-on-Trent North, who is as passionate as I am about apprenticeships. They are a brilliant way for young people to get the skills that are relevant to the workplace.

Those 570 apprentices in Stoke-on-Trent have made a good decision and we will be there to make sure that it pays off for them. The increasing focus on small and medium-sized companies is vital, because areas such as Stoke have a lot of employers in that bracket, which is why we need to make sure that the apprenticeship system works well for them and for all young people in Stoke-on-Trent so they get that opportunity.

In relation to my hon. Friend's comments on kickstart and the apprenticeship scheme, they are designed to work together. We expect young people who benefit from kickstart to be taken on and employed full time or to go into the apprenticeship system, learn new skills and progress in the workplace.

Kate Green: I, too, was interested in what the hon. Member for Stoke-on-Trent North said about the kickstart scheme, because obviously, ideally, there would be a continuum from kickstart to apprenticeship. Will the Minister commit to publishing indications of the journeys that those who begin on kickstart make so that we can see if they do indeed transition into apprenticeships? There is a real concern that the financial incentive for some employers is simply to do the kickstart element at the expense of offering a much richer and more valuable career through an apprenticeship. Obviously that would be of concern to the Minister, as it is to us.

Gillian Keegan: I know that there has been a question about the eligibility for kickstart and apprenticeships and how those two schemes work together, but they do work together because they have different eligibility criteria. For example, to take part in the kickstart scheme, someone would usually be unemployed already and receiving universal credit, as well as meeting other criteria.

It is important to make sure that those opportunities work well together, which is why we are very much focused on the quality of apprenticeships as well. We look at and publish the destination data, certainly for apprenticeships. The kickstart scheme is run by the Department for Work and Pensions, but I am sure that it will look at destination data, because it is a huge investment and it is important that we get it right.

I thank Committee members for their contributions to the debate. I am delighted that apprenticeships seem to be hugely popular. People are focused on understanding how we can improve them, how we can improve the system, how we can create more of them and how we can make sure that every young person is aware of them, because we know that some young people do not hear about those fantastic opportunities to train and have career-led study until it is too late.

The hon. Member for Stretford and Urmston asked about the length of time that this process has taken. Obviously, the initial focus was on making sure that every apprentice could move their training online. That was really the first focus, because during the lockdown—the first phase of this pandemic—nobody was able to go anywhere, and we did not know how long that lockdown was going to last. So, the initial focus was on making sure that the furlough scheme applied to apprentices, and that they could continue their training and access it at home.

The redundancy support package that we already had was for those apprentices who had less than six months of their apprenticeships to go. During that period of the lockdown, very few apprentices were made redundant, because obviously the furlough scheme was in place, it was very generous and it provided ongoing support. However, the hon. Lady mentioned the British Airways worker. I actually spoke to British Airways about some of their apprentices and some of the apprenticeship changes that they were making, because clearly the business has been absolutely devastated by coronavirus; there is no getting away from that for airports and airlines.

The British Airways scheme really depends on the length of the apprenticeship. Most of the BA apprenticeships were for less than two years; in fact, a lot of them lasted for only one year or less. So, if apprentices still had six months of their apprenticeship to go, they could continue to the end-point assessment. And I believe that BA also decided to transfer some of the apprentices into their cabin crew, to make them full-time, and to bring that scheme forward as well.

The end-point assessment is the most important thing for people on the apprenticeship scheme, so that they can demonstrate the skills, knowledge and behaviour that they have learned, and those skills are transferable, so these apprenticeships still have currency. It is important that we get that balance right.

As for how the service—the job-sharing service—will work, the first aspect is making sure that we write to all employers, ensuring that they know it is available and encouraging them to bring forward any vacancies they have. The next step is to ensure that we also look after the apprentices. So, we are in contact with apprentices. If they make it known that they are redundant, we offer the service to them and we will also keep in contact with them later to check on how they are doing and to find out whether they have got a job. I believe I am right in saying that the service is run by the National Careers Service, and there has been more investment in the National Careers Service overall to ensure that it has the capacity to deal with this.¹

The hon. Lady mentioned Hannah and, yes, I very much enjoyed speaking to Hannah on “Any Questions?” I will just relate this legislation to Hannah’s case. She was at the end of a three-year gas engineering apprenticeship. If she had been, say, two years and three months into that apprenticeship, this legislation would have made the difference for her. Without it and before it, Hannah could have done two years and three months of her apprenticeship and then, although she would have a partial completion record, she would not have been able to complete the apprenticeship. This measure would allow her to complete.

Regarding the end-point assessments, the vast majority of them happened, whether remotely or in some other way. The institute—the Institute for Apprenticeships and Technical Education—and the awarding organisations went through every single apprenticeship standard, and as many end-point assessments as possible took place.

However, there were some apprentices who could not complete their end-point assessments, as I explained to Hannah. She asked why a predicted grade could not be used for her apprenticeship. However, there are certain professions, such as being a gas engineer, where we absolutely need to check the competency of somebody to practise. The end-point assessment is a licence to practise, including dealing with some very dangerous substances and materials, and there are a number of apprenticeships that fit into that category. With those, we regretfully had to delay the end-point assessment because it had to be done in person.

Now that colleges are back and now that independent training providers are back, the hon. Lady is right that it is perfectly viable for those end-point assessments to be made and they are now taking place. We have a team of people in the Department who are in touch with Hannah and her training provider, to make sure that she will get her end-point assessment.

The other thing I would say is that Hannah will be a qualified gas engineer quite soon and there is a great demand for them. The hon. Lady talked about skill shortages and there is a great demand for qualified gas engineers. I believe that somebody phoned into the programme to offer her a job; it was not near where she lives, but that still shows the demand for her skills. So, I am very confident that she will have a lot to offer the workplace. Nevertheless, we really need to ensure that, where someone will be operating dangerous equipment or using other things that can endanger themselves or someone else if they do not have the required competency levels, we do not take any risks with that.

As for skills shortages, we ought to remember that before coronavirus we had 3.8% unemployment in this country and massive skills shortages. In my first six weeks as the Minister with responsibility for apprenticeships and skills, I spent all my time talking to various sectors about the tens of thousands—even hundreds of thousands—of vacancies in their particular sector. That is why yesterday’s announcement was so important, with respect to how we help people affected by coronavirus, where their sector has been badly hit and may take longer to recover—or may, indeed, not recover to the full extent—into areas where there are massive skills shortages. That will still go on.

The hon. Lady mentioned setting up a skills shortage taskforce. We have many initiatives to focus on skills shortages and on trying to match people at risk of redundancy, or who are made redundant, with the relevant areas and with the right training, whether through the apprenticeship system, online, through a full-time course or even, now, a boot camp—or via any of the other schemes that we have put in place.

Those initiatives are run with the mayoral combined authorities, local enterprise partnerships, local authority groups and employer groups. We have them in construction, the creative industries, engineering, shipbuilding and green jobs, to name just a few.

1. [Official Report, 7 October 2020, Vol. 681 c. 8MC.]

Jonathan Gullis: I should like to give an example of that from Stoke-on-Trent. Staffordshire chamber of commerce is acting as the main focal point, working alongside Stoke-on-Trent College to ensure that people who are falling through the gap can get access to businesses, which are recruited by the LEP and Stoke-on-Trent City Council to engage with the chamber of commerce. It is also getting local Jobcentre Plus offices to ensure that anyone who has come on to their books recently or who fits the criteria is sent to engage with the college and start the process that will hopefully find them an apprenticeship. Does the Minister agree that that is the kind of thinking we need, and that it is up to areas where local governing bodies have the data to find such creative solutions?

Gillian Keegan: I absolutely agree. We all have to work together. These are extraordinary times and they demand extraordinary action. I am grateful to my hon. Friend for mentioning the chamber of commerce, because it is vital in delivering that service across the country.

We all hope that redundancy will be a fate faced by as few apprentices as possible, but businesses face enormous challenges and we need to be prepared to support apprentices as far as we can, while protecting the integrity of apprenticeships and the mark of quality that they now represent to employers. By supporting the regulations today we can increase the number of apprentices who can complete their apprenticeship in the event of redundancy, recognising the sustained commitment that those individuals have made to their training over months and years. That will make a huge difference to them and enable them to make a full contribution to developing the skills that our businesses and country need to recover and thrive in the future.

Question put and agreed to.

Resolved,

That the Committee has considered the draft Apprenticeships (Alternative English Completion Conditions and Miscellaneous Provisions) (Amendment) (Coronavirus) Regulations 2020.

2.58 pm

Committee rose.