PARLIAMENTARY DEBATES

HOUSE OF COMMONS
OFFICIAL REPORT
GENERAL COMMITTEES

Public Bill Committee

INSTITUTE FOR APPRENTICESHIPS AND TECHNICAL EDUCATION (TRANSFER OF FUNCTIONS ETC) BILL [*LORDS*]

Second Sitting

Thursday 13 March 2025

(Afternoon)

CONTENTS

CLAUSES 4 TO 10 agreed to.
Adjourned till Thursday 20 March July at half-past Eleven o'clock.
Written evidence reported to the House.

PBC (Bill 184) 2024 - 2025

No proofs can be supplied. Corrections that Members suggest for the final version of the report should be clearly marked in a copy of the report—not telephoned—and must be received in the Editor's Room, House of Commons,

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Monday 17 March 2025

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The Committee consisted of the following Members:

Chairs: † Sir Christopher Chope, Gill Furniss

Brewer, Alex *(North East Hampshire)* (LD)
† Cox, Pam *(Colchester)* (Lab)
† Daby, Janet *(Parliamentary Under-Secretary of State for Education)*
† Dean, Josh *(Hertford and Stortford)* (Lab)
† Edwards, Lauren *(Rochester and Strood)* (Lab)
† Foxcroft, Vicky *(Lord Commissioner of His Majesty's Treasury)*
† Gelderd, Anna *(South East Cornwall)* (Lab)
† Hinds, Damian *(East Hampshire)* (Con)
† Ingham, Leigh *(Stafford)* (Lab)
† O'Brien, Neil *(Harborough, Oadby and Wigston)* (Con)
† Onn, Melanie *(Great Grimsby and Cleethorpes)* (Lab)
† Paul, Rebecca *(Reigate)* (Con)
† Sollom, Ian *(St Neots and Mid Cambridgeshire)* (LD)
Spencer, Patrick *(Central Suffolk and North Ipswich)* (Con)
† Strickland, Alan *(Newton Aycliffe and Spennymoor)* (Lab)
† Swallow, Peter *(Bracknell)* (Lab)
† Turner, Laurence *(Birmingham Northfield)* (Lab)

Aaron Kulakiewicz, Chris Watson, Adam Evans, *Committee Clerks*

† attended the Committee

Public Bill Committee

Thursday 13 March 2025

(Afternoon)

[Sir Christopher Chope *in the Chair*]

Institute for Apprenticeships and Technical Education (Transfer of Functions etc) Bill [*Lords*]

2 pm

Clause 4

Preparation of standards

Neil O'Brien (Harborough, Oadby and Wigston) (Con): I beg to move amendment 3, in clause 4, page 2, line 6, at end insert—

> "(3B) A group of persons under subsection (3) must include a representative from an organisation that is the representative body for a sector."

The Chair: With this it will be convenient to discuss the following:

Amendment 4, in clause 4, page 2, line 6, at end insert—

> "(3B) When approving a standard under subsection (3), the Secretary of State must have regard to the reasonable requirements of—
>
> (a) industry, commerce, finance, professions and other employers regarding education and training, and
>
> (b) persons who may wish to undertake education and training."

Clause stand part.

Amendment 5, in clause 5, page 2, line 32, at end insert—

> "(6B) A group of persons under subsection (6) must include a representative from an organisation that is the representative body for a sector."

Amendment 6, in clause 5, page 2, line 32, at end insert—

> "(6B) When approving a standard under subsection (6), the Secretary of State must have regard to the reasonable requirements of—
>
> (a) industry, commerce, finance, professions and other employers regarding education and training, and
>
> (b) persons who may wish to undertake education and training."

Clause 5 stand part.

Neil O'Brien: Clauses 4 and 5, to which our amendments apply, allow the Secretary of State to prepare, respectively, either a standard or an apprenticeship assessment plan on her own. She can do that as long as she is satisfied that it would be more appropriate for the standard to be prepared by the Secretary of State rather than a group of persons. The Government say that a group of persons will normally be consulted, but the Bill does not specify who will be consulted when it refers to "a group of persons". That lack of detail is concerning, and our amendments seek to rectify it.

In its written evidence to the Committee, the Royal Society of Chemistry said that it feels that

> "some of the mechanisms put in place by IfATE should be retained. The concept of engaging with employers and other stakeholders in relationship to development of apprenticeship standards and technical qualifications is well founded and valuable."

One of the central pillars of IfATE was its focus on employer and business needs to create and maintain suitable qualifications to equip people for the world of work. As such, we recognise the importance of keeping that focus to ensure that businesses can still trust the qualifications, so that they continue to invest in the future generation of employees.

The Bill, however, gives very wide-ranging powers to the Secretary of State without maintaining those clear external links and the accountability that they help to provide. That is potentially damaging to the status of these qualifications. Amendment 3 states:

> "A group of persons under subsection (3) must include a representative from an organisation that is the representative body for a sector."

Amendment 4 says:

> "When approving a standard under subsection (3), the Secretary of State must have regard to the reasonable requirements of—
>
> (a) industry, commerce, finance, professions and other employers regarding education and training, and
>
> (b) persons who may wish to undertake education and training."

I will not read out amendments 5 and 6 because they just repeat the same things in relation to clause 5.

One would think that the amendments are pretty uncontentious, and I hope that the Government will be able to accept them. It is not at all obvious to me why they would be any problem, but the Minister in the Lords seemed resistant to these ideas, arguing that this would be a "constraint in the system" that would slow down "groups coming together". It is not at all obvious to me why it would slow things down.

The power to make standards and assessment plans alone is not something that we would ever accept for academic qualifications. The Secretary of State would not be allowed to write the national curriculum for, let us say, GCSE Geography and then take on the role of the examining boards—OCR, Cambridge Assessment or whatever—and turn it into a specification. We would not accept it if she took on the role of Ofqual and was in charge of marking her own homework and deciding whether the standards were comparable to similar things. Yet, under the Bill, that is exactly what we will be able to do on the technical side. As my right hon. Friend the Member for East Hampshire pointed out earlier, this is another difference in parity of esteem between the technical and academic sides. The Secretary of State will be able to be judge, jury and executioner in this legislation.

When asked for an example of when the Secretary of State's power to go it alone and write things herself will be used, the skills Minister told peers that it could be used to

"update standards for emerging or rapidly developing occupations, such as those in the digital sector."—[*Official Report, House of Lords,* 21 November 2024; Vol. 841, c. GC108.]

Personally, I do not find that very reassuring. Having seen Governments and civil servants struggling with the implications of new technologies, it might be an example of where there is more cause to work with others who know the industry well rather than go it alone. I am not sure that that is the example that I would pick to show why this is a good idea. The Cross-Bench peer Baroness Wolf noted:

"I was staggered when I was working as an expert adviser in government to discover, for example, that most people in the apprenticeship division in the DfE had been in their jobs for only a couple of years. There were some wonderful people, but there was no real collective memory of why things had gone wrong before. That is why you have to make it clear in legislation that, as Skills England goes forward and as, particularly in this context, its apprenticeship functions go forward, it has to involve everybody, even though it takes longer".—[*Official Report, House of Lords,* 21 November 2024; Vol. 841, c. GC104.]

All of this matters because the framework document, which has now been published and which I have here, is at best vague and at worst silent on the involvement of employers. There are some vague statements in the section on aims. It says that employers will be engaged in the preparation of standards and so on, but it does not say how. The rest of the document does not refer to this. The section on the responsibilities of the chief executive focuses just on their role as the accounting officer, in relation to the board and in relation to their responsibilities to the Department for Education. There is no mention of employers. There is no explicit reference in the section on the purposes of the new agency; there is just the reference that I have mentioned. If I were an employer, I might be concerned by that. We have this strange proposal that the Secretary of State will just be allowed to write everything herself, whenever she believes that it is advantageous to do so.

With our amendments, we are not trying to stop that, although we are very sceptical about it. We are just trying to specify the sorts of people who will be involved. It is our way of encouraging the Government to be much clearer than they have been, in the framework document or anywhere else, about how they will maintain IfATE's focus on involving employers in drawing such things up; that was really its purpose. Our concern is to ensure that politicians who have some foible of their own—some idea or bee in their bonnet—do not impose what they want without listening to industry. That might not be current Ministers; it might be future Ministers. That is why we tabled these amendments. Perhaps the Minister will reassure us on that point, and perhaps she will even accept the amendments.

Ian Sollom (St Neots and Mid Cambridgeshire) (LD): It is a pleasure to serve under you, Sir Christopher. I would like to express Liberal Democrat support for the amendments tabled by the hon. Member for Harborough, Oadby and Wigston. They address a critical weakness of the Bill, namely the lack of any concrete requirement for the Secretary of State to engage meaningfully with employers or industry bodies when preparing standards or apprenticeship assessment plans.

Although the current system is far from perfect, one strength of that system lies in its connection to industry needs. Employers understand better than anyone else the skills required for their sectors, and their involvement is essential to maintain the credibility and relevance of standards and assessment plans. Without those safeguards, there is a risk that over time the standards and assessment plans could become disconnected from workplace realities, and that would undermine the value of apprenticeships and technical qualifications for both employers and learners. There really should not be a problem with maintaining that link, and that is why we support the amendments.

Damian Hinds (East Hampshire) (Con): It would be difficult to overstate the centrality of employer involvement in setting standards for technical and vocational qualifications. Earlier I mentioned Lord Sainsbury's report and its finding that the then system of qualifications and courses had become "divorced" from the occupations that it was meant to serve. Several things are different about T-levels, compared with their predecessor qualifications. There is more time in college. There is English and maths and digital, alongside the core vocational discipline.

When we talk to young people, however, they talk about two real differentiating, distinguishing factors that motivated them to do T-levels. The first is the industrial placement—nine weeks of actual work in an actual workplace—which also appeals very strongly to employers, because it is like a nine-week job interview. It is a fantastic way to see people coming through. Employers are investing in the next generation, but they are also getting to figure out which of the next generation they most want in their business. It is a way to instil so-called soft skills—there is nothing soft about soft skills—which are sometimes called employability skills. When employers talk about the education system and about people who are taking their first job, the thing they complain about most is the lack of such development, and all that can be helped during the industrial placement.

The second distinguishing factor that people talk about is that they know that T-level standards have been designed by those that they want to go and work for. They have been designed by leading employers in the sector, and they have to be kept up to date.

Clause 4 says that the Secretary of State may herself prepare standards, instead of a "group of persons". It is worth dwelling on that. I am sure everybody knows this, but "group of persons" is a funny old phrase, because in this context it means employers. The clause says that the Secretary of State may insert herself into the process instead of that group of persons if she is

"satisfied that it would be more appropriate".

The same is true for clause 5, on assessment plans.

When the Bill was debated in the other place, Government amendments were made to try to calm concerns and answer some of the questions that were raised. Lords amendments 3 and 6—the Government amendments—appear here as clauses 4(5) and clause 5(5). They state that Ministers will publish something about the things that the Secretary of State takes into account in making a judgment about whether she, rather than the group of persons—employers—will set the standards.

The suggestion from Ministers is that that would be interpreted in a very minimalist way. I am not doubting that, but at the moment it is only a suggestion, so we do not know. In other words, the Secretary of State would

[Damian Hinds]

supplant businesses and employers only in the case of something minor—I say "minor", but it may be an important thing—in its effect on the standard, such as a change in the regulation. I am still a little nonplussed, because I do not know why we would not want employers to be involved in working out what even a change in regulation would mean for what somebody doing this qualification would learn and how they would go about it.

Will the Minister tell us what reason there could be for not wanting employers to be involved in setting those standards? Does she perhaps have a mountain of evidence showing hold-ups in standards because all these regulatory changes have had to be reflected in standards for qualifications and it has been impossible to do so?

As my hon. Friend the shadow Minister said, in the case of rapidly changing occupations, it might be necessary for the Secretary of State to sign off changes so that they can happen quickly. But the most rapidly changing occupations and sectors—things such as advanced electronics or artificial intelligence—are probably the last ones for which we would want to say, "Let's take employers out of the equation and let Government make the changes." Generally speaking, employers are much quicker at spotting the changes that are needed and pushing for them.

Amendments 3 and 5, in the name of my hon. Friend the shadow Minister, specify that the group of persons should include

"an organisation that is the representative body for a sector."

That seems a very sensible and almost unarguable proposition. Amendments 4 and 6, in my hon. Friend's name, require the body to take account of the needs and interests of both employer and employee. I was trying to imagine whether, if we were having this debate in a committee room of the Bundestag, we would really be debating whether the remit of the group of persons should include considering the needs of both employer and employee; and whether leading employers from those sectors should be included in the design of the qualifications. I suggest not.

2.15 pm

Janet Daby (Lewisham East) (Lab): Through this Bill, we are making a small number of targeted improvements that enable flexibility and support employers to engage in the design of standards in an appropriate way, by focusing their time and effort where it is most needed. Clause 4 amends a requirement for occupational standards to be prepared by a group of persons, by making it subject to a power for the Secretary of State to create and update standards in circumstances where it is appropriate to do so. Clause 5 does the same in regard to the preparation of apprenticeship assessment plans.

I can assure hon. Members that the default position will remain that in the majority of cases, groups of persons will prepare standards and apprenticeship assessment plans. Only when the Secretary of State is satisfied that it is more appropriate for them to prepare a standard or assessment plan than for a group of persons to prepare it will the Secretary of State do so. To ensure transparency, the Secretary of State will publish information about matters that they will take into account when making the decision to prepare a standard or assessment plan without a group of persons.

Damian Hinds: Why not just do that now? How hard is it to figure out the list of criteria that might weigh on the Secretary of State's mind? Why must we have a statement about a future statement? Why can the Government not say now what those criteria would be, before the Bill completes its passage through the House of Commons?

Janet Daby: As I progress, I am sure the right hon. Gentleman will understand more about why we have chosen this direction of travel. My understanding is that this is a response to an amendment from the Lords, and the Secretary of State is being as transparent and open as possible during the process. As I continue to speak, the right hon. Gentleman will understand why—

Damian Hinds: I may or may not.

Janet Daby: Indeed. I will endeavour to explain why a statement now is not the most appropriate thing. It is likely to be appropriate for the Secretary of State to use the power to prepare a standard or assessment plan in scenarios where using a group would be disproportionately onerous; where it would be unnecessary, because only simple corrections were required; or where it could create undue delays. That might include creating or updating standards to align with industry-recognised qualifications or statutory requirements.

Neil O'Brien: The Minister talks about using this power where there is "undue delay". What is an undue delay? What would be too long, roughly?

Janet Daby: One reason why we have this Bill is because we recognise that the skillset is changing very quickly, and we in England need to keep up with that. Therefore, we must ensure that there is no delay so that people have the skills to get into the jobs that are required. We have a skill shortage and we need to respond, and the Bill enables us to do that. We want to avoid delays so that the standards can be set and things can be done in a manner that enables people to undertake the training they need.

Neil O'Brien: The Minister is worried about undue delays, but what is the timeframe for an undue delay? Is she worried that something will be held up by a week or a month?

Janet Daby: If the shadow Minister will bear with me, I will present an example scenario, from which I hope he will recognise that there could be delays in some niche situations. Scenarios in which it is likely to be appropriate for the Secretary of State to use the power to prepare a standard or assessment plan are those where using the group would be disproportionately onerous; where it would be unnecessary, because only simple corrections were required; or where it could create undue delays, as I have said. That might include creating or updating standards to align with industry-recognised qualifications or statutory requirements.

For example, the dental hygienist occupation is regulated by the General Dental Council. That means that competence is tightly defined and does not need to be separately considered by a group of persons approved by IfATE. However, the current legislation means that a group of persons must be in place to prepare the standard, despite that being unnecessary and duplicative. With regard to assessment plans, the nuclear industry provides an example of where there is strong support for apprenticeships but limited capacity to engage in the development of multiple training products simultaneously.

As I have outlined, clauses 4 and 5 make crucial changes to bring flexibility to support employers and other experts to engage in the design of apprenticeships and technical education in a proportionate way, by focusing their time and effort where it is most needed. I therefore ask the Committee to support these clauses.

Amendments 3 and 5 would prescribe in legislation a particular type of person to be included in a group of persons to prepare a standard or an assessment plan. These matters were raised several times in the other place. Our position remains clear: specifying criteria in primary legislation would introduce new and unnecessary constraints on the structure of groups, prioritising the expertise of certain types of organisation above others. It would make the process for forming groups slower and more onerous, reducing the speed with which important skills gaps are plugged. Delays are not in anyone's interest, not least learners or employers.

The existing legislation does not include criteria on how a group is formed to prepare a standard or an assessment plan, or who specifically should form part of a group. Different expert voices have a role to play in different circumstances. IfATE is under an existing duty to publish information about matters that it will consider when deciding whether to approve groups of persons responsible for preparing a standard or an assessment plan. That, in effect, shapes how a group is convened and which types of organisations most commonly participate. This ensures that groups are inclusive and independent, and the existing duty is being transferred to the Secretary of State unchanged. Flexibility is essential to ensure that a group of persons always reflects the particular circumstances that require it to be formed.

Amendments 4 and 6 would create a statutory duty on the Secretary of State to have due regard to the reasonable requirements of industry and those who may wish to undertake training when considering whether to approve a standard or assessment plan, where it has been developed by a group of persons. The Secretary of State is already subject to a general public law duty, which requires them to take into account all the relevant considerations before taking decisions relating to the functions for which they are responsible. There is therefore already a requirement that, when executing the functions described in the Bill, the Secretary of State considers and balances the needs of different users of the system, such as those outlined in the amendments. In fact, the public law duty is broader than the factors listed in the amendments, and it includes consideration of value for money and quality.

I assure Members that the consultative approach taken by IfATE to developing standards will not change as a result of the Bill transferring functions to the Secretary of State. New standards and those that have undergone material revisions will continue to be published online for comment from any interested parties before approval, and existing duties to publish information about matters that will be considered when approving groups and standards will transfer from IfATE to the Secretary of State unamended.

Amendments 4 and 6 are therefore duplicative of existing duties on the Secretary of State, which will be fulfilled by Skills England. For those reasons, I ask the hon. Member for Harborough, Oadby and Wigston not to press the amendments.

Neil O'Brien: I can hear that there is a case for some of the Minister's arguments. Where there are only minor or technical changes, I understand the point about not needing a group of people. However, I have not heard anywhere in the Minister's comments, or in the other place, any sense that there would be some great delay or problem introduced by talking to people in industry. That shred of evidence has never been produced during this process.

But it is clear that the Minister's intent is not just that. This will be not just be about situations where there are minor or technical changes or a very clear third party body, as in the dentistry example. There are other examples, including the tech sector, where we hear the comment, "We want to be able to do things really quickly." I can see the attraction politically of a dynamic young Minister wanting to come up with some new whizzy thing. That is exactly where problems come in. We also heard the example about the nuclear industry, where it was said, "The industry is not able to participate in drawing up the standards for itself. Therefore, we will just crack on with it without them." What a curious argument, and it is not a reassuring one, particularly for something as serious as the nuclear industry.

I am keen to press our amendment 4 to a vote. I hope that Ministers will reflect further on the whole run of what the Government have been doing on apprenticeships. Combined with what is happening with IfATE, that is causing a lot of concern.

Janet Daby: It might be helpful for the hon. Member to know that where an occupation is regulated, the requirements for assessing competence are tightly defined and cannot be deviated from. For example, for the paramedic apprenticeship, where the occupation is regulated by the Health and Care Professions Council, it is not necessary for a group in such circumstances to prepare a standard, and the process for producing an assessment plan would therefore be significantly sped up by not requiring a group of persons to form and undertake the work. Existing legislation means that a group of persons would still need to be in place in such instances, which is unnecessary and duplicative in practice.

Neil O'Brien: That is exactly the point I was making. In some instances, the Government can say, "Look, there is already this formal official third party"—perhaps a royal society or some part of the medical profession—"so we do not need this." I can see why the Government would write that into legislation, but Ministers' intent clearly goes beyond minor amendments and beyond instances where there is that other group, to instances where they will proceed without drawing up a group of people, in the interests of time or because it is a new and

[Neil O'Brien]

dynamic field. It is precisely because the Government have not defined the circumstances up front that I am keen to put our amendment 4 to a vote. I want to encourage Ministers to think more carefully about how—perhaps in the framework or elsewhere—they might, in response to the Lords amendment, more tightly define the circumstances in which they will, and more importantly will not, use the ability to go it alone. There is definitely a risk of politics getting in the way of good process and of mistakes being made that we will live to regret.

Damian Hinds: Even for highly regulated occupations and professions, there is still the question of how to transpose that into a set of standards for, say, an apprenticeship. The question then is: who is the person, or who are the people, best placed to work that out? I am not saying that it is not necessarily Ministers, but I have not heard anything slam-dunk convincing that it is Ministers, rather than the professional body.

Neil O'Brien: Sometimes professional bodies overlap, even in the medical profession. When I was a Health Minister, I was acutely aware of that. For example, there are two different ways to become a dentist in this country—there are two different professional bodies that can accredit someone. Were there to be a dispute between them, it might well be sensible to convene a group of persons. I am sympathetic to at least the argument that where we have a big professional body, that is less of a problem, but the problem is that this is not limited to just those instances.

Damian Hinds: Unsurprisingly, my hon. Friend makes a very good point. More generally, in legislation one obviously tries to make language as tight as possible, but subtleties in language and meaning still matter in how it gets interpreted. The way the clause is drafted—that the

"Secretary of State may prepare a standard if satisfied that it would be more appropriate"—

does not sound like a tiny number of exceptional cases. It sounds like a judgment that could be made in every case: "Do I think it is more appropriate that I do it?", or "Do I think it is more appropriate that we get somebody else to do it?" I just ask the Minister if the Government have considered using a different formulation in the wording. It could be something like, "That each standard must be prepared by a group of persons and then approved by the Secretary of State, unless it is necessary to do otherwise for the efficient operation or continuity of those courses and those qualifications."

Janet Daby: The default position will be for a group of persons, and that will always be the default position of the Secretary of State. The reason for that would be to make factual corrections, drawing on—*[Interruption.]* Hon. Members have mentioned this as well. Creating new standards would also be necessary in emerging occupations where there is sufficient high-quality evidence that training would be required but the occupation is not yet at a point of maturity, and where employers are able to invest sufficient time to produce the standard in the first instance, as well as for straightforward adjustments in knowledge, skills and behaviours.

2.30 pm

Neil O'Brien: This clause could be drafted very differently. It could say that where there are only minor or technical amendments to be made, or where we have a clear judgment from a single professional body about what is needed, the Secretary of State can prepare a standard. But that is not what it says—it just says that they can prepare the standard

"if satisfied that it would be more appropriate".

There is no constraint on this other than the Secretary of State's judgment—not even any lists of instances or types of things that it would apply to.

The Minister has just given us another good example of that: she says that the Secretary of State might want to create a standard when there is a new industry. Why on earth would they not want to speak to some people in an emerging sector, be it technology or anything else? It is a very strange argument to make for the open-ended nature of the clause as drafted.

We have all made our point. The Minister understands the argument we are making. The Government clearly want the power to be more expansive than we think is sensible. I am keen to press amendment 4 to a vote for that reason, and we will have to agree to disagree. I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Amendment proposed: 4, in clause 4, page 2, line 6, at end insert—

"(3B) When approving a standard under subsection (3), the Secretary of State must have regard to the reasonable requirements of—

(a) industry, commerce, finance, professions and other employers regarding education and training, and

(b) persons who may wish to undertake education and training."—*(Neil O'Brien.)*

Question put, That the amendment be made.

The Committee divided: Ayes 4, Noes 11.

Division No. 2]

AYES

Hinds, rh Damian
O'Brien, Neil
Paul, Rebecca
Sollom, Ian

NOES

Cox, Pam
Daby, Janet
Dean, Josh
Edwards, Lauren
Foxcroft, Vicky
Gelderd, Anna
Ingham, Leigh
Onn, Melanie
Strickland, Alan
Swallow, Peter
Turner, Laurence

Question accordingly negatived.

Clause 4 ordered to stand part of the Bill.

Clause 5 ordered to stand part of the Bill.

Clause 6

Reviews

Question proposed, That the clause stand part of the Bill.

Janet Daby: Clause 6 amends the requirement to review technical education qualifications, standards and apprenticeship assessment plans at regular and published

intervals by removing the requirement to publish information about the intervals at which reviews will be conducted.

There is no change to the broader review requirement. The Secretary of State will still be required to maintain arrangements to review approved technical education qualifications, standards and apprenticeship assessment plans with a view to determining whether they should be revised, be withdrawn or should continue to be approved. Removing the requirement to publish information about the intervals at which reviews will be conducted will allow the Secretary of State to determine when reviews of technical education qualifications, standards and apprenticeship assessment plans should be carried out based on need, rather than a fixed review point.

The clause will allow the Secretary of State to review technical education qualifications and over 700 high-quality occupational standards and apprenticeship assessment plans more frequently where occupations evolve quickly, such as in digital. That will ensure that technical education qualifications, standards and apprenticeship assessment plans are kept up to date, coherent and relevant. It will also allow the Secretary of State to take a targeted approach to reviews, tackling issues such as low achievement rates and out-of-date knowledge, behaviours and skills. Without the clause, technical education qualifications, standards and apprenticeship assessment plans would need to be reviewed at published intervals rather than based on need. That would prevent resources being deployed effectively to ensure that technical education qualifications, standards or apprenticeship assessment plans are kept relevant and up to date as required.

For example, training providers and assessment organisations have reported difficulties with delivering the installation and maintenance electrician and domestic electrician apprenticeships. Both are focused on critical occupations in priority sectors and in delivering the Government's home building target. In such instances, revision of the standards and assessment plans is likely to be needed before a fixed review point. The clause means that issues can be addressed quickly to support improved delivery of apprenticeships for the benefit of delivery partners and learners, and I commend it to the Committee.

Neil O'Brien: This is one of the strangest bits of the Bill. It is pretty baffling why the Government do not want to regularly review the approval of technical educational qualifications. Without rigorous independent oversight, there is obviously a risk that standards for technical qualifications could be lowered or might not stay as relevant as possible.

In its written evidence, the Royal Society of Chemistry stated:

> "We have concerns about the removal of structured reviews of standards. The very nature of sectors such as science mean the skills required evolve quickly. Not reviewing the necessary skills that apprentices need to carry out roles will be detrimental to the workforce and certainly narrow the opportunities for those apprentices in the long term."

We also have concerns about the clause, which deletes the requirement that things are updated "at regular intervals". It is not the most arduous requirement of all time on Government, but regular reviews are not just a bureaucratic exercise. They guard against complacency and stagnation, and ensure that technical qualification standards stay fit for purpose. Without that, there is a risk that they become less and less relevant to the needs of employers and learners.

This also sets up a slightly strange conflict. Are the Government not placing an undue burden on those who are directly involved in the design and delivery of standards to act as their own assessors? That lack of external scrutiny could lead to a decline of trust among stakeholders, both learner and employer.

I do not understand, from what the Minister has said, why the Government think that this level of scrutiny is too much. The requirement is to update things "at regular intervals"—it does not say "every two weeks" or "every six months". It says regularly. This is not a wild bureaucratic requirement to keep things up to date. I do not understand why this is a thing that must be zapped. As far as I can see, the only golden thread running through DFE legislation at the moment is a sort of maximisation of the power of officials and the minimisation of any constraints on them.

I do not understand why the clause is necessary. I understand that in some areas, the review might be very light touch—there might be a review and the decision is not to do anything. On Second Reading, the Minister committed to publishing information about the intervals for review. What will they be? What is the plan? If we are getting rid of the requirement for regular reviews, how often will they be? What is the process of review going to look like? Independent reviews can provide very valuable feedback to policymakers and training providers, which may not necessarily be obvious to Ministers who do not follow the ins and outs of an industry every single day.

Clause 6 risks eroding the quality of and confidence in technical education qualifications. By removing a statutory requirement for independent review, we risk reducing the rigour that that brings, as learned bodies such as the Royal Society of Chemistry have pointed out. I just do not understand what problem Ministers are trying to solve by getting rid of a simple and basic requirement to review things regularly.

Janet Daby: The Secretary of State will still be required to maintain arrangements to review approved technical education qualifications, standards and assessment plans, with a view to determining whether they should be revised or withdrawn and whether the qualification should continue to be approved. The current approach to review is rigid and burdensome, given the volume of standards available. More than 700 high-quality occupational standards are now available following the introduction of the first in 2014 and IfATE being established in 2017.

Neil O'Brien: The Minister says that this is an excessively onerous requirement. Could she give us some sense of the volume of work required as a result of this section in the 2009 Act? What does "onerous" mean? How many are having to devote how many man hours to doing what? How many people are employed purely to do what? What is the evidence that this is "onerous"?

Janet Daby: If the hon. Gentleman will allow me to continue a bit further, I will explain.

[Janet Daby]

The current approach to review is too rigid and burdensome, given the volume of standards, assessment plans and technical education qualifications. It fails to recognise the differences in starts, achievement rates and rapid changes in skills needs, such as digital. Originally, it was expected that reviews would be carried out every three years, but with the proliferation of standards, assessment plans and technical education qualifications to review, IfATE was unable to maintain that cycle. Therefore, clause 6 will not remove the requirement of the Secretary of State to conduct reviews, but will allow them to be more targeted by prioritising reviews that are most needed rather than working to set intervals.

Neil O'Brien: The Government's argument is that the requirement to review—they do not have to rewrite, just review—qualifications every three years is excessive. I wonder whether that is really excessive in the eyes of most of the users and employers involved in these schemes. Elsewhere we have seen bureaucratic collapse, with the Office for Students halting the accreditation of new higher education institutions. That is not a good thing. It is a problem that needs to be fixed, rather than an excuse to get rid of that requirement. It is the same with clause 6. The Government are making a mistake on this, but we will not vote against it.

Question put and agreed to.

Clause 6 accordingly ordered to stand part of the Bill.

Clause 7

Examinations by independent third parties

Question proposed, That the clause stand part of the Bill.

The Chair: With this it will be convenient to discuss clause 8 stand part.

Janet Daby: Clause 7 amends the 2009 Act to substitute a requirement for independent third-party examination of all new standards and assessment plans for a discretionary power for the Secretary of State to make arrangements to do so. The default position will remain that the Secretary of State will make arrangements for independent third-party examination of new standards and assessment plans prior to their approval. The clause will provide an alternative approach in certain circumstances, where obtaining third-party examination is duplicative or not necessary.

We envisage scenarios where the Secretary of State is not likely to make arrangements for an examination. For example, in highly regulated occupations in the health sector, where the regulatory requirements for occupational competence must be reflected in the occupational standard and assessment plan, third-party review would be duplicative and an inefficient use of resources. Similarly, where a regulator is directly supporting the development of the occupational standard and apprenticeship assessment plan and can assure themselves that they will meet regulatory requirements, an independent third-party examination also becomes redundant.

The option not to arrange an independent third-party review may also be deployed where employers place a high value on a professional body's mandated qualification or key skills and behaviour learning outcomes, and the occupational standard adopts this very closely, such as the Chartered Institute of Personnel and Development and human resources standards. In such cases, an external review would be nugatory. That is also the case for emerging or highly specialised occupations, such as in the nuclear industry, where the group of persons preparing the industry represent the totality of interested parties. Without the clause, third-party examinations of all new standards and assessment plans would continue to be required in every instance, the delivery of which would not benefit the content but would act as a drain on time and resource.

2.45 pm

Clause 8 enables Ofqual to determine whether there should be an accreditation requirement in relation to approved technical education qualifications or those that the Secretary of State is considering approving, where the Secretary of State has notified Ofqual that it may do so. At present, Ofqual is prevented from making determinations on accreditation for technical qualifications. That means that, in respect of accreditation, technical qualifications are treated differently from academic qualifications. The clause will change that and ensure greater parity by enabling the Secretary of State, if it is desirable, to create a route to accrediting technical qualifications.

Clause 8 provides the Secretary of State with the discretion to determine, should it be deemed appropriate, that an exception could be granted to Ofqual being prevented from accrediting approved technical education qualifications. That would also apply in respect of technical education qualifications that the Secretary of State is considering approving. It will mean that Ofqual could exercise its power to determine whether an accreditation requirement should apply to technical education qualifications, subject to appropriate consultation. The Secretary of State could use that power, for example, when they determine that there needs to be a consistent tool to secure quality across academic and technical qualifications when they are taken by the same cohort of students. Without this clause, Ofqual would be unable to accredit technical education qualifications that are approved or pending approval, even when the Secretary of State and Ofqual take the view that it would be advantageous for the skills system, employers and learners.

I commend clause 7 and 8 to the Committee and ask that they stand part of the Bill.

Neil O'Brien: I want hon. Members to imagine a hypothetical scenario in which there is a future Government unrelated to this one. Let us say that that hypothetical future Government have passed a Budget that is a bit of a turkey, and it has not done good things to the economy. That hypothetical Government are taking a bit of money out of apprenticeships to spend it on other things, which is giving that Government a bit of a problem. That hypothetical future Government might—because unlike the current one, they do not have good intentions—be tempted to try to prop up apprenticeship numbers, and numbers relating to other technical qualifications, by debasing standards. It would be a problem for that

hypothetical future Government to have those independent examinations that clause 7 is getting rid of, because independent third parties would object to the debasement of standards. I will not labour the point.

Clause 7 would amend the Apprenticeships, Skills, Children and Learning Act 2009 to remove the requirement for independent third parties to examine occupational standards or apprenticeship assessment plans before approval. Once again, the Secretary of State—there she goes again—would have the power to make such an arrangement. The policy document explains that the clause would mean that the position on third-party examinations would change from being obligatory to being optional, so clause 7 would make it possible for no third-party examination of a standard or an apprenticeship assessment plan to be undertaken at all.

Once again, it is DFE maximalism and a move away from a super-rigorous, employer-led system. We want the technical education system to be like the Deutschmark rather than the Weimar currency, right? We want it to be like the gold coin that can be bitten down on. We want everyone to know that it is really good. All those things that might seem inconsequential or annoying to DFE officials are there for a reason. That is why there is independent assessment, and once again, it is being got rid of.

I will now turn to clause 8, which was the subject of great confusion and endless inquiry in the other place, with lots of very knowledgeable and learned peers trying to understand what the Government's intent was, what would be going on, and what the point of it was. I have read it all several times and I am not sure we really ever got to the bottom of it. Perhaps the Minister will help us to get the bottom of some questions about it today. Clause 8 amends the 2009 Act to specify that, when the Secretary of State deems it appropriate, Ofqual would have the discretion to exercise its accreditation power for technical education qualifications.

In the other place, the Minister gave the example that:

"the Secretary of State may deem it appropriate to ask Ofqual to consider whether imposing an accreditation requirement on the qualifications in question could help maintain their quality and signal to the wider system that they are broadly commensurate with other accredited qualifications in terms of rigour. For example, the Secretary of State could use this power in instances where it is important to ensure that students who opt into and successfully complete high-quality technical education qualifications are in no way disadvantaged as compared to their peers who pursue academic qualifications."—[*Official Report, House of Lords,* 21 November 2024; Vol. 841, c. GC122.]

That raises a number of questions. At present, we have a guarantee of quality through a legally independent institute with a very high level of employer ownership. If we are worried that, under this new system, users will require additional reassurance, that begs the question of why we are making this change. More practically, if some, but not all, technical qualifications will be accredited by Ofqual, and so will have that status, what impact will that have on perceptions of all the others that do not have that status?

The Skills Minister in the Lords talked about this provision being needed to show that high-quality technical education qualifications are equivalent to academic ones. There will now be this third category of technical qualifications, which are the really good ones that are Ofqual-accredited, so what are the other ones? It seems to me, although they do not say this, that the qualification that Ministers have in mind is probably T-levels, and I do not know quite why they are not spitting that out. Peers did not, I am afraid, get to the bottom of this question, but I hope we can today. What type of qualifications are Ministers really thinking of using for this? Why we would suddenly need this now, once we move from IfATE to Skills England, in a way that we did not before? Will we not end up creating two tiers of technical qualifications, where some are Ofqual-approved and others are not? Will there not be a perverse consequence from that?

Damian Hinds: Clauses 7 and 8 are grouped, and I am sure there is a reason for that, but it strikes me that they are quite different, and I want to say a word about both.

Clause 7 is about examination by independent third parties, which I think gives an opportunity to also talk about the overall principle of having independent evaluation of standards and making sure they are up to scratch. I am conscious that the hon. Member for Great Grimsby and Cleethorpes asked a question earlier, and we did not have the documentation to hand at the time, but I did not want to leave it hanging in the air. She asked specifically about whether the words that my hon. Friend the Member for Harborough, Oadby and Wigston, the shadow Minister, had used represented the exact phrase from the 2015 Ofsted report on the then apprenticeships regime. Helpfully, I have the precise words:

"Inspectors found that in a third of the 45 providers visited, apprenticeships did not provide sufficient, high-quality training that stretched the apprentices and improved their capabilities. Inspectors observed, for example, apprentices in the food production, retail and care sectors who were simply completing their apprenticeship by having existing low-level skills, such as making coffee, serving sandwiches or cleaning floors, accredited. While these activities are no doubt important to the everyday running of the businesses, as apprenticeships they do not add enough long-term value to the individual companies or tackle skills shortages effectively.

Some learners on low-level, low-quality programmes were unaware that they were even on an apprenticeship. As suggested by some learners during the survey, a question needs to be asked: are these apprenticeships worthy of the name?"

I mention that for two reasons. First, this was a question that came up. Secondly, it is very important not only that we pay close attention to this position at any one moment in time, but that we create a system that is self-regulating and that does not allow for standards to be eroded. Independence of the body setting the standards and independent third-party checking of the standards alongside leading employers, who will benefit from employing these people, is the surest way of doing that.

Clause 7 and the question about independent third parties examining occupational standards or apprenticeship assessments is a repeat of a debate we had on one of the earlier clauses. The probing arguments and challenges from us are the same as they were then. The Government say that third-party examination is not necessary in some sectors because, for example, in highly regulated occupations, the standard required is obvious—or, as the Minister said in the other place, because

"an external review would be nugatory."

Is there not still some value in independent verification of that? And, if there is going to be verification, are not those in the sector the people best-placed to do it?

[Damian Hinds]

Let me turn to clause 8. It is difficult, because in this place one does not want to reveal not knowing something, but I am nonplussed by this clause because, to be honest, I really do not know what is going on. The clause is about Ofqual and about why, and in what circumstances, it may accredit a technical qualification if the Secretary of State says that it is all right for it to do so. My hon. Friend the Member for Harborough, Oadby and Wigston said it seemed most likely that the Government have in mind T-levels, and asked whether they would just spit that out. That is one possibility. My worry is the opposite—actually, let us call it a question, not a worry, and make it a neutral term.

Ofqual already has a role in regulating T-levels—I was just reading the Ofqual page about how it is regulating the technical qualification element of T-levels. Now that the Government are saying that Ofqual can do that—if the Secretary of State says it is okay—does that mean that Ofqual might stop doing that, or that its approach for T-levels will be used for some other qualifications? That would not necessarily be invalid, but it would be a move away from the vision of Lord Sainsbury, who wanted a streamlining and simplification, and a broader understanding of technical and vocational qualifications, so that there would be an apprenticeship route and there would be a college-based route. Of course, there will always be some particularly specialist qualifications or students with special needs, for example, but for the majority of cases, the college-based route—these 15 routes—would be the T-level.

I wonder if, buried in this difficult-to-penetrate text, there is something that the Committee really needs to understand, but which, right now, I do not.

Janet Daby: I want to emphasise that no one is seeking to erode standards. We are seeking to improve the skills system. We recognise the need to move things on and to quicken up the process. This Government are entirely committed to doing that. We recognise the skills gaps and the need to ensure that people have the skills needed to get into the employment that they need. This is a Government who have a mission for growth and breaking down barriers to opportunities.

In clauses 7 and 8 we are seeking to move along the processes to make sure our system is more flexible and agile and can respond to markets, businesses and employers. In clause 8, in terms of Ofqual, we are not trying to create a two-tier system. The Bill would remove what is an unnecessary and blanket ban on the accreditation of technical education qualifications. There are of course then options for using the new flexibilities in accreditation, which will need to be considered in the interests of employers and learners. The Secretary of State will carefully consider when it may be appropriate for Ofqual to accredit technical qualifications.

With regard to clause 7, in certain circumstances, obtaining independent third-party examination of new standards and assessment plans is unnecessary or duplicative, wasting time and resources; we may need to move things on.

3 pm

Damian Hinds: If there is a blanket ban on Ofqual regulating technical qualifications, can the Minister explain why there is a page on gov.uk—unless someone has hacked it—entitled "Information on how Ofqual is regulating the technical qualification component of T Levels"?

Janet Daby: I thank the right hon. Member for raising that. Through clause 8, we are making sure that Ofqual can accredit technical qualifications where the Secretary of State deems it appropriate.

I thank Members for their contributions. Clauses 7 and 8 are essential in ensuring that Skills England has the flexibility to respond nimbly to an evolving skills system, and I therefore urge the Committee to support them.

Neil O'Brien: So far in the debate on clause 7, we have not heard any examples of the requirement for an independent assessment causing a long delay. I thought the Minister would give us an example of the introduction of such and such a qualification being delayed for a year because of the requirement to get an independent view on it, or qualification x being introduced 18 months later than it should have been because of the requirement for an independent examination of whether it was legit. If she has examples of any such problems, I am happy to take an intervention from her.

The requirement for independent bodies is quite a big safeguard to remove. We have the same safeguard with double belt and braces on the academic side, but for some reason it is not needed on the technical side. I do not know why, but as ever, it is not going to go to the ball.

If the Minister has any examples of the requirement causing big delays and being so awful that she has to be nimble, swashbuckling and able to bang all these things through, I would love to hear them. So far, we have heard no such examples, either in the other place or here. For that reason, I am keen to vote against clause 7 stand part.

The Committee divided: Ayes 11, Noes 3.

Division No. 3]

AYES

Hinds, rh Damian
O'Brien, Neil
Paul, Rebecca

NOES

Cox, Pam
Daby, Janet
Dean, Josh
Edwards, Lauren
Foxcroft, Vicky
Gelderd, Anna
Ingham, Leigh
Onn, Melanie
Strickland, Alan
Swallow, Peter
Turner, Laurence

Question accordingly agreed to.

Clause 7 ordered to stand part of the Bill.

Clause 8 ordered to stand part of the Bill.

Clause 9

Report on exercise of the Secretary of State's functions

Neil O'Brien: I beg to move amendment 7, in clause 9, page 4, line 13, at end insert—

"(c) the impact of the exercise of the relevant functions on the provision of level 7 apprenticeships in England".

The Government are completely reversing the direction of apprenticeships policy. Where we lengthened apprenticeships, they have cut the length of an apprenticeship to eight months. By abolishing IfATE and bringing it in house at the Department for Education, they are eroding independence and employer ownership. Where we grew higher apprenticeships, they are planning to abolish many or maybe even most level 7 apprenticeships, which have been carefully built up over recent years. Amendment 7 would require a report on those level 7 apprenticeships.

For decades and decades, politicians have stood up and said that they wanted to make apprenticeships, and technical education generally, more prestigious. Parity of esteem—we have heard that speech a million times. The last Government did things to push in that direction. We have already talked about the move from frameworks to much more rigorous standards, with independent examinations at the end. That was part of it, and the other part was the growth in the number of higher apprenticeships. The number of people on higher apprenticeships went up from just over 3,000 in 2010 to 273,000 last year. That is a huge increase.

We have already mentioned the things this Government are doing that are not good for apprenticeship numbers: the £25 billion increase in national insurance at the Budget and the potential move of 50%—or some other number—of apprenticeship levy funds into other things. It is perfectly legitimate to argue that that is desirable, but it will not be good for apprenticeship numbers—once we find out what that number is.

To address the gap that Ministers are creating with the Budget and their decisions on moving money out of the apprenticeship levy to other things, the Government are doing two things. They are doing shorter apprenticeships; as my right hon. Friend the Member for East Hampshire pointed out, that is an echo of the old traineeships that did not work out so well. They are also trying to redistribute money from level 7 apprenticeships into other things, and they have repeatedly refused to rule out doing the same thing to level 6 apprenticeships.

The level 7 apprenticeships that the Government are planning to axe account for about 9% of apprenticeship spending, and about 7% of all starts. They are not a huge part of the system, but they are a big part, and a lot of good things will potentially be lost by abolishing them. Over the last seven years, almost 123,000 people have started a level 7 apprenticeship—that is a postgraduate level apprenticeship—with 24,000 people starting one in the last full year of the Conservative Government. It was ramping up quickly.

Of those who answered the Department for Education's own apprenticeship evaluation in 2023, 48% of level 7 apprentices were first-generation students; their parents had not been to university. They were the first generation in their family to get university-level postgraduate qualifications, in their case not by going to university but via the apprenticeship route. We finally made it a highly prestigious route; we really did treat level 7 apprenticeships the same as university degrees.

Somone could go all the way to the top of the ladder using apprenticeships rather than going to university, and yet the Government were initially talking about axing pretty much all of them. The rhetoric seems to have been slightly tempered, and I hope we can temper it further. But they are still looking at axing some prestigious things, hence amendment 7.

Restricting level 7 apprenticeships will disproportionately impact on public services. For example, nearly half of chartered management apprentices, who are nearly all at level 7, work in the public sector. Dan Lally, the head of skills and employability at Sheffield Hallam University, said level 7 restrictions will

"disproportionately impact on public services…We are meeting vital skill gaps in disciplines such as Advanced Clinical Practitioner...these are NHS workers, civil servants and local authority employees. A high number of our L7 apprentices...come from the areas of highest deprivation".

To give a specific example within public services, level 7 apprentices are absolutely central to the NHS's own long-term workforce plan. Last year, we saw the Government's very disappointing decision to cancel the level 7 doctor apprenticeships. Aside from the fact that we have taken out a route to the top professions for a group of people who might otherwise not be able to access them, it means that there will be a shortfall of around 2,000 medical places a year by 2031. The long-term workforce plan set out the need for 15,000 medical school places by 2031, of which 13% were going to be through apprenticeships. But the students who have already started on the medical doctor apprenticeship have been left in limbo.

That is the Government's statement of intent: they have already done in the level 7 doctor apprenticeship, and I am concerned that as part of the review, which is about to be published any day now, they will do something similar to nurses. Again, the NHS workforce plan proposes to increase the total number of nurses by 170,000, so that the number reaches 550,000 by 2036. The plan set the ambition that 28% of nurses would come through the apprenticeship route—so about 50,000 of that 170,000. Of those, around a quarter—23%—of NHS nursing roles are at "Agenda for Change" band 7 or higher, which typically requires a master's degree or equivalent. We would therefore expect around 11,000 of those extra nurses to be coming via level 7 apprenticeships. Getting rid of them would create a big hole in the NHS's workforce plans. These are all specialist nursing qualifications that we need, such as school nursing, health visiting, advanced clinical practice and community nursing.

Like the NHS, local government makes substantial use of level 7 apprentices, including for the extra town planners that the Government say are needed to deliver on their housing targets. Deborah Johnston, the deputy vice chancellor of London South Bank University, says:

"Over half of the employers we work with…on level 7 apprenticeships are local authorities. Our apprentices enable councils to deliver projects in the wake of increased demand and reintroduced mandatory housing targets. The suggestion that, as employers, local authorities should step in and pay for the level 7 apprenticeships themselves is fanciful."

Outside the public sector, the professions are also worried. The Institute of Chartered Accountants has said that axing level 7 apprenticeships will lead to work leaving the UK altogether. It says that

[Neil O'Brien]

"removing Level 7 apprenticeship funding will mean that fewer UK training roles are created. Instead, organisations are likely to turn to offshoring to replace UK training roles".

The Chartered Management Institute states, of its profession, that

"cutting funding for level 7 apprenticeships would risk creating gaps in leadership and technical expertise at a time when business and the public sector need them most."

I have been contacted directly by firms that are worried about the abolition of the solicitor apprenticeship, which is a great way into the law, particularly for people from less privileged backgrounds, but more generally for people who do not want to run up a large amount of debt at university and instead want to earn and learn. One firm that is really worried about this—Bolt Burdon Kemp—told me:

"This will really impact social mobility into sectors like law, accountancy, and consulting. The traditional route into law is expensive and therefore without the apprenticeship scheme many would not be able to afford to do so. We also believe it will have a wider detrimental impact on the reputation of apprenticeships."

That is right: by putting what might seem like the top of the pyramid on the system, we add to the prestige of the whole system. British Airways used to talk about the halo effect of Concorde: it changed the airline's whole brand and the way it was seen more generally. Level 7 apprenticeships, as well as being useful and remunerative in their own right, also change the way apprenticeships are seen, in a way that all politicians have wanted for decades.

Similarly, Attwells Solicitors says:

"Reducing funding to level 7 apprentices runs the risk of removing opportunities into professions where a qualification equivalent to a master's is mandatory".

The firm adds:

"Reducing funding for level 7 apprentices will likely impact diversity and social mobility in professional careers such as Law…Apprenticeships help break down barriers into not only Law but all career paths which could be inaccessible to young people without them".

Indeed, many of the areas where we currently have level 7 apprentices are things we are short of nationally. That is why the Campaign for Learning has called for a skills immigration worker test before defunding level 7 apprenticeships, so that we do not simply go from investing in British workers to importing workers from other countries to fill the hole. That is exactly the same point as was made by the Institute of Chartered Accountants: if we do not invest in people here, the work leaves, or we have to bring people in from elsewhere.

We think it is a big mistake to cull level 7 apprenticeships to fill a gap that the Government are creating through their own policies. Not only are those apprenticeships vital across the public sector, but they are a vital way into the professions for people who will otherwise struggle to enter. They are the capstone of the drive to make apprenticeships truly prestigious and to make them ladders that people can use to get all the way to the top.

To be self-critical for a moment, for some time we had a target of 300,000 apprenticeships, and I could see in Government how that created pressure to debase standards to hit a number. That happens all the time. Communist China would set a target to produce more nails, and billions of tiny, useless nails would be produced. Then a target would be set to produce a greater weight of nails, and people would produce a few massive nails, which would also be useless. Targetology is always dangerous; if we do not have the right institutions and the right independence, the short-termism of politicians can become a dangerous thing.

3.15 pm

With level 7 apprenticeships, the situation is particularly frustrating because they have taken a lot of time and effort to set up, and a lot of hard labour has gone into them. Some of them have been real labours of love, particularly from professions where they think, "We do not want us all to be from very privileged backgrounds. We want someone who grew up on a council estate still to be able to be a solicitor, or to be whatever they want to be."

We have gone through the grind of years of standards setting and years of trying to mobilise the sector to do this, and we have got some people's hopes up. We have even got people on to doctor apprenticeships and then kiboshed them. It would be tragic if the Government do what they have said they will do. We would be shooting ourselves in the foot, and this amendment just gives us good evidence of the consequences of doing so.

Damian Hinds: Before I talk about clause 9 and amendment 7, if it is not out of order, may I ask a question relating to the previous clause? I do not want to relitigate the arguments, but I just want to ask the Minister to write to me or to the Committee—I do not know what the correct process is—because I am afraid that I still do not understand what the Government's intent is with clause 8. I hope that that is possible.

Turning to—

The Chair: Before the right hon. Gentleman moves on, we are just debating amendment 7; we will debate clause 9 stand part separately.

Damian Hinds: Forgive me on that front as well, Sir Christopher. In that case, I have only two questions specifically on the amendment. My hon. Friend the Member for Harborough, Oadby and Wigston rightly asked about the public sector workforce. Specifically for the DFE, what impact do the Government expect on the postgraduate teaching apprenticeships and on persuading graduate teaching assistants to become teachers?

Janet Daby: Amendment 7 would require the Secretary of State's report about the exercise of functions transferred from IfATE to include information on the impact on the provision of level 7 apprenticeships in England. The amendment would duplicate the duty in the Bill for the Secretary of State to report on the impact of the exercise of relevant functions on apprenticeships. What the amendment appears to be asking for is already in scope of the report, as described in clause 9. I also reassure Members that Skills England's analysis and insights, which highlight skills needs in our economy, will reflect how far apprenticeships and other technical qualifications are meeting those needs on an ongoing basis.

I should be clear that Skills England will be an evidence-based, authoritative voice on skills, with a broad and ambitious remit to identify and tackle skills gaps. Although it will have a significant impact across

the Government, and indeed the country, it is part of a skills system where priority skills policy, strategy and funding decisions remain for the Secretary of State and the Cabinet. Taking advice from Skills England, we will be asking more employers to step forward and fund level 7 apprenticeships. As I have said, we will set out more information shortly. I therefore ask the hon. Member for Harborough, Oadby and Wigston to withdraw his amendment.

Neil O'Brien: It seems like a strange argument, in response to a clause that requires the production of more evidence, to say, "It is all fine because Skills England will be so evidence-led." That is the entire point of our amendment. I do not think the Government want to talk about what they are planning to do on level 7 apprenticeships, nor did we hear any attempt to describe what will, or will not, be done as part of the review from the Minister. Sometimes the silences in these discussions are as telling as everything else.

Quite a few of the organisations that are warning about the axing of level 7 apprenticeships also make the point, which I think is true, that this proposal will not do what Ministers hope. I think Ministers hope that it will move the resource to level 2 and 3 apprenticeships, and there is a perfectly good argument for trying to do more at those levels. That is why we brought in the 100% funding for small and medium-sized enterprises, for example, and we could go much further on that.

However, as numerous organisations and academics have pointed out, if we kibosh level 7, the first place that the money will probably go to is level 6. That is why we keep asking Ministers, without ever getting an answer, to rule out doing what they are planning to do to level 7 to level 6 as well. That is where the real money is; I think it is about 36% of all the funding, compared with 9%. I might be wrong about the exact numbers, but it is roughly that. If the Government actually want to prop up the system and offset some of the other things that they are doing, they probably will go after level 6 apprenticeships. But whenever we ask this in the Chamber or elsewhere, and say, "Will Ministers rule out kiboshing level 6 apprenticeships in the way that they are with level 7?", we never get an answer. I invite the Minister again today to rule out axing level 6 apprenticeships in the way that they are doing with level 7.

I am very keen that we put this amendment to a vote. It is not good enough to say, "We are so evidence-led", but then do something that is hasty, secret and is being advised against by many experts in the sector.

Janet Daby: Will the hon. Member give way?

Neil O'Brien: I would be delighted to. I hope that we will get an answer on that point about level 6: is the Minister going to rule out kiboshing level 6 in the way that she is doing with level 7?

Janet Daby: I just thought I would help the hon. Member with his questions. Level 6 apprenticeships are indeed a core part of our apprenticeships offer, supporting growth and opportunity. We are reforming the apprenticeship levy into a growth and skills offer to deliver greater flexibility for learners and, indeed, employers. Decisions on training and funding through the levy in future will be guided, of course, by Skills England.

Neil O'Brien: I thank the Minister; I think that very clearly did not rule out the Government doing exactly what are doing to level 7 apprenticeships to level 6. It was not quite phrased in that way, but clearly Ministers are keeping their options open.

Given that Ministers are clearly looking to keep their options open, not just on level 7 but on level 6—which is very concerning, a backward step, and a real wrecking ball to a lot of the cross-party progress that has been made on apprenticeships over the past decade or more—I am even more keen that we have at least the report on the impact of what they are doing to level 7, so I am keen to put this amendment to a vote.

Question put, That the amendment be made.

The Committee divided: Ayes 4, Noes 11.

Division No. 4]

AYES

Hinds, rh Damian
O'Brien, Neil
Paul, Rebecca
Sollom, Ian

NOES

Cox, Pam
Daby, Janet
Dean, Josh
Edwards, Lauren
Foxcroft, Vicky
Gelderd, Anna
Ingham, Leigh
Onn, Melanie
Strickland, Alan
Swallow, Peter
Turner, Laurence

Question accordingly negatived.

Question proposed, That the clause stand part of the Bill.

Janet Daby: Clause 9 contains a duty for the Secretary of State to publish and lay before Parliament, within six months after the closure of IfATE, a report setting out which functions of the Bill are being exercised by Skills England, and the impact that the exercise of functions transferred from IfATE to the Secretary of State has on apprenticeships and technical education in England.

As I indicated on Second Reading, it is anticipated that the functions being transferred from IfATE to the Secretary of State relating to the development, approval, review and revision of apprenticeships and technical education qualifications will largely be exercised by Skills England, operating as an Executive agency. It is after having listened to, and acted on, the contributions made by peers in the other place, and their calls for greater transparency, that the Government have introduced this duty in the Bill. We have noted the broad support for Skills England throughout the passage of the Bill, and recognise that there is considerable interest in understanding exactly what it will do once it is fully formed.

This reporting requirement is in addition to a broader set of expectations placed on all Executive agencies, which Skills England will be required to meet, to provide transparency about their work and accountability for their performance. The reporting arrangements of Executive agencies are clearly defined. They must produce an annual corporate plan and an annual report, both of which will be published in respect of Skills England, subject to any commercial considerations in the corporate plan. Guidance dictates that corporate plans should

[Janet Daby]

include matters such as key objectives and performance targets, and assessment of current and recent performance against those targets.

Furthermore, governance arrangements for Skills England will be set out in a framework document, which is a core constitutional document that must be produced in line with guidance from HM Treasury. Skills England's framework document will be agreed between its board and Ministers. Once finalised, it will be published online, and Ministers will deposit a copy in both Houses. Without clause 9, there would not be a requirement set out in legislation for the Secretary of State to report transparently on exactly which functions in the Bill Skills England is taking on.

Neil O'Brien: Clause 9 has been included because of the level of disquiet about the Bill in the House of Lords. There was literally not even a mention of Skills England in the Bill when it was introduced. We will return to this issue when we debate new clause 1 from the Liberal Democrats, and our new clauses 2 and 3, in which I seek to put Skills England on to a statutory footing, or at least to put more of a clear legislative framework around it than we have currently. All we have at the moment is this report, which is pretty thin—I will not vote against clause 9 standing part, because it is better than absolutely nothing—and the framework, which, again, is very thin.

To be honest, it is less me who should worry about that and more Ministers, because I do not get from the proposals any great clarity on what they hope Skills England will do or how it will operate. Some degree of protection could be offered not just for employers, but for Ministers. This could offer some degree of insulation from these choices, so that the process does not become entirely politicised, but we have not yet got that. I hope that this report will be positive and the making of it will encourage the Government to clarify their thinking on what they are trying to achieve and how these new institutions in the DFE will work.

We will return to this issue on new clauses 1 to 3, so I will rest my remarks there, other than to ask the Minister for a sense of what she really sees as the big opportunity. It is very easy for Ministers to say, "We are going to bring everything together, it will all be in one place and we will have a great, coherent view over the whole system." That is hard to object to in principle, but what are they minded to do as a result? Is there a big opportunity? Is it some new category of qualification, or some overlapping of qualification? They say they are going to look at everything together, which the DFE already does. There is a Department that can give an overarching view, and there is the centre of Government that can bring together the views of all the different Departments, so what is it that Ministers really hope Skills England can offer?

The Secretary of State will provide this report six months after Royal Assent, but I am interested in hearing from the Minister what she sees as the big opportunity. Other than saying, "It will be more joined up and we will look at everything together at a high level," is there a specific thing that Ministers are hoping to do off the back of that machinery of government? This is a big thing; the Government's impact assessment says that it will lead to delays and a fall in starts. Ministers could say that that is acceptable because there is some big prize at the end of the road, but what is the big prize?

I will not repeat all the quotes I have read out from former Labour Ministers and Labour peers in the other place worrying about what one of them called the lack of the second half of this Bill—the lack of the bit where we get to the setting up of Skills England. In particular, Lord Blunkett said that this was not quite what he expected. He thought that we would have what was promised in the King's Speech—a Skills England Bill to set up the new, independent Skills England as a proper arm's length body. I will not rehash all those things here, but I encourage the Minister to give us a sense of what she thinks the big opportunity is going to be, and what she will do as a result of the creation of Skills England.

3.30 pm

Damian Hinds: I apologise for my misreading of the groupings earlier, Sir Christopher. Clause 9 is the new clause inserted by the Government in response to the other place. It requires there to be a report on the exercise of the Secretary of State's functions and for the report to be made within six months and laid before Parliament. It will cover which functions are going to be done through Skills England and the impact of the exercise of the relevant functions on apprenticeships and technical education in England.

New clause 2 proposes that all the functions of IfATE go to Skills England. The obvious question is: why not? Why would they not go to Skills England? When we come to the debate on new clause 2, there will be an opportunity for the Government to explain that to us.

We have heard a bunch of times about how there has been all this preparatory work—that it has been a long time in the making, that Skills England exists in shadow form and that the Government thought about it a great deal. Why can they not tell us now which functions are going to go to Skills England?

On the impact of the exercise of the relevant functions, is it really right for the body itself to talk about what its impact has been? Should there not be some external validation to consider the effectiveness of the body? I have three questions for the Minister. We know that the report will be laid before Parliament, but what will its status be? Will Parliament be able to debate it? Will it be binding in some way? What if this Secretary of State or a future Secretary of State takes a different view, bearing in mind that under this legislation they would be allowed to? If they take a different view, will a new report be required and will Parliament have any say in that?

Janet Daby: Clause 9 is about improving the reporting and transparency of Skills England. It shows this Government's willingness to listen and work constructively with Members here and in the other place. I believe I have already outlined what Skills England will do, but for the sake of clarity, the Bill means that for the first time mean there is a single organisation responsible for identifying skills needs in our economy. It will design training that reflects employers' skills needs, and it will work in all parts of the country so that the training available reflects national and regional priorities.

We have a skills shortage in our country and a workforce shortage. We need more people trained up to take on the jobs that are needed in our society. We want to get things moving. That is why we are bringing this Bill forward. In relation to accountability, the Secretary of State will be accountable as usual before Parliament and relevant Select Committees, as Skills England will be. On that note, I commend clause 9 to the Committee.

Question put and agreed to.

Clause 9 accordingly ordered to stand part of the Bill.

Clause 10

Power to make consequential provision

Ian Sollom: I beg to move amendment 8, in clause 10, page 4, line 32, at beginning insert—

"Subject to subsection (6),".

The Chair: With this it will be convenient to discuss the following:

Amendment 9, in clause 10, page 4, line 34, at end insert—

"(6) For 6 months after the day on which this Act is passed, a statutory instrument to which subsection (5) applies may not be made unless a draft of the instrument has been laid before, and approved by a resolution of, each House of Parliament."

Clause stand part.

Ian Sollom: Amendments 8 and 9 address a fundamental concern that we have with the Bill, which is the lack of proper parliamentary scrutiny. As drafted, clause 10 gives the Secretary of State sweeping powers to make consequential provisions through regulations. While statutory instruments containing regulations that amend primary legislation would require the affirmative procedure, all other regulations would be subject merely to the negative procedure. Amendments 8 and 9 together would ensure that, for the critical first six months after the Act passes—the period when the most significant consequential regulations are likely to be introduced—all such regulations would require the approval of both Houses of Parliament, regardless of whether they amend primary legislation.

The Committee should be concerned about this, because the Bill already centralises considerable power in the hands of Ministers, as we have discussed many times today. We know that the Government's intention is for Skills England to be an Executive agency of the Department for Education, but without the safeguards that the amendments provide, Parliament would have limited oversight of the implementation of the transfer of IfATE's functions to Skills England. That matters most during the transition period, which stakeholders as well the Government's own analysis highlighted as being fraught with risk.

We have been given little detail about the governance structures of Skills England, its operational independence or its accountability mechanisms. Given that uncertainty, ensuring robust parliamentary scrutiny of the regulations that will shape its operation is not unreasonable.

The six-month period suggested in the amendment strikes a sensible balance and does not permanently encumber the regulatory process. However, it ensures that those critical early decisions about how the functions will operate receive proper scrutiny from both Houses. The amendments are about good governance. If the Government are confident of their approach to Skills England, they should welcome and not resist scrutiny.

I think we all agree that the skills system is important for our future. It would be disappointing if such fundamental changes were made without proper parliamentary oversight.

Neil O'Brien: This is an extremely sensible amendment, which we welcome. Although I am not a liberal, one of the great strengths of the liberal tradition is its knee-jerk suspicion of centralisation. The Bill represents centralisation in many different ways. It takes lots of brakes off, and we keep hearing in our sittings that, "We must get rid of this or that form of scrutiny because we must move quickly." The hon. Gentleman is right to be nervous about that and about the lack of limits to the consequentials off the back of the Bill. I support the amendment and hope that the Government will accept it.

Janet Daby: I will speak to amendments 8 and 9. Clause 10 makes provision for the Secretary of State to address any consequential effects that the Bill may have on other legislation. The Department recognises and takes seriously the important role that Parliament has in scrutinising consequential amendments. That is why it has made every possible effort to ensure that schedules 1 and 3 capture the existing legislation in scope for consequential amendments, and that existing legislation passing through Parliament this Session takes account of the provisions of the Bill.

As well as existing primary legislation, clause 10 will allow the Secretary of State to address any consequential effects this Bill may have on other Bills passing through Parliament this Session.

Neil O'Brien: I have a specific question. Skills England does not bring the whole skills sector together. There are other excellent bodies, for example, the Migration Advisory Committee, which has a skills component. Other bodies, such as the Construction Industry Training Board and the Engineering Industry Training Board, impose levies and have not been merged into Skills England or abolished. The Government have rejected the Farmer review's recommendation to merge the CITB and EITB. I therefore wanted to check something with the Minister. My understanding is that the Government could use clause 10 to abolish the CITB and the EITB. I do not see any reason why they could not do that. The Minister may want to get advice about that—I appreciate that I am putting her on the spot. There is nothing to stop such large changes being made off the back of clause 10. That is one reason why we are keen on the amendment. One sees Henry VIII clauses and one cannot quite imagine how they would be used, but that is a problem because we never know what will be done under them. Will the Minister check whether my understanding is correct that the Government could do such big things off the back of clause 10? If that is not the case, I would be delighted to hear it.

Janet Daby: I thank the hon. Member for his intervention. Skills England is in communication with the Migration Advisory Committee and others as well.

[Janet Daby]

It has a broad remit as well as having a relationship with the CITB. I feel that we might be swaying outside the purpose of the Bill. I am happy to get further information if the hon. Gentleman feels that he needs some. In terms of the merger of the CITB and EITB, there are good reasons why that merger is not favoured by the Government.

As well as existing primary legislation, clause 10 will allow the Secretary of State to address any consequential effects that this Bill may have on other Bills passing through Parliament this Session. However, it is always possible that further changes may be necessary. It is therefore prudent to provide a failsafe should anything have been missed. Without it, there is a risk not just to the coherence of the legislation, but to the functioning of the system for employers and indeed learners. Should such a circumstance arise, any amendments to primary legislation will be made through the affirmative procedure.

The necessary consequential amendments to secondary legislation, which cannot be made on the face of the Bill, will be made through the negative procedure, as is customary. We have already identified amendments to secondary legislation that are needed—for example, repealing the provision in the Apprenticeships (Miscellaneous Provisions) Regulations 2017, which empowers IfATE to charge fees in relation to evaluations and apprenticeships assessments.

Amendments 8 and 9, tabled by the hon. Member for St Neots and Mid Cambridgeshire, would require regulations making consequential provisions that are subject to the negative procedure by virtue of clause 10(5) to instead be subject to the affirmative procedure for a period of six months. Given the limited and uncontroversial nature of the necessary changes, the negative procedure balances sufficient parliamentary oversight while enabling changes to be made without unduly taking up parliamentary time or risking the coherence of the skills system for learners and employers.

As Members of this House will be aware, the affirmative procedure requires debate and the approval of both Houses. That would mean that consequential amendments to existing secondary legislation would take longer, which could delay the implementation of the Bill and create incoherence across the statute book until the necessary changes are made. There is a strong precedent for delegated legislation under the negative procedure to be used to make consequential amendments to delegated legislation, and therefore the amendment seeking affirmative resolution is not necessary. For the reasons I have given, I commend the clause to the Committee and ask the hon. Member to withdraw the amendment.

Ian Sollom: I thank the Minister for her response. I am afraid I am not satisfied that that is sufficient and would like to push the amendment to a vote.

Question put, That the amendment be made.

The Committee divided: Ayes 4, Noes 11.

Division No. 5]

AYES

Hinds, rh Damian
O'Brien, Neil
Paul, Rebecca
Sollom, Ian

NOES

Cox, Pam
Daby, Janet
Dean, Josh
Edwards, Lauren
Foxcroft, Vicky
Gelderd, Anna
Ingham, Leigh
Onn, Melanie
Strickland, Alan
Swallow, Peter
Turner, Laurence

Question accordingly negatived.

Clause 10 ordered to stand part of the Bill.

Ordered, That further consideration be now adjourned.—*(Vicky Foxcroft.)*

3.44 pm

Adjourned till Thursday 20 March at half-past Eleven o'clock.

Written evidence reported to the House

IATEB01 Institute of the Motor Industry (IMI)

IATEB02 Association of Colleges (AoC)

IATEB03 JTL Training

IATEB04 Royal Society of Chemistry

IATEB05 Right2Learn