PARLIAMENTARY DEBATES

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OFFICIAL REPORT
GENERAL COMMITTEES

Public Bill Committee

SKILLS AND POST-16 EDUCATION BILL [*LORDS*]

Sixth Sitting

Tuesday 7 December 2021

(Afternoon)

CONTENTS

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Saturday 11 December 2021

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The Committee consisted of the following Members:

Chairs: Clive Efford, † Mrs Maria Miller

† Ali, Tahir *(Birmingham, Hall Green)* (Lab)
† Bradley, Ben *(Mansfield)* (Con)
† Burghart, Alex *(Parliamentary Under-Secretary of State for Education)*
† Carter, Andy *(Warrington South)* (Con)
† Clarke-Smith, Brendan *(Bassetlaw)* (Con)
† Gwynne, Andrew *(Denton and Reddish)* (Lab)
Hardy, Emma *(Kingston upon Hull West and Hessle)* (Lab)
† Hopkins, Rachel *(Luton South)* (Lab)
† Hunt, Jane *(Loughborough)* (Con)
† Hunt, Tom *(Ipswich)* (Con)
Johnson, Kim *(Liverpool, Riverside)* (Lab)
† Johnston, David *(Wantage)* (Con)
† Nici, Lia *(Great Grimsby)* (Con)
† Perkins, Mr Toby *(Chesterfield)* (Lab)
† Richardson, Angela *(Guildford)* (Con)
† Tomlinson, Michael *(Lord Commissioner of Her Majesty's Treasury)*
† Western, Matt *(Warwick and Leamington)* (Lab)

Sarah Thatcher, Bradley Albrow, *Committee Clerks*

† attended the Committee

Public Bill Committee

Tuesday 7 December 2021

(Afternoon)

[Maria Miller *in the Chair*]

Skills and Post-16 Education Bill [*Lords*]

2 pm

The Chair: A point of order was raised this morning about there not being a debate on new clauses 1 and 4 at the beginning of proceedings today. I am happy to cover the new clauses if the Government and Opposition want that. Although they could have been debated at the time, and Opposition Members did not take the opportunity to do so, out of a sense of fairness this is a way of getting through this slight wrinkle.

Clause 21

List of relevant providers

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

The Parliamentary Under-Secretary of State for Education (Alex Burghart): What a pleasure it is to reach our sixth and final sitting on this important Bill.

Clause 21 will allow the Government to introduce a list of post-16 education or training providers. To be on the list, providers will need to meet conditions that help to protect learners against the negative impacts of provider failure. It will also help to protect public funds by preventing or mitigating the risks of provider failure. Currently, there is a risk that the short-notice exit of a provider from education and training can significantly disrupt the experience of many young people and adults. This can be because of delays in finding a new provider and insufficient planning on what happens next in these circumstances. This clause focuses the operation of a list on the types of providers that the Department considers are most at risk of an unregulated and disorderly exit from provision—independent training providers.

While we value the role of ITPs in helping to provide a more diverse and innovative learning offer, it is not right that these types of providers should operate with less in-built protection for learners than other types of further education provider. Fundamentally, we want to protect learners and public funds if providers cease to provide education or training. Where other regulatory mechanisms are not in place, we want to ensure that there is a consistent set of requirements placed on providers to protect learners and public funds, even where the provision is funded by local commissioning bodies or through subcontracts from directly funded providers.

Where a provider is not directly funded by the Secretary of State—as can be the case with ITPs—the existing levers for the Secretary of State to protect learner interests are not as strong. Contractual conditions of funding to prevent disorderly exits may also not be consistent. The Bill will allow commonality and consistency across funding streams to mitigate provider failure risks. The clause also allows the Secretary of State to set out other matters in connection with the keeping of the list of post-16 education or training providers.

We intend to consult before deciding on the detail of the way in which the scheme will operate. The Secretary of State is required to do so before making the regulations that establish the list for the first time.

Mr Toby Perkins (Chesterfield) (Lab): May I record my thanks, Mrs Miller, for what you said a few moments ago about ensuring that new clauses 1 and 4 may be debated? I appreciate your flexibility.

We do not intend to divide the Committee on this subject, but I re-emphasise the point that I made in the discussion on the amendment. I entirely appreciate what the Minister says about the need to ensure protection for learners, but a small number of providers have a long track record of providing a small amount of provision that is none the less important in certain sectors and geographies. If this becomes a bureaucratic or economic minefield, they will simply withdraw from the sector, which will be the poorer for it. We received representations from the Manchester combined authority, which has a long history of working closely with smaller providers. It has real concerns that a national list will lead to smaller providers being missed out.

We do not intend to divide the Committee but we will continue to scrutinise the Government and ensure that the provisions put in place do not, as we fear they may if they are not carefully handled, exclude important, worthwhile providers from the list.

Question put and agreed to.

Clause 21 accordingly ordered to stand part of the Bill.

Clause 22

Prohibitions on entering into funding arrangements with providers

Alex Burghart: I beg to move amendment 24, in clause 22, page 28, line 15, leave out from first "to" to "paid" in line 16 and insert "an agreement for the funding authority to provide funding to the provider includes a reference to an agreement or arrangements between the funding authority and the provider by virtue of which amounts can or must be"

This amendment makes clear that an agreement between the Secretary of State and an education provider that must be in place in order for student loans to be paid directly to the provider counts as "funding arrangements" for the purposes of clause 22. It also covers arrangements other than agreements.

Amendment 24 is a minor and technical amendment that clarifies that advanced learner loan funding routed through the Student Loans Company is in the scope of clause 22. This has always been the intention of clause 22(9), and this amendment is merely a technical adjustment to the drafting. It ensures that advanced learner loan funding arrangements are captured by the "funding arrangements" definition in clause 22. Without the amendment, clause 22 may not be adequately applied in relation to providers who receive advanced learner loan funding.

Mr Perkins: We appreciate that clarification.

Amendment 24 agreed to.

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

Alex Burghart: Clause 22 is important in ensuring that a funding authority is prevented from entering funding arrangements with a provider that is not on the list. It also makes sure that the funding authority can take action to terminate funding arrangements in an orderly way should a provider cease to be on the list.

The short-notice exit of a provider from the provision of education or training can significantly disrupt the educational experience of young people and adults. The transfer of learners to another provider can take time, be extremely disruptive and increase the risk of learner disengagement. The provision of post-16 education or training is commissioned by various funding bodies and is often subcontracted. As a result, there is a wide variation in the range of obligations and requirements currently imposed on providers.

The provisions in the clause are intended to ensure that a consistent set of requirements is placed on providers and funding authorities to protect learners and public funds, even where the education or training is funded by local commissioning bodies or through subcontracts. The clause also sets out that a provider must not rely on anything in clause 22 as a reason for not carrying out existing obligations under a funding agreement. A funding authority could continue to enforce those obligations even if a provider was not on the list, as the contract would remain valid. This may be important to allow a provider to teach existing learners until they had completed their course where the risk posed by the provider could be managed.

The clause also includes the power for the Secretary of State to set out in regulations the particular characteristics of the funding arrangements that are subject to these funding controls. This is necessary so that the Department can ensure that the controls are applied proportionately. For example, de minimis requirements may be needed so that short-term and low-value arrangements for the provision of relevant education or training are not captured by the requirement for the particular provider to be on the list. The clause is essential in ensuring that there are certain restrictions and controls on the public funding of education or training providers in the scope of the list.

Mr Perkins: It is important to ensure that information is shared widely, not only with providers that might be outside mainstream education provision but with funding authorities such as mayoral or combined authorities, to ensure dialogue and so that smaller providers are not missed out.

The clause clarifies that providers must be approved and have an agreement in place for them to be allowed to have student loans paid directly. Building on the contribution I made in the debate on clause 21, it would be useful if the Minister clarified the steps the Government will take to ensure that only providers with quality offerings and financial stability and robustness receive direct payments and that these steps will not prevent quality, innovative smaller providers from accessing the important opportunities to attract new students.

Further to that, does the Minister anticipate that the extension of student finance will mean that a greater variety of private sector organisations will be able to receive student loan applications? I have met people in my constituency, and have written to his predecessor about other courses whose students have previously been excluded from getting student loans to access them, despite having a long track record of their students going into employment. To what extent does the Minister think the Bill will increase the number of learners who can get student loans for their courses, and how will he ensure that quality, innovative, smaller providers can access those opportunities?

Alex Burghart: The Government are fully aware that ITPs come in all shapes and sizes, and play an essential part in the skills ecosystem. We are very mindful that we do not want to drive good providers out of the market by creating a list. The sole purpose of the list is to ensure that all providers have in place provisions to ensure that they have contingency plans for their students should they go under. That is something that exists elsewhere in the skills space. We are extending it to ITPs, and intend to do so in such a way that will not create a bureaucratic overload. To the hon. Member's point on student loans, it will very much depend on how the system evolves from this point.

Question put and agreed to.

Clause 22, as amended, accordingly ordered to stand part of the Bill.

Clause 23

FUNDING ARRANGEMENTS: INTERPRETATION

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

The Chair: With this it will be convenient to discuss clause 24 stand part.

Alex Burghart: Clause 23 provides definitions for key terms in this part of the legislation relating to funding arrangements with post-16 educational training providers, and ensures that the correct legal person and funding arrangements that they are party to are in scope of the relevant obligations. The clause is essential to the interpretation of the list of post-16 educational providers, and should stand part of the Bill.

Clause 24 provides that the regulations for creating or keeping the list, altering the categories of education and training in scope of it, or amending primary legislation will be subject to the affirmative procedure. That means that they will be subject to an appropriate level of parliamentary scrutiny over the use of those powers, and must be approved by both Houses prior to becoming law. The clause provides that the powers to make regulations in clauses 21 and 22 include the power to make supplementary, incidental, transitional or saving provision.

By way of example, once regulations have been made under clause 21, the Department may consider it necessary to amend statutory powers to provide financial assistance for relevant educational training so that they signpost the prohibitions that will apply, and which effectively constrain those financial assistance powers. One such power will be in section 2 of the Employment and

[Alex Burghart]

Training Act 1973. Clause 24 will ensure that there is appropriate parliamentary scrutiny over the use of the powers, and should stand part of the Bill.

Mr Perkins: We appreciate that clarification. The clause and its subsections clarify the powers to make regulations under clauses 21 and 22, and we have no desire to oppose it.

Question put and agreed to.

Clause 23 accordingly ordered to stand part of the Bill.

Clause 24 ordered to stand part of the Bill.

Clause 25

PROVISION OF OPPORTUNITIES FOR EDUCATION AND SKILLS DEVELOPMENT

2.15 pm

Mr Perkins: I beg to move amendment 53, in clause 25, page 30, line 17, leave out from "education" to end of line 17.

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

Amendment 54, in clause 25, page 30, line 17, leave out from "has" to "level." and insert

"is earning below the Living Wage, as identified by the Living Wage Foundation."

New clause 7—*Level 3 qualifications provision*—

"(1) Employer Representative Bodies may prescribe additional Level 3 qualifications, as part of the Lifetime Skills Guarantee.

(2) Additional Level 3 qualifications may be prescribed under subsection (1), in instances where the Employer Representative Body identifies a local need or skills shortage."

Mr Perkins: The clause addresses the lifetime skills guarantee and the provision of opportunities for education and skills development. Subsection (1) says:

"Any person of any age has the right to free education on an approved course up to Level 3 supplied by an approved provider of further or technical education, if he or she has not already studied at that level."

Amendment 53 would simply remove the final eleven words of the sentence. It is a probing amendment to test the reasons why the Government are seeking effectively to remove the word "guarantee" from the lifetime skills guarantee, and instead offer a significant limitation on the number of people who are able to study under it.

We think it is vital that people in low-paid employment have the chance to take additional level 3 qualifications to support them into better paid work or into new sectors. We also think it is crucial that people in industries or sectors that are diminishing have the opportunity to retrain. Substantial financial barriers would prevent them from accessing those courses.

When the Prime Minister made his speech announcing the lifetime skills guarantee in Exeter, he seemed to understand that point. The speech was all about the need for people to retrain and to be able to move from one sector where there were not going to be jobs in the future to jobs in other sectors. He wanted them to seize those opportunities. Unfortunately, the lifetime skills guarantee, which is going to take a long time to come into being anyhow, already has limitations.

Amendment 53 seeks to test the Government's view on ensuring that more people are able to access a second qualification. Earlier, we gave the Government the opportunity to support a quite limited amendment on a second qualification.

I remind the Committee that a lifetime skills guarantee was in place for level 3 qualifications for everyone until 2013, when the former Chancellor George Osborne removed it. The decision to reintroduce this poor relation of that policy shows how the Government are learning at least some lessons from the mistakes they have made, but it lacks the ambition needed to reverse the failures of previous Government policy. More than 9 million jobs are excluded, many in sectors that have skills shortages and vacancies, such as tourism and hospitality.

I was speaking to a business in my constituency just this weekend that owns a number of establishments in the hospitality sector. It is desperate to attract members of staff into the sector. This is an organisation with a long track record of training up and developing members of staff, and ensuring that people make the best of their careers. It would be alarmed to hear that those kinds of opportunities are excluded from the lifetime skills guarantee. It is essential that the Government get this right. We hope they support our proposals.

Amendment 54 is an attempt to put on to a legal footing the promise made by the Secretary of State at the Association of Colleges conference in November. He said that

"from next April any adult in England who earns a yearly salary below the National Living Wage will also have the chance to take these high value Level 3 qualifications for free."

That is precisely what the amendment seeks to do. It says that if anyone has a level 3 qualification and is earning below the living wage, as identified by the Living Wage Foundation, they would be able to take another level 3 qualification.

As we have laid out, we think that restricting the opportunities for students to take a second level 3 qualification is a huge missed opportunity. As the Committee has rejected our more ambitious amendment to allow all students the right to take a second level 3 qualification, we believe that the Government should at least be willing to support an amendment that supports what the Secretary of State has said.

New clause 7 relates to students wishing to do a level 3 qualification in an area where the local skills improvement plan has identified a local skills shortage. It would allow the local skills improvement plan to approve funding for a second level 3 qualification where local labour market shortages are identified.

The Bill contradicts itself. Reportedly, its aim is to ensure that skills policy is determined locally. New clause 7 would ensure that local skills improvement plans were able to identify that there was a skills need in the area and encourage people to retrain in that sector. Anyone who votes against that once again will seize power from local skills improvement plans and place it in the hands of the Secretary of State. We look forward to hearing what I imagine will be universal support for our amendments from hon. Members who are keen to support people in their constituencies.

Andrew Gwynne (Denton and Reddish) (Lab): I rise briefly to support my hon. Friend the Member for Chesterfield in his amendments 53 and 54 and new

clause 7. We have had this debate already in Committee and I still think that the Committee made the wrong decision to prevent learners having a second chance at a level 3 qualification for the reasons that I set out.

Those reasons were as valid the other day as they are now for these amendments, because we live in a dynamic economy where industries come and go. The industry that my town was historically dependent on, and that the town of my hon. Friend the Member for Luton South is equally famous for, is hatting. Those industries have pretty much died out, but the hatting industry made Denton famous. The Bowlers of bowler hat fame came from Denton, although they made their money at Lock & Co. Hatters in St James's in London. However, that industry and those skills have gone.

In the past 50 or 60 years, my constituency has had to diversity and the workforce has had to retrain. That pace of chance will be prevalent in the decades ahead as technology advances, the global economy shrinks to make the world a smaller place, and international trade becomes the norm, meaning that we buy goods from other countries rather than make them here.

If we are going to have an industrial strategy that says that we want to be the lead nation in the new green industrial revolution, we need to ensure that we have the skills and the workforce to match that ambition. I am supportive of that and, if we are being honest, every Member of the House recognises the challenges and is supportive of it. That is not a top-level ambition, however; it has to be dealt with in the nitty-gritty of legislation.

We have a Bill going through Parliament that is rightly focused on skills and training and on ensuring that the next generation of the workforce has a built-in dynamism to be able to diversify, retrain and fill skills in the areas of the economy that have shortages. As the Opposition have said, that may mean someone has to have a second bite of the cherry at a level 3 qualification. If the subject in which someone has a level 3 is no longer fit for purpose, or relevant to the modern workplace, are we going to leave them languishing with inappropriate qualifications and skills that are no longer needed, or are we going to give them the opportunity to retrain, reskill and join the workforce, hopefully in highly paid, decent jobs? That is why I support amendments 53 and 54, which would put that idea on a legal footing, as my hon. Friend the Member for Chesterfield rightly said.

The voice of local businesses and the economic partnership between local government, businesses, academia and training providers are setting out local skills improvement plans. They identify key skill shortages in their economic areas, and they should be given the flexibility to say, "You know what, in my area, we have an absolute shortage of skills in a particular sector. We want to make sure that our area is really dynamic in that sector and therefore it is a key priority for our partners to skill up to level 3 adequate numbers of the workforce." That is sensible. It is devolution as it is meant to work, from the bottom up, and that is why I also support my hon. Friend's new clause 7.

Rachel Hopkins (Luton South) (Lab): It is a pleasure to follow my hon. Friend the Member for Denton and Reddish, because I agree with everything he said.

The amendments and the new clause address the issue from the relevant two angles. They are designed to offer a genuine lifetime skills guarantee for individuals—one that is aspirational and does not fall back on the argument that because someone got a couple of A-levels 30 years, they cannot now retrain for a level 3 qualification to meet a skills need in the local area. I think about the changing world of work, and how much more is now digital or IT-based. There has been a shift in skills, which is driving our economy. Unless we agree to the amendments, so many people will be locked out from making a genuine shift in their skillset and acquiring a higher skilled job, which would put them on a sustainable footing. It is short-sighted to attempt to restrict that opportunity.

We have heard much about the responsibility of employers to lead the development of skills plans for their areas, given that they understand their local economies. New clause 7 is positive because it would genuinely enable employer representative bodies to shape what that level 3 qualification should be, based on the skills shortages in their areas. The new clause would meet the purpose of ERBs in developing the skills plans and ensure the lifetime skills guarantee for local people.

I support the terms of the amendments and the new clause. I should add that there are still a few hat factories in Luton producing artisan hats, and very good they are, too.

Andrew Gwynne: And in Denton.

Matt Western (Warwick and Leamington) (Lab): I will speak to the amendments and the new clause that appear in my name and that of my hon. Friend the Member for Chesterfield.

Of course we all want to see a high-skill, high-wage workforce. We need that for our economy. A crucial part of that is the retraining of employees. I am sure that most people in the room agree that the evolving workplace means that we need a process of continuous development if we are to adapt and ensure that our economy thrives, against an ever-competitive global marketplace.

2.30 pm

One need only think back to what happened to clerks working in yesteryear—the Minister might say that that was in my time—to see how they had to retrain and develop typewriting skills, and then progress to work on computers and so on. With the advent of computer technology and handheld devices, simply picking items in a logistics centre moved from literally picking things up against a piece of paper to the use of mobile technology. These are skills that demand more of the workforce. We have to put that in the context of having the lowest productivity of the major European nations and among the lowest in the OECD. That is why the skills agenda is important, and I commend the idea behind the Bill the Government have brought forward.

A lot of this work was developed by a former Member of this place, Gordon Marsden, who did a huge amount of work. That was well remembered by my hon. Friend the Member for Denton and Reddish on the very Back Bench, who will have known him far better than me. Gordon Marsden was the one who really pushed the notion of a lifetime learning entitlement. It is right that we are looking to introduce that.

Amendments 53 and 54 would give any person the right to free education on an approved course to level 3 if they earn below the living wage as identified by the Living Wage Foundation. The wording of the Bill ensures that the LLE is available only to those who have not already studied at that level. That undermines one of the defining aspects of the LLE and what Gordon Marsden envisaged. The vast majority of people obtain a level 3 qualification between the ages of 16 and 18. This qualifier would limit the LLE too restrictively, as my hon. Friends have said.

Our amendments seek to expand the application of the LLE to those who need it most—those who are furthest from skilled work and who earn below the living wage—redefining the parameters to adapt the policy to fit the needs of the population. In fact, there was widespread support for the Lords amendments, including from Universities UK, that widened the eligibility so that an individual could access the LLE regardless of their prior level of study.

As my hon. Friend the Member for Chesterfield highlighted, the Secretary of State for Education announced just a few days ago in a speech to the Association of Colleges that the Government will be launching a pilot, which will see adults who earn below the national living wage able to undertake national skills fund level 3 qualifications for free. That is to be embraced. I am sure many of us, certainly on this side of the Committee, think that that is right. Why not actually commit it to the Bill, as my hon. Friend said? If there really is true ambition and a will to see proper levelling up and the reskilling of our economy, we should commit it to the Bill. It seems bizarre, or perhaps it has not been considered as fully as the Secretary of State led us to believe in his speech. Elsewhere, many are calling for and supporting the removal of the restriction in the Bill for those who have not already done a level 3 qualification. That would facilitate those who want to reskill rather than upskill, which are both equally valid and necessary.

New clause 7 would widen the availability of courses that form part of the lifetime skills guarantee by allowing employer representative bodies to prescribe additional qualifications as approved courses falling within the lifetime skills guarantee. The Augar review—the post-18 review—recommended an all-age level 3 entitlement. The Government have put this into effect, but only for a limited list of level 3 qualifications. The Association of Colleges wants that to be changed. My local college, which I referred to before—Warwickshire College Group—is one of the finest colleges in the country and certainly one of the biggest. Its principal is very vocal about wanting to see that change.

My question to the Minister is, therefore, what is the justification for such limits? The reform has the potential to be wide ranging and revolutionary. Before further meat is added to the bones in the form of the subsequent White Paper, the Bill in its current state will introduce unnecessary limitations on the LLE. That is why new clause 7 and the two amendments are important to ensure that we can broaden the skillset of our workforce and our population, ensuring that we are able to adapt to an ever rapidly changing global economy.

Alex Burghart: Amendments 53 and 54 taken together would alter the eligibility criteria for the proposed legal entitlement to a level 3 qualification for all adults. Amendment 53 in particular is intended to make anyone in England eligible for those qualifications, regardless of their prior qualification level; and amendment 54 is intended to make anyone in England eligible if they earn less than the living wage.

Amendments 53 and 54 highlight the reason why we are opposed to putting such an entitlement into the legislation in the first place: it could constrain our ability to respond quickly and flexibly to adapt such entitlements to benefit adults who are most in need of support. For example, if we wanted to change the offer within the legislative framework, we would have to change the legislation. We have already announced that, from April next year, we will also expand the free courses for jobs offer to include any adult in England who earns below the national living wage or is unemployed, regardless of their prior qualification level. We are able to do that without needing legislation.

By targeting eligibility on the lowest-paid earners and the unemployed, we will ensure that we support those most in need of support to access better job opportunities and to improve their prospects. I hope that the hon. Member for Chesterfield agrees with that, given that amendment 54 seeks to target those same adults. However, it is also not a good use of public funding to expand eligibility in a non-targeted way to anyone, regardless of their wages or prior qualification level, which is what amendment 53 appears to do. We therefore do not support the inclusion of amendments 53 and 54 in the Bill.

Mr Perkins: That was a useful and interesting little debate. We heard a lot about the—I want say burgeoning, but at least still existing—hat industry. My hon. Friends the Members for Luton South and for Warwick and Leamington will be glad to know that I have seen at least two colleagues in hats recently—one was my hon. Friend the Member for Cardiff West (Kevin Brennan), who as they know is quite a trend-setter—so it might well be that a recovery in the hat industry is looming. It was a useful debate, and we heard some valuable contributions on why the amendments are important.

Turning to the Minister's remarks, I accept that the amendment has similarities to and is possibly even more wide ranging than one that has already been rejected by the Committee, so we will withdraw it. However, we will press amendment 54 to a vote, because all that it seeks to do is to put on to a legal footing the promise that was made. I hear what the Minister says—"Don't worry, we are going to deliver the policy; we just aren't going to vote for it"—but I think there will be real value in ensuring that the Government commit to the thing that they say are going to do, which is about those who earn below the national living wage, as defined by the Living Wage Foundation, being able to access level 3 qualifications.

Given what we heard earlier in the passage of the Bill about the importance of local decision making, local skills improvement plans and local employers deciding their priorities, it would seem a sensible approach to allow them to identify local priorities and allow people to study a second level 3 qualification if addressing a known skills shortage. We will therefore look to press new clause 7, as well as amendment 54, to a Division. However, I beg to ask leave to withdraw amendment 53.

Amendment, by leave, withdrawn.

Amendment proposed: 54, in clause 25, page 30, line 17, leave out from "has" to "level." and insert

"is earning below the Living Wage, as identified by the Living Wage Foundation."—*(Mr Perkins.)*

The Committee divided: Ayes 5, Noes 10.

Division No. 21]

AYES

Ali, Tahir	Perkins, Mr Toby
Gwynne, Andrew	
Hopkins, Rachel	Western, Matt

NOES

Bradley, Ben	Hunt, Tom
Burghart, Alex	Johnston, David
Carter, Andy	Nici, Lia
Clarke-Smith, Brendan	Richardson, Angela
Hunt, Jane	Tomlinson, Michael

Question accordingly negatived.

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

Alex Burghart: The Government agree with the ambition to ensure that people in England have access to education no matter their age. We are committed to helping everyone get the skills that they need at every stage in their lives.

In April, we launched the free courses for jobs offer as part of the lifetime skills guarantee. That gives all adults in England the opportunity to take their first level 3 qualification for free, regardless of age. It is not right, however, to put the free courses for jobs offer into legislation. That would constrain the Government in allocating resources in future, and make it harder to adapt the policy to changing circumstances. The Secretary of State recently announced, for example, that from April next year we will expand the offer to include any adult in England who earns below the national living wage or is unemployed, regardless of their prior qualification level.

Through the adult education budget, full funding is also available through legal entitlements for adults aged 19 and over to access English and maths qualifications and fully-funded digital skills qualifications for adults with no or low digital skills. In areas where adult education is not devolved, the adult education budget can fully fund eligible learners studying up to level 2 if they are unemployed or earning below around £17,300 per year.

The spending review has provided a fixed quantum for adult skills, and the level of provision that is funded in any year needs to fit that quantum. Funding increases to follow increased numbers of learners, or a higher-funded mix of provision, will have to be subject to affordability within the overall envelope. The spending review process, rather than legislation, is the appropriate way for determining how the Government allocate resources over the long term. Funding for the free courses for jobs offer will be available throughout the three-year spending review period, giving further education providers the certainty that they need to invest in the delivery of the offer.

Moreover, the Bill is not an appropriate place to create new legal entitlements when we are in the process of reforming further education funding and of carrying out a review of qualifications at level 3 and below. Those vital programmes will ensure our skills system is fit for the future. By creating a legal entitlement for anyone to access their first qualification up to level 3, we would cut across those vital reforms and pre-empt the consultation process.

I now turn to the proposal in the clause that any employer receiving apprenticeship funding must spend at least two thirds of that funding on people who begin apprenticeships at levels 2 and 3 before the age of 25. The Chancellor's spending review commitment delivers the first increase to apprenticeships funding since 2019-20. Funding will grow to £2.7 billion by 2024-25.

There have been some changes in the make-up of apprenticeships since the reforms: a higher proportion of apprentices are now aged over 25. In 2020-21, 16 to 24-year-olds still accounted for 50% of apprenticeship starts. In the same period, level 2 and level 3 starts made up 69% of the total. I know that there are concerns about the fall in starts among young people. I recognise the value of apprenticeships to young people embarking on their careers, and I am determined to ensure that there are good apprenticeship opportunities at all ages and stages, but I am concerned about the implications of trying to address that in the Bill.

The clause restricts opportunities for older and younger employees, and it restricts employer choice. Eighty per cent. of the UK's 2030 workforce is already in work, so it cannot be right that only a third of apprenticeships funding is made available to those who are over 25. We want older people to be able to use apprenticeships to progress or retrain. The Confederation of British Industry estimates that one in six workers—5 million people—will go through radical job change and require re-training by 2030.

Age should not be a barrier to opportunities to learn or a limiting factor in our ambitions. I do not want to restrict young people to starting at level 2 or 3 apprenticeships. I also want an 18-year-old with good A-levels to see an apprenticeship as a strong alternative to university. They should be able to start a level 6 apprenticeship and gain a degree.

2.45 pm

Employers agree. In evidence submitted to the Committee, the Open University sets out that 82% of employers, both large and small, believe that it is important for apprenticeships to be available for those of all ages and at all levels. Our work on accelerated apprenticeships clearly shows our ambitions for young people. The institute has already published progression routes from T-levels on digital production, design and development, civil engineering and building services design to level 4 apprenticeships. As an example, a T-level graduate in digital production, design and development could move on to a level 4 DevOps engineer apprenticeship and reduce the length of the apprenticeship training by up to 12 months. I want the apprenticeships programme to be responsive to the different needs of individuals, employers and the economy. I therefore believe that we should remove clause 25 from the Bill.

Mr Perkins: There is a real concern about the number of apprenticeships that are available for people between the ages of 16 and 24. The Minister makes an important point, which I would not remotely disagree with, that

[Mr Perkins]

many people, for a variety of reasons, seek investment in their skills beyond the age of 24. Of course, opportunities should be there for them, but the lifetime skills guarantee, which might more accurately be described as a one-off skills guarantee, is really important. I do not agree with his description of 50% of apprenticeships going to 16 to 24-year-olds as a really big achievement. Too little apprenticeship funding is targeted at those under the age of 25.

Many people are concerned that since the introduction of the apprenticeship levy businesses have sat on this pot of funds, looking to utilise them. They have often not taken people on at entry level, but instead utilised the apprenticeship levy to provide MBAs for level 6 or 7 qualifications for their managerial staff. That is really what clause 25(3) seeks to address. Had the Minister said, "We've got a different approach to targeting that," that would have been one thing, but simply to wipe the clause from the Bill is very concerning, and will be met by real disappointment from many of those who share the view that too little apprenticeship funding is being targeted at those under the age of 25.

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

The Committee divided: Ayes 4, Noes 10.

Division No. 22]

AYES

Gwynne, Andrew	Perkins, Mr Toby
Hopkins, Rachel	Western, Matt

NOES

Bradley, Ben	Hunt, Tom
Burghart, Alex	Johnston, David
Carter, Andy	Nici, Lia
Clarke-Smith, Brendan	Richardson, Angela
Hunt, Jane	Tomlinson, Michael

Question accordingly negatived.

Clause 25 disagreed to.

Clause 26

Further education in England: intervention

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

Alex Burghart: Colleges and designated institutions play a crucial part in their local communities by enabling young people and adults to gain the skills they need. In the small numbers of cases in which an institution is failing to deliver an acceptable standard of education or training, or is failing in other ways, Government must be able to intervene to secure improvement.

Existing powers under the Further and Higher Education Act 1992 to intervene in colleges in the FE sector can be used in certain prescribed circumstances in which there are serious failings: mismanagement, for example, or financial or quality failures. In those circumstances, action can be taken to remove or appoint members of the governing body, or to give direction. Clause 26 extends those existing powers to allow for intervention where the education or training provided is failing, or has failed, to adequately meet local needs. Where the prescribed circumstances are met, clause 26 also enables the Secretary of State to direct the governing body to transfer "property, rights or liabilities" to another body.

The statutory intervention powers that we are amending through clause 26 are intended to be used only as a last resort. Our core support and intervention activity is delivered through administrative processes set out in the published guidance, "College oversight: support and intervention". The Government are not seeking these powers in order to implement a new wave of mergers across the college sector—that is not the purpose of intervention. However, there is good evidence that structural change can, in the right circumstances, play a valuable role in securing improvement. We have also been clear that decisions on the college curriculum are for the governing body, not for Ministers to second-guess. We are working with Ofsted to increase the focus of inspections on how well colleges are meeting skills needs. The Government's primary focus is on supporting colleges and designated institutions, and preventing things from going wrong.

In conclusion, strengthening the existing statutory intervention powers is necessary to ensure that, as a last resort, the Government are able to act where there is failure and there is no alternative means of securing improvement.

Mr Perkins: Clause 26 sets out in detail some additional powers relating to further education colleges in England, and the desire of the Secretary of State to intervene. The intervention regime for colleges is already complex, having been noted as a cause for concern by the Independent Commission on the College of the Future. Dame Mary Ney's independent review of college financial oversight also identified the complexity of the regime, and in this Bill the Secretary of State is looking to find additional reasons to intervene, beyond financial failure. There is a real risk that this clause will just add to that complexity, going precisely against the apparent aim of establishing a simpler system.

Crucially, the Bill proposes new powers of intervention for the Secretary of State without giving colleges the freedoms to deliver. Last week, the Government passed an amendment that removed colleges from being strategic partners in the establishment of local skills improvement plans, so colleges are left accountable, but not empowered. Indeed, in a way, it goes further than that: if a college were to disagree with what was in the local skills improvement plan—if it were to consider that a local skills improvement plan that had been approved did not meet the needs of all of its learners—its failure to follow that plan could lead the Secretary of State to intervene and its being considered to be a failing college.

We accept that there needs to be an understanding of interventions, but there are questions that we would like to test the Minister on. First, why is it appropriate to hold colleges accountable for the delivery of LSIPs, but not treat them as strategic partners in developing those LSIPs? Secondly, do the new intervention powers apply equally to all post-16 education providers? If not—if they apply only to FE colleges—what consultation has the DfE undertaken with the Office for Students in order to ensure that this aligns with its approach to the oversight of higher education provision? Thirdly, what happens in circumstances where colleges believe that a

poor or inappropriate LSIP has been produced that is not in the long-term interests of their locality? Do they simply deliver on a plan that they believe to be inappropriate, or are there mechanisms available to them to make representations on that point? If the needs of the local learning community have altered but the LSIP has not, how would a college be able to raise that? What consequences would be available to the Secretary of State if a college was seen not to fit in with what the LSIP said, even if the circumstances on the ground had changed?

Alex Burghart: As we have made clear throughout the Bill, the Government are on a mission to create an employer-led system in which the provision of skills reflects the skills that employers in a community need. We are absolutely set on ensuring that we get qualifications designed with employers to give students the skills the economy needs, at both local and national level. The clause sets about creating an accountability framework that places colleges in that sphere. We want colleges to respond to the ideas set out in a local skills improvement plan. However, as I have also made clear, these are absolutely powers of last resort. What we are really looking for is a profitable relationship between employer representative bodies and local providers. For that reason, we hope the clause will stand part of the Bill.

Question put and agreed to.

Clause 26 accordingly ordered to stand part of the Bill.

Clause 27

Further education bodies in education administration: application of other insolvency procedures

Mr Perkins: I beg to move amendment 61, in clause 27, page 33, line 19, at end insert—

"(2C) Before applying to a court for an education administration order in relation to a further education body in England, the Secretary of state will conduct a review of the impact of the closure of a Further Education institution on learning opportunities in the local area and provide a report to Parliament on steps taken to ensure that the opportunities for learners are not restricted by his application for an education administration order."

Amendment 61 is a probing amendment that would require the Secretary of State to review further education provision prior to applying for an education administration order for a college. There should also be a review of the impact of closing a college; if the impact of such a closure would be a reduction or complete removal of provision, we would request that the Secretary of State report to Parliament to allow for appropriate parliamentary scrutiny.

It is crucial for the Secretary of State to ensure that local areas have adequate further education provision before deciding to merge and close colleges. The colleges most likely to be closed are often those in more rural areas, those that are smaller, those that are facing specific challenges or those in communities that face specific challenges because they do not have the density of population. Although we recognise that there may be financial collapse as a result of their geographic isolation, that should not necessarily mean that the provision their students rely upon disappears with the merger of the college.

It is important to have scrutiny at both a local and national level. We believe that it should be parliamentary scrutiny, to ensure that the Secretary of State commits to reporting to the House before announcing such a decision, and to ensure that there is a review of the impact of a closure on the local labour market and on the courses available to people in that local community.

Alex Burghart: Amendment 61 would require the Secretary of State to conduct a review of the impact of the closure of an FE institution on learning opportunities in a local area and provide a report to Parliament on the steps taken to ensure that opportunities for learners are not restricted ahead of an application for an education administration order. We will hear about education administration orders in the next few minutes.

I appreciate what Labour Members are trying to do, but the effect would be to delay an application for an education administration order, which would run counter to the purpose of the amendment. First, if an FE body becomes insolvent, it risks being placed into a regular insolvency procedure by a creditor or its board. The primary objective of a regular insolvency procedure is to prioritise the interests of creditors. This means that any closure scenario could result in the best returns to creditors being prioritised over the needs of keeping the body open for learners. Going down a standard insolvency route with a college will prioritise creditors, risking students studying there being pushed to one side.

3 pm

That is not the case with an education administration order. Education administration was brought into force via the Technical and Further Education Act 2017 for this very reason. An education administrator has a special objective to prioritise the interests of learners by avoiding or minimising disruption to student studies, which sits above the interests of creditors. This means that an education administration order does not immediately result in the closure of that FE body. Depending on the time available in any given insolvency situation, the Department conducts rigorous contingency planning in the run-up to a particular education administration—it is front-loaded; it happens before we actually place the order—including a review of the options available that best prioritise learners. Once an FE body is in education administration, all options to exit, including closure, are further reviewed by the Department in conjunction with the education administrator. When considering the various options to exit education administration, the interests of learners are paramount, given that special objective. The Department also conducts public sector equality duty reviews as part of that.

First, the requirement to undertake a review of learner opportunities and produce a report to Parliament, as the amendment proposes, would significantly delay an education administration application. Any delay at this time would risk the FE body being placed into a normal insolvency procedure, which would not prioritise the interests of learners.

Secondly, although I acknowledge the importance of transparency, a public report at that stage of the process would not be helpful. Without knowing specifically

what hon. Members intend to be covered in such a report, the broadness of the amendment means that a report would likely contain sensitive information, which in turn could jeopardise an education administrator's sale or transfer negotiations with other education bodies. This, too, could cause delays and actually reduce priority for learners.

Thirdly, reporting is already in place as part of an education administration. Education administrator reports, published according to statutory deadlines, are available from Companies House and include details of how the administrator has undertaken the education administration, the options considered and the reasons for a preferred course of action, together with financial information such as the statement of affairs of the FE body and the education administrator's receipts, payments and time costs.

Finally, I stress that education administration happens mercifully rarely. Only two further education colleges have been placed into education administration to date. The amendment would not introduce anything that is not already intended in an education administration and would, I am afraid, adversely affect the interest of learners. I therefore suggest that it is not added to the Bill.

Mr Perkins: I listened carefully to the Minister. As I said at the outset, this is a probing amendment to identify the extent to which the interests of learners are considered within education administration. I also listened to the Minister's point regarding the creditors of such an institution, which was important and well made. I accept what he said about the need to go into education administration with due urgency. In that process that follows, which he laid out, there is a real need for the Government to say more, perhaps through a parliamentary statement, for people to better understand the situation on the ground in regard to future provision and those affected by any change in that provision. Notwithstanding that, it is not our intention to push the amendment to a vote.

Matt Western: I was hoping to catch my hon. Friend's eye.

Mr Perkins: Within my intention not to push the amendment to a vote, I would like to give way.

Matt Western: It is like "Just a Minute". I thank my hon. Friend for giving way. I just want to elaborate on the point in his concluding remarks about how many colleges face financial uncertainty. According to the *Times Educational Supplement*, it was one in seven in a recent survey. We saw with Hadlow College—one of the two that the Minister was referring to—that 2,000 students suddenly lost their places. That can have a huge impact on a town and a region.

Mr Perkins: It absolutely can. Cases such as that impact not only the learners affected at that very moment, but on the provision for the next generations coming through. It has a very detrimental impact on the local community. My hon. Friend's point is well made. I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

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

The Chair: With this it will be convenient to consider clause 28 stand part.

Alex Burghart: Clause 27 proposes to clarify ambiguities in the Technical and Further Education Act 2017 regarding the use of company voluntary arrangements—a procedure allowing a company or corporation in insolvency proceedings to come to an agreement with its creditors over the payment of debts. Company voluntary arrangements can be used as an exit route for normal administration, as set out in insolvency legislation.

Company voluntary arrangements can also be used as an exit route from education administration under the FE insolvency regime, which we have just been debating. That has been clarified in case law, which has been in place since March 2020, when the High Court of Justice Business and Property Courts of England and Wales ruled that in the education administration of West Kent and Ashford College, education administrators had the power to propose a company voluntary arrangement.

We are using the opportunity to legislate in the Bill to clarify ambiguities in the current legislation and cement that existing case law into legislation. To be clear, we are cementing what the courts have already decided on. To achieve that, clause 27 proposes to extend the existing power of the Secretary of State for Education to make regulations related to the application of insolvency legislation to FE bodies so that express provision may be made in respect of the use of company voluntary arrangements.

Clause 28 deals with the potential conflict related to the treatment of secured creditors as between the transfer scheme provisions of the Technical and Further Education Act 2017 and the provisions of the Insolvency Act 1986, as applied by the 2017 Act. Specifically, the proposal amends schedules 2, 3 and 4 to the 2017 Act, making it clear that, where a transfer scheme looks to transfer secured assets free of the security, that can happen only with either the consent of the secured creditor or a court order. That is in line with protections for secured creditors in normal administration in insolvency proceedings.

Clause 28 also cements into legislation the Government's response to the technical consultation for the insolvency regime for further education and sixth-form colleges, which was made in June 2018. We have informed the three main lenders to the FE sector—Barclays, Lloyds and Santander—of our proposed changes, and I am pleased to report that they are supportive. Barclays said:

> "As a lender with significant loan exposure to the English FE sector (and desire to continue to support colleges with new loans) we are in favour of the changes proposed. The Transfer Scheme changes in particular provides welcome clarity on a point that had previously had a negative impact on sector risk profile and our appetite to lend."

These clauses are good for the sector and good for the law, and I believe they should be good enough for us.

Mr Perkins: As the Minister was reading out that very positive quote from Barclays about his clause, it occurred to me how rarely he has had the opportunity to read out support for his Bill over the course of its passage. That is unsurprising, of course, when he is pressing ahead with amendments that 86% of respondents

to his consultation are against. None the less, it was good to hear that full-throated support for this proposal from Barclays.

We do not intend to vote against clauses 27 or 28. I will simply make the point that the financial pressures facing our further education sector over the past 11 years, and particularly the past 12 months or so, have been truly unprecedented. I regularly meet representatives of colleges who are absolutely at their wit's end, and not only about the scale of the funding cuts they have experienced over the past 11 years, but about the extent to which last-minute decisions are constantly made that leave them in a position in which they have to make redundancies in order to stay afloat, only then to discover sometimes that there is a change in the Government's policy and they have to recruit for some positions that they had made redundant only a few months before.

So it was with the recent announcement about the adult education clawback. I have asked parliamentary questions on this issue. A number of colleges received a clawback from their adult education fund and were told that there was no right to any appeal. Then the previous Secretary of State said that they would allow appeals and I believe that in some cases the appeals were granted. In the meantime, however, those colleges were forced to cut their cloth accordingly.

Consequently, I say to the Government that although we do not oppose clauses 27 or 28, we believe that there needs to be a much greater sense of responsibility about the Government's role in the financial distress that many of our colleges are currently suffering, which my hon. Friend the Member for Warwick and Leamington referred to earlier, and about the impact on those colleges of the constant last-minute decision making that they have suffered over the past 11 years.

Question put and agreed to.

Clause 27 accordingly ordered to stand part of the Bill.

Clause 28 ordered to stand part of the Bill.

Clause 29

MEANING OF "RELEVANT SERVICE" AND OTHER KEY EXPRESSIONS

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

The Chair: With this it will be convenient to discuss clause 30 stand part.

Alex Burghart: Clause 29 is the first of a chapter of clauses that relate to the criminalisation in England and Wales of contract cheating services, which are more widely known as essay mills. Taken together, this chapter of clauses will make it an offence for an organisation or individual to complete, or arrange for another person to complete, all or part of an assignment on behalf of a student. It also criminalises the advertising of these cheating services. Essay mills threaten to undermine the reputation of our education system and to devalue the hard work of those who succeed on their own merit. They also prevent students from learning themselves and risk students entering the workforce without the knowledge, skills or competence they need.

Clause 29 provides clarity on the exact meaning of the key terms used throughout this chapter of clauses; removes the potential for unintended consequences to arise from the clause; and allows for fraudulent essay mill companies, their employees and contractors to be captured by the legislation. Because of the way that we have defined "relevant service", we have also ensured that generally permitted study support, such as revision guides, will not be in scope, but essay mill companies that complete assignments on behalf of students will be in scope.

Clause 30 criminalises providing essay mill services or arranging for such services. It is therefore crucial in our fight against essay mills. It provides a powerful legislative tool to tackle these deplorable organisations and individuals.

I will talk briefly about the practicalities of the offence that we are creating. It will be for the prosecution to prove that the cheating service has been provided to the student. However, the burden of proof in relation to the defence is on the defendant. For example, the defendant would need to prove that they could not have known, even with reasonable diligence, that the student would or might use the material provided to complete an assignment. For example, simply asking a student to sign a contract that states that they will not use the work in a certain way is not a defence. Clause 30 states that clearly.

If someone were to be found guilty, they would be liable to be punished with a fine. The appropriate fine will be determined by the courts in accordance with Sentencing Council guidelines. Clause 30 will help to tackle the existence of these companies and to fine them appropriately if they continue to carry out these illicit services.

Mr Perkins: Clause 29 defines the term "relevant service" and other key expressions. We have no desire to vote against it.

I am interested in the representations that the Minister has received about the way clause 30 is drafted. Subsection (4) will immediately set those with more experienced legal minds than mine—there are such people in this place—to consider how difficult it may be to achieve a successful prosecution under these provisions. If there is a defence that enables a defendant to say, "I had no idea what the legislation was", that starts to bring home how difficult it might be to get successful prosecutions in this area.

3.15 pm

Notwithstanding that point, we support the Government in seeking to bring the provisions in the clause into being. We think this is an area of real importance. Every single student who diligently does their revision and their work, and who has a qualification in their hands that they have earned, needs to know that the qualification has meaning. If other people can win that qualification not through the same diligence and hard work but by accessing these cheating services, that undermines the qualification and those hard-working students. We support the intentions behind the clause, but are interested to see what representations the Minister has received on the drafting.

Will the Minister also tell us how he anticipates that the fines and offences will be regulated? For example, will the provision of a cheating service that is utilised by five different students be five offences or one? It is the technological advances that have taken place that make such a clause necessary—it would not have been previously. If, for example, an organisation was putting things on the internet that were subsequently being used in a way that was considered to be cheating, where is the line between the sale of those services and that information, and simply selling access to a website? Will the Minister tell us a little more about what he anticipates will be seen as a cheating service? That would be helpful.

Matt Western: I have a few points to add to my hon. Friend's remarks. In principle, these clauses make some important points about essay mills and the advertising of relevant services. There is a long-overdue need to legislate to prevent such services, and this will give the issue the importance that the sector has been demanding for some time. Back in 2018, something like 40 vice-chancellors wrote to the then Secretary of State demanding action on this issue. We are three years on. The problem has grown to an industrial scale and needs tackling.

The problem has become so—well, I would not say endemic, but it is widespread, and there are many students out there who seek to access these services or feel under pressure because of the need to get good grades. There was a case not so long ago where Coventry University students were blackmailed by an essay mill company, which said that if they did not pay yet more money, it would tell their university. There is a lot to be covered in this respect, and that is why the clause is very important.

Alex Burghart: I am pleased to see that the Opposition support our move to legislate on this matter. We are all of one mind that cheating services actually end up undermining the good work of the vast majority of students, and they introduce an unnecessary element of doubt.

I reassure the Opposition that the Bill has been carefully drafted with some excellent Government lawyers. Clause 30 is designed to ensure that convictions are much more likely and that some of the easy defences—for example, that these services were just providing information and had no idea that it would be used in cheating services—cannot be used as a get-out-of-jail card. We are confident that it is a major step forward in combating this insidious crime and we look forward to its enactment.

Question put and agreed to.

Clause 29 accordingly ordered to stand part of the Bill.

Clause 30 ordered to stand part of the Bill.

Clause 31

Offence of advertising a relevant service

Mr Perkins: I beg to move amendment 61, in clause 27, page 33, line 19, at end insert—

'(2C) Before applying to a court for an education administration order in relation to a further education body in England, the Secretary of state will conduct a review of the impact of the closure of a Further Education institution on learning opportunities in the local area and provide a report to Parliament on steps taken to ensure that the opportunities for learners are not restricted by his application for an education administration order."

This probing amendment is designed to find out the Government's anticipated tariff for such offences. To what extent is it seen as a serious offence? To us, it is absolutely obvious that the fine needs to be of a sufficient sum to make it not worth providing such services. Although we support the Government's intentions, we seek further clarification about the level of the anticipated tariff for such an offence. Will perpetrators get off with a fine that costs them the equivalent of a week's dinner money, or are the Government taking such offences seriously? Will they set the fine at a high enough level to act as a deterrent?

To return to the question to which I do not believe the Minister responded when we considered clause 29, in the event of a cheating service that is utilised by five students, would that be judged as five offences or one?

Alex Burghart: I am sorry, I forgot to reply to that. It would be five offences.

Mr Perkins: That is useful clarification. Can the Minister also clarify whether perpetrators would be guilty of a civil or criminal offence? Would they get a criminal record? In the event that a business was perceived to be providing those services, what would be the impact on that business? Or is an individual judged to have committed the offence? I would be grateful for that clarification.

Overall, we believe it is vital that there is a level playing field. We support the Government's intention to prevent the use of fraudulent services, such as essay milling, and we believe that the fines should be such to act as a deterrent. We also believe that there should be a corresponding damage to reputation provision when people or businesses commit that offence. It is crucial that the amount of the fine and the publicity surrounding those fines reflect the severity of the offence. As we have said, the practice significantly undermines the efforts of all students who work hard to achieve their qualifications legitimately.

Matt Western: It would be interesting to hear from the Minister what form of penalty the Government imagine. We heard the probing question from my hon. Friend the Member for Chesterfield about the case of five individuals. Can the Minister elaborate on what sort of penalties he envisages for the business behind the essay mill? If he does not agree with our suggestion, what scale of punishment does he believe would be appropriate? Is it more akin to dropping litter, fly-tipping or another offence?

Alex Burghart: We are in agreement that essay mills need to be driven out of business, and that is why the clauses are in the Bill. In response to the hon. Gentleman's points, these are serious criminal offences.

Andy Carter (Warrington South) (Con): I suspect that the Minister is about to say that the Sentencing Council will have a view on the issue, and actually it is for the Sentencing Council to determine the length and type of sentences that might be involved in criminal activities.

Alex Burghart: My hon. Friend is extremely prescient, and I congratulate him on that. This is a criminal offence and we want to see it seriously punished. However, for reasons I will set out, we do not think that amendment 62 would solve the problem in the right way. It would amend clause 31 by setting a minimum penalty of a fine of no less than £5,000 for the offence of advertising a cheating service. As drafted, the Bill does not state the level of fine payable on conviction. Instead, conviction of either offence carries the penalty of an unlimited fine—as the name implies, that is a fine imposed without financial limit. That approach carries serious potential consequences and provides a significant deterrent effect to those planning to advertise contract cheating services.

The Government do not believe that setting a minimum amount is appropriate, where maximum fines are unlimited. Setting a minimum fine of £5,000 risks that level of fine being seen by essay mill providers as a likely fine, rather than a minimum. Sentencing and the precise size of a fine should be matters for the independent judiciary, in accordance with Sentencing Council guidelines, based on the full facts of the case. I would draw hon. Members attention to the fact that Ireland, which has a similar legal system and a similar offence, imposes a fine of up to €100,000 per offence and/or a prison sentence. That is the sort of thing that might go through the minds in our justice system. We do not therefore think that the amendment is necessary.

Mr Perkins: I accept what the Minister says. I do not accept that introducing a minimum fine of £5,000 would necessarily lead to essay mill services thinking that that would be the likely level, but I take his point. The amendment was a probing amendment to try to reach some understanding of the Government's position. If there have been fines of the level that he outlined, that will be heartening for all those who want to see the issue addressed. I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

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

Alex Burghart: Clause 31 makes it an offence to advertise essay mills. Marketing and advertising are the lifeblood of any successful industry, and we do not want this industry to be successful or to have lifeblood. Many essay mill companies use marketing techniques that seem to indicate that they offer legitimate academic writing support for students, when in fact they are providing cheating services. Students who use essay mills risk their academic education and future employment prospects if they are caught cheating. Anecdotal reports indicate that some essay mills are even seeking to blackmail students who have used the services, as the hon. Member for Warwick and Leamington mentioned. The clause will put beyond doubt that advertising cheating services in England and Wales is not just unethical but illegal, and will provide the means to prosecute those who fail to comply with the law in England and Wales.

3.30 pm

Mr Perkins: I have already outlined our support for this move. We believe that this is a serious offence. It is important that any perceived legitimacy of essay mill services is aggressively challenged. On that basis, we will support the clause.

Question put and agreed to.

Clause 31 accordingly ordered to stand part of the Bill.

Clause 32

OFFENCES: BODIES CORPORATE AND UNINCORPORATED ASSOCIATIONS

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

The Chair: With this it will be convenient to discuss clause 33 stand part.

Alex Burghart: Clause 32 relates to which bodies can be prosecuted under the essay mill provisions in the Bill. Cheating service providers can range from UK-based organisations registered at Companies House with offices and permanent staff to lone individuals operating with minimal infrastructure. Where offences are committed by companies, unincorporated bodies and partnerships, the clause enables certain individuals, such as the directors of companies, to also be prosecuted in particular circumstances. It also sets out some relevant procedural rules. For example, it clarifies that proceedings for offences committed by an unincorporated body should be brought in the name of the body and not its members, and any fine imposed on conviction of an unincorporated body should be paid out of the funds of the body. The clause will enable the legislation to function with legal certainty. Clause 33 sets out the definitions of certain terms in this chapter, allowing for absolute clarity on the intended purpose of the clause.

Mr Perkins: We welcome clause 32. It is important that where offences are committed by bodies of this sort there are consequences for their officers. The clause ensures that directors, managers, secretaries or other similar officers of the body corporate are guilty of an offence, if an offence under this chapter is committed by their body corporate and either they are known to have consented and been in connivance, or it is attributable to neglect of their duties under the organisation. We will therefore support clause 32. Clause 33 is simply an interpretation clause that makes sense of the terms in clause 32.

Question put and agreed to.

Clause 32 accordingly ordered to stand part of the Bill.

Clause 33 ordered to stand part of the Bill.

Clause 34

16 TO 19 ACADEMY: DESIGNATION AS HAVING A RELIGIOUS CHARACTER

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

The Chair: With this it will be convenient to discuss clauses 35 and 36 stand part.

Alex Burghart: Clause 34 provides the Secretary of State with an order-making power to enable the designation of 16-to-19 academies as having a religious character. It also provides for the Secretary of State to make regulations about the procedures relating to the designation. In addition, it sets out the freedoms and protections relating to religious education, collective worship and governance that the designation provides. The clause will ensure

[Alex Burghart]

that when existing sixth form colleges designated with a religious character convert to academies they retain their religious character and associated freedoms and protections. It will also enable new and existing 16-to-19 academies to be designated with a religious character in the future. The Government are committed to supporting existing sixth-form colleges to convert to academy status. I am pleased that a significant proportion of them have already taken that step, and are making a strong contribution to strengthening the academy sector.

Clause 35 improves the efficiency of administration of the further education sector. It is thankfully rare for a further education body to enter into insolvency proceedings. However, where a designation order can form part of a rescue procedure, we need to ensure that it can take place swiftly, minimising disruption to learners and costs to the taxpayers. For some FE bodies in financial difficulty, it may be desirable to transfer the college institution from the insolvent FE body to a new solvent company as part of the process of exiting insolvency proceedings. To ensure that the institution remains within the statutory further education sector in order to keep it appropriately regulated, it would then need to be immediately designated accordingly. Existing legislation requires the Secretary of State to make a statutory instrument when he seeks to carry out such a designation. That process can take several months, and needs a completion date to be specified significantly in advance, which could complicate and delay the exit from insolvency proceedings. Delays impose a longer period of disruption on learners and could generate extra costs to the taxpayer. As such, clause 35 allows the Secretary of State to use an administrative order, which can be enacted relatively quickly, to designate an institution as being within the statutory further education sector.

Clause 36 relates to the high-level quality rating for higher education providers without an approved access and participation plan, which is currently an award under the teaching excellence and student outcomes framework. Higher education providers with a TEF award currently benefit from an uplift to their fee limit, meaning that they are able to charge a higher level than HE providers without such an award. There is currently an error in the legislation that could prevent a timely link between TEF awards and a provider's fee limit. To take an example, let us consider a provider that does not have an approved access and participation plan. If that provider is entitled to the TEF fee uplift in any academic year, it is dependent on whether it had an award on 1 January in the calendar year before the relevant academic year. That means that a provider seeking to charge the TEF fee uplift in academic year 2022-23 could only do so based on an award that was in force in January 2021, rather than January 2022, which was the original intent. Clause 36 will correct that error and ensure a more timely link between fee limits and the TEF award, helping to further incentivise excellence in higher education.

The Chair: I call Mr Perkins.

Mr Perkins: Sorry, I have got all tangled up here; give me a moment, Mrs Miller. For the sake of those listening on the radio, my hearing aid has got stuck in my mask.

The Chair: It is usually an earring with me, I have to say.

Mr Perkins: Sorry, what did you say? *[Laughter.]*

We do not intend to divide the Committee on clauses 34 to 36. We think it is important that the law does not discriminate against academies or institutions for having a religious character designation, should they wish to do so. Clause 34 would change the rules so that when the Department next seeks to create 16-to-19 academies, it will be possible for organisations to apply to set up one with a religious character. Ministers intend to change the law to ensure equality for technical education in school careers advice, and to allow religious sixth forms to academise. A group of 14 sixth-form colleges that are Catholic run have so far been prevented from doing so due to their religious character; this clause would overturn that obstacle.

We recognise that there are many excellent academies out there, just as there were many excellent state-maintained schools. We think it is regrettable that the Government have decided to prioritise academies over schools run by local authorities. I have a very personal reason for saying that: my children went to an outstanding school that was run under the local council. Unfortunately, due to its finances, it was forced into a position where it took on academy status, and ultimately, that academy was described as a failing school. The desire to drive that school into academy status caused really significant problems. It is my view that the academies that the Labour Government created were a positive thing, and that there are many excellent academies out there. However, we think that the Government should remain neutral on this issue, rather than trying to force schools down one route or the other.

Notwithstanding that, we support the changes in clause 34. Sixth-form colleges should not be discriminated against if they have a religious designation and wish to become academies.

Clause 35 assigns a designation to terms in the Further and Higher Education Act 1992. We can support the clause given that is sets out the designations of institutions in the FE sector relating to the 1992 Act. Clause 36 is a technical change that clarifies the relevant date, for purposes of fee limit, for certain higher education courses, as set out by the Minister. We are happy to support the clause, which sets out the determination of the fee limit.

Question put and agreed to.

Clause 34 accordingly ordered to stand part of the Bill.

Clauses 35 and 36 ordered to stand part of the Bill.

Clause 37

EXTENT

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

The Chair: With this it will be convenient to discuss clause 38 stand part.

Alex Burghart: Clause 37 sets out the territorial extent of the provisions. Obviously, Westminster does not normally legislate on devolved matters without the consent of the relevant devolved Administration. However, we have sought the support of the Welsh Government to lay a legislative consent motion where there is an impact on the competence of Senedd Cymru. We have agreed

with the Scottish Government and with the Northern Ireland Executive that legislative consent motions are not required.

Clause 38 sets out when provisions in the Bill come into force. General provisions on extent commencement and short title come into force on the day of Royal Assent. Subsection (2) sets out the provisions that will come into force two months after the Act is passed. All other provisions will come into force on a day, or days, appointed by the Secretary of State through regulations made by statutory instrument.

Mr Perkins: Clause 37 sets out the extent of the Bill. I heard what the Minister had to say about the Welsh Assembly; can he just confirm that he has consulted the Welsh Assembly on the extent to which this Act applies to Wales and, given that there are differences between what is offered in England and in Wales, that there is nothing in the Bill that has led to problems in that relationship? Notwithstanding that point, we agree with the extent to which the clause applies to England and Wales, and also the specific provisions that extend to Scotland and Northern Ireland. We agree with clause 38 on commencement and understand what it is saying.

Alex Burghart: I reassure the hon. Gentleman that we have consulted Welsh Ministers, and we are of one mind with our counterparts in Wales.

Question put and agreed to.

Clause 37 accordingly ordered to stand part of the Bill.

Clause 38 ordered to stand part of the Bill.

Clause 39

SHORT TITLE

Alex Burghart: I beg to move Government amendment 26, in clause 39, page 42, line 13, leave out subsection (2).

This amendment removes the privilege amendment inserted in the Lords.

For Bills starting in the House of Lords, a privilege amendment is included to recognise the right of this place to control any charges on the people and on public funds. It is standard practice to remove such amendments at this stage of the Bill's passage through the House of Commons.

Mr Perkins: The Labour party is always enthusiastic for powers to be centred in the hands of those with democratic accountability, so we are very keen on clause 39. The Government have not yet had an opportunity to explain why they thought it was sensible to start the passage of the Bill in the other place, notwithstanding the excellent job that their lordships have done, which the Minister has sought to wreck over the course of the past week and a half. It would be interesting to hear from the Government why they made the decision to start the Bill in the other place. Notwithstanding that, we have no reason to oppose the amendment.

3.45 pm

Alex Burghart: I have been a Minister for only a short time, and I have to say I am unaware why the Bill started in the Lords, but I have nothing but admiration for their lordships, who did a wonderful job. Obviously, we have had to amend some of their amendments in order to make the Bill as good as it can be, but I am sure that everyone can see that the parliamentary process is being done to the full, even if it is being done this way round.

Amendment agreed to.

Clause 39, as amended, accordingly ordered to stand part of the Bill.

New Clause 1

INFORMATION ABOUT TECHNICAL EDUCATION AND TRAINING: ACCESS TO ENGLISH SCHOOLS

"(1) Section 42B of the Education Act 1997 (information about technical education: access to English schools) is amended as follows.

(2) In subsection (1), for "is an opportunity" substitute "are opportunities".

(3) After subsection (1) insert—

"(1A) In complying with subsection (1), the proprietor must give access to registered pupils on at least one occasion during each of the first, second and third key phase of their education."

(4) After subsection (2) insert—

"(2A) The proprietor of a school in England within subsection (2) must—

(a) ensure that each registered pupil meets, during each of the first and second key phases of their education, at least one provider to whom access is given (or any other number of such providers that may be specified for the purposes of that key phase by regulations under subsection (8)), and

(b) ask providers to whom access is given to provide information that includes the following—

(i) information about the provider and the approved technical education qualifications or apprenticeships that the provider offers,

(ii) information about the careers to which those technical education qualifications or apprenticeships might lead,

(iii) a description of what learning or training with the provider is like, and

(iv) responses to questions from the pupils about the provider or approved technical education qualifications and apprenticeships.

(2B) Access given under subsection (1) must be for a reasonable period of time during the standard school day."

(5) In subsection (5)—

(a) in paragraph (c), at the end insert "and the times at which the access is to be given;";

(b) after paragraph (c) insert—

"(d) an explanation of how the proprietor proposes to comply with the obligations imposed under subsection (2A)."

(6) In subsection (8), after "subsection (1)" insert "or (2A)".

(7) After subsection (9) insert—

"(9A) For the purposes of this section—

(a) the first key phase of a pupil's education is the period—

(i) beginning at the same time as the school year in which the majority of pupils in the pupil's class attain the age of 13, and

(ii) ending with 28 February in the following school year;

(b) the second key phase of a pupil's education is the period—

(i) beginning at the same time as the school year in which the majority of pupils in the pupil's class attain the age of 15, and

(ii) ending with 28 February in the following school year;

(c) the third key phase of a pupil's education is the period—

(i) beginning at the same time as the school year in which the majority of pupils in the pupil's class attain the age of 17, and

(ii) ending with 28 February in the following school year.""—*(Alex Burghart.)*

This new clause replaces clause 14. It removes requirements about university technical college access to pupils, requires access to pupils to be given in each key phase once (rather than three times), requires proprietors to ensure pupils meet at least one provider (or a prescribed number), and makes technical changes.

Brought up, and read the First time.

Alex Burghart: I beg to move, That the clause be read a Second time.

I will now discuss new clause 1, which seeks to replace clause 14. We all agree that we need to strengthen provider access legislation. The Government introduced provider access legislation in 2018 to ensure that all young people get information about technical options when planning their careers, but too many schools have disregarded the law and are reluctant to promote alternatives to A-levels and university. We announced our three-point plan to improve compliance with that legislation in the "Skills for Jobs" White Paper back in January, and that included plans to strengthen the duty.

As it stands, clause 14 would require schools to deliver nine provider encounters per pupil—three during each of the first, second and third phases of their education. We are concerned that nine encounters would place unnecessary pressure on schools and risk taking up too much curriculum time. The clause would also name university technical colleges on the face of the Bill as one of the providers that every pupil must meet where practicable. That would give more weight to one provider than the rest, and we want to act in the interests of all providers, not just university technical colleges. The new clause strengthens existing provider access legislation by requiring schools to provide a minimum of three meetings with providers of technical education or apprenticeships for pupils in school years 8 to 13.

Mr Perkins: We understand the reasons for the new clause, but what is the Government's view about why the existing Baker clause has not been as successful as they might have liked? Has it taught the Minister anything with regard to the limitations of the statutory guidance, on which he may have chosen to reflect, and to why having things on the face of the Bill often carries greater weight than purely putting things into statutory guidance or secondary legislation?

Alex Burghart: The hon. Gentleman knows full well that Governments often keep things in statutory guidance in order to retain flexibility. The last Labour Government did that time and again. As a mere parliamentary researcher, I remember consideration of what is now the Apprenticeships, Skills, Children and Learning Act 2009, in which there were many examples of powers introduced through statutory guidance and secondary legislation. It is a time-honoured custom that is there for good reason.

In this case, we believe that there is a need to strengthen practice. In particular, I want to mention the need to strengthen quality. The other day, I was talking to a friend who has a 16-year-old daughter and who is herself in education. Her daughter had come home saying, "There is absolutely no way I'm going to do an apprenticeship." My friend asked why and her daughter replied, "Because the man who came to talk to us today was so boring it has put me off."

We need to ensure that we have interventions of quality. That is very much where our position is centred. The new clause includes the power for the Secretary of State to set out further details about the number and type of providers that pupils should meet under the terms of this duty. Putting the detail in secondary legislation will give us flexibility.

The new clause strikes the correct balance between widening pupil access to information on technical options in apprenticeships, without placing undue pressure on schools. It will set out in primary legislation that every state school must provide the three encounters of which I have spoken. Of course, we must ensure that those provider encounters are of high quality. That is why, for the first time, we are setting parameters for the content of the encounters in primary legislation.

We want to ensure that every encounter is meaningful and gives pupils the opportunity to explore what the provider offers, what career routes those options could lead to and what it might be to learn or train with that provider. We intend to consult school and provider representatives on the underpinning statutory guidance to ensure that we have provider access legislation that works for them and, most importantly, for young people.

With the Government's large-scale reforms to technical education, it has never been more important for every young person to understand the full range of options that are available to them. The new clause will be crucial in ensuring that every pupil, whatever their ambitions, can explore apprenticeships, T-levels and other technical education qualifications. We want to send a clear message that schools must open their doors to other providers, so that pupils get broad and balanced information about all their options.

Mr Perkins: The Minister outlines why he believes the new clause is necessary. Given his remarks at the end there, I have to say that he would have better achieved what he set out to achieve had his party not voted against clause 14. All new clause 1 does is weaken the clause 14 that was in the Bill and that the Committee voted against this morning.

Notwithstanding that, we recognise that the new clause will be better than not having it at all. It removes requirements for university technical college access for pupils. The Minister suggested that that would be prioritising UTCs above other organisations, but I did not see it like that. I thought that they were simply referred to as another provider, and no doubt ones that Lord Baker is particularly enthusiastic to see given access.

The points that Lord Baker made in his contribution in the House of Lords are important, however, and they need to be considered. The noble Lord suggested that many schools—through either lack of time or a deliberate attempt to ensure that their students looked only at the

school's own sixth form, for financial or other reasons—were not implementing the original Baker clause and were indeed subverting the opportunities that were placed in front of children. I would be interested in hearing whether the Minister agrees with Lord Baker about that, or whether he believes that there are other reasons why alternative providers are not getting access to young people at each of those three crucial stages.

The Committee will be aware that, as part of the Labour party's offer at the next general election, my right hon. and learned Friend the Member for Holborn and St Pancras (Keir Starmer) has brought forward a plan for the equivalent of two weeks' compulsory work experience for every pupil, and for face-to-face professional careers advice to be something that every student can rely on. We think it vital that children and young people have access to professional and appropriate careers advice. Work experience can be genuinely life-changing for many young people, particularly those from more deprived backgrounds. It is crucial that work experience is seen as a mark of an excellent school provision, rather than an additional thing that is nice to do.

It has very much been my experience that many schools leave the responsibility for work experience to the child and their parents to sort out. Effectively, the only commitment that schools require is that the child does not die or get injured while they are there. There is no real assessment of the quality of that work experience, so the milkman's son ends up doing a milk round, while the MP's son spends a week in an MP's office—everyone just does the stuff that they already know. Worst of all, some children do work experience in a school, which is the one environment that they have been in for their entire lives, and that is considered acceptable.

Alternative opportunities for young people to look at different environments and learn about different opportunities are absolutely crucial. As clause 14 was rejected, we will support the new clause, but we believe it less ambitious than what their noble lordships had already introduced. Much of what the Minister said about the importance of the sector is undermined by his tabling of a clause that is weaker than the one that came from the Lords.

Question put and agreed to.

New clause 1 accordingly read a Second time, and added to the Bill.

New Clause 2

LIFELONG LEARNING: SPECIAL EDUCATIONAL NEEDS

"When exercising functions under this Act, the Secretary of State must ensure that providers of further education are required to include special educational needs awareness training to all teaching staff to ensure that all staff are able to identify and adequately support those students who have special educational needs."—*(Mr Perkins.)*

This new clause would place a duty on the Secretary of State to ensure that there is adequate special educational needs training for teachers of students in further education.

Brought up, and read the First time.

Question put, That the clause be read a Second time.

The Committee divided: Ayes 5, Noes 10.

Division No. 23]

AYES

Ali, Tahir	Perkins, Mr Toby
Gwynne, Andrew	
Hopkins, Rachel	Western, Matt

NOES

Bradley, Ben	Hunt, Tom
Burghart, Alex	Johnston, David
Carter, Andy	Nici, Lia
Clarke-Smith, Brendan	Richardson, Angela
Hunt, Jane	Tomlinson, Michael

Question accordingly negatived.

New Clause 3

REPORT ON THE PERFORMANCE OF EMPLOYER REPRESENTATIVE BODIES

"(1) Within six months of the passing of this Act, and every twelve months thereafter, the Secretary of State must publish a report on the performance of employer representative bodies and lay it before both Houses of Parliament.

(2) Each report must contain a statement setting out—

(a) the role of employer representative bodies,

(b) the accountability of employer representative bodies,

(c) the cost of employer representative bodies,

(d) the number of employer representative bodies in England and the areas covered,

(e) the number of employer representative bodies that have been removed and the reason why.

(3) Each report must contain an independent assessment of the impact of each employer representative body on—

(a) the development of local skills improvement plans, and

(b) local rates of participation in further education."—*(Mr Perkins.)*

This new clause requires the Secretary of State to publish and lay before both Houses of Parliament an annual report on employer representative bodies to allow for scrutiny of their role and performance.

Brought up, and read the First time.

Question put, That the clause be read a Second time.

The Committee divided: Ayes 5, Noes 9.

Division No. 24]

AYES

Ali, Tahir	Perkins, Mr Toby
Gwynne, Andrew	
Hopkins, Rachel	Western, Matt

NOES

Bradley, Ben	Johnston, David
Burghart, Alex	Nici, Lia
Carter, Andy	
Hunt, Jane	Richardson, Angela
Hunt, Tom	Tomlinson, Michael

Question accordingly negatived.

New Clause 4

ACCESS TO SHARIA-COMPLIANT LIFELONG LEARNING LOANS

"(1) The Secretary of State must make provision by regulations for Sharia-compliant student finance to be made available as part of the lifelong learning entitlement.

(2) Regulations under this section are to be made by statutory instrument, and a statutory instrument containing regulations under this section may not be made unless a draft of the instrument has been laid before, and approved by a resolution of, each House of Parliament."—*(Mr Perkins.)*

This new clause allows the Secretary of State to make provision for Sharia-compliant LLE loans to ensure that the LLE is not a barrier to participation and upskilling.

Brought up, and read the First time.

4 pm

Mr Perkins: I beg to move, That the clause be read a Second time.

The new clause, tabled by my right hon. Friend the Member for East Ham (Stephen Timms), relates to access to sharia-compliant lifelong learning loans. It is important that students do not feel excluded from applying for lifelong learning loans because they are not sharia-compliant. There are many different aspects to loans under sharia law. Though their effect may be similar to that of other loans, the way in which they are set up and implemented is different, and the funds are also utilised in different ways.

It is incredibly important—and I think this is recognised by Members of both main parties—that action is taken on sharia-compliant lifelong learning loans. It is regrettable, however, that thus far nothing has been done. We have been given to believe that the Augar review may result in sharia-compliant lifelong learning loans, but we have not yet seen anything to that effect. My right hon. Friend's new clause therefore encourages the Secretary of State to

"make provision by regulations for Sharia-compliant student finance to be made available as part of the lifelong learning entitlement."

Alex Burghart: I am grateful for the opportunity to discuss sharia-compliant student finance. The Government have been considering an alternative student finance product, compatible with Islamic finance principles, alongside their other priorities as they conclude the post-18 review of educational funding.

New powers were taken in section 86 of the Higher Education and Research Act 2017 to enable the Secretary of State to make alternative payments, in addition to grants and loans, to enable the implementation of ASF. Clause 15 already makes provision for such alternative payments to be made as part of the lifetime loan entitlement. As such, when coupled with the existing provisions in HERA, the new clause would not give the Secretary of State any additional powers. The clause 15 provisions for alternative payments would come into force should the Government decide to commence the provisions in HERA that enable alternative payments to be provided to students. The Government will reach a decision on the availability of a sharia-compliant student finance product as part of the full and final conclusion of the post-18 review, and will provide an update on ASF at that time.

In relation to the second part of the new clause, the Secretary of State may already lay student support regulations using the affirmative procedure contained in section 42 of the Teaching and Higher Education 1998, should he choose to do so. The new clause would not add any powers beyond those already under the Bill or existing legislation, and so should not be added to the Bill.

Rachel Hopkins: I rise to support new clause 4, tabled by my right hon. Friend the Member for East Ham. The Minister says we will see the outcome of the post-18 review with regards to HERA. However, the reason why it is so important that the new clause is added to the Bill relates to further education. Because no finance or loans fit with the principles of Islam, many people end up saving up until they have sufficient funds to be able to afford their degree. The whole point of the Bill is the emphasis on ensuring that people can up their skills at level 3. If they are not able to access a loan that is compliant with the principles of Islam, and if they are on a low income, they really have no chance of being able to save up to afford to fund up front from their savings. The proposal of a lifelong learning entitlement through a loan therefore becomes a vicious circle, and they will not be able to access the training and gain the skills that they need.

For many people, this really is a matter of urgency if we are genuinely going to help people to reskill or upskill, particularly for many constituents of mine in Luton South. It is important to push the Government on this, particularly because HERA was published in 2017, and because of the commitment from the former Prime Minister, Mr Cameron, in 2013 when this first started to be talked about. This long-term delay and lack of action is not good enough. I support new clause 4.

Question put, That the clause be read a Second time.

The Committee divided: Ayes 5, Noes 9.

Division No. 25]

AYES

Ali, Tahir	Perkins, Mr Toby
Gwynne, Andrew	
Hopkins, Rachel	Western, Matt

NOES

Bradley, Ben	Johnston, David
Burghart, Alex	Nici, Lia
Carter, Andy	Richardson, Angela
Hunt, Jane	Tomlinson, Michael
Hunt, Tom	

Question accordingly negatived.

New Clause 5

NATIONAL REVIEW AND PLAN FOR ADDRESSING THE ATTAINMENT GAP

"Within six months of the passing of this Act, the Secretary of State must undertake a review to understand how to support those who have not achieved grade 4 or above in GCSEs in—

(a) English, or

(b) mathematics,

for the purposes of issuing a plan to support such people to achieve a level of attainment in those subjects through higher education, further education or technical education, as is necessary to advance their skills and education."—*(Mr Perkins.)*

This new clause intends to ensure that everyone is supported to attain the level of English and/or maths skills they need by ensuring there is a requirement for the Department for Education to have a plan to close the attainment gap based on a review of current policies and barriers to attainment in English and/or maths.

Brought up, and read the First time.

Mr Perkins: I beg to move, That the clause be read a Second time.

The new clause was tabled by my hon. Friend the Member for Rotherham (Sarah Champion). It would introduce a national review and plan for addressing the attainment gap and intends to ensure that everybody is

supported to obtain the level of English and/or maths skills they need by requiring the Department for Education to have a plan to close the attainment gap based on a review of current policies and barriers to attainment in English and/or maths. Our attainment levels as a nation, particularly in maths, are noticeably behind many of our competitor nations, and particularly the major nations in Europe. It is crucial that there are both local and national strategies to raise attainment for English and maths at grade 4.

I think there is widespread agreement on that across the House. The Government's approach has often been to say, "Well, until you have achieved this, you cannot do that." The Labour party's approach has always been much more of a carrot. We recognise that there needs to be greater investment, specifically in picking out those students who, for a variety of different reasons—whether as a result of learning disabilities or of social disadvantages—are less likely to attain grade 4 level in English and maths. We think it is crucial that we have a strategic approach to attaining that.

A large amount of the recent catch-up funding that was identified by the Government was never actually provided, and there has been a discrepancy between the amount of the catch-up funding that was directed to those in the most deprived communities and the amount that was provided overall. Catch-up funding, more than anything else as a result of the lockdown, particularly needed to be focused on those in the most deprived communities, who saw that attainment gap grow over the course of the covid pandemic. That the Government have a strategic plan and are operating a national review of the attainment gap—particularly setting out to achieve the reduction in their cap within six months of the passing of the Bill—is an important amendment. We therefore support the new clause.

Alex Burghart: New clause 5, tabled by the hon. Member for Rotherham, seeks to require the Secretary of State to undertake a national review and have a plan for addressing the attainment gap within six months of the Act passing in relation to those who have not achieved grade 4 or above in GCSE English or maths. The Government are clear that supporting people who are yet to achieve GCSE grade 4 or above in English or maths—the equivalent of level 2—is of the utmost importance, given that good levels of English and maths are linked to better economic and social outcomes. We want young people and adults to have the literacy and numeracy skills to thrive in work, education and life. That is why we already have a clear plan and are taking significant steps to support those who have not achieved grade 4 or above in English and maths.

All learners aged 16 to 19 are required to continue studying English and maths if they do not have a level 2 qualification in these subjects already, including, for example, those studying T-levels. Additionally, apprenticeships in particular have an exit requirement in English and maths in order to complete the programme. We also support adults by fully funding GCSE and functional skills qualifications in English and maths up to level 2 through the adult education budget. In addition, as of next year, we are rolling out Multiply, a new £559 million programme for adult numeracy, announced by my right hon. Friend the Chancellor at the spending review. This will significantly increase the provision and opportunities for adults to improve their maths skills.

More broadly, we have reformed functional skills qualifications, which are a widely acceptable alternative to GCSEs, improving their rigour and relevance. The Government have also established 21 centres for excellence in mathematics, designing new and improved teaching resources, building teacher skills and spreading best practice across the country through their wider networks. In response to disruption to education during the pandemic, a further £222 million has been provided to continue the 16-to-19 tuition fund for an addition two years from the 2022-23 academic year, allowing students to access one-to-one and small group catch-up tuition in subjects that will benefit the most, including English and maths.

Improving English and maths attainment is already a key part of the Government's plans across higher, further and technical education. In 2020, 68% of 19-year-olds held grade 4 or above in both English and maths GCSE, which is an increase of 6 percentage points since 2013-14, the year before we required students to continue studying English and maths. This is a major step forward. The OECD's 10-yearly survey of adult skills showed that in England people aged 16 to 65 currently perform significantly above the OECD average for literacy and around the OECD average for numeracy. The Government continually review the impact of policy, so a formal review at this time is not necessary.

Andrew Gwynne: I am heartened by what the Minister highlighted in his response to my hon. Friend the Member for Chesterfield about some of the Government's attempts to close the attainment gap, but the reality is that it still exists and we should redouble our efforts to close it. I feel passionately about that because failing to get a good GCSE in English and maths can hold a young person back and deprive them of real opportunities later in life.

I know that from experience, because as I mentioned last Tuesday, in 1990 I left high school with a clutch of good GCSEs, but they did not include maths. I really struggled with maths at high school, much to the frustration of my dad, who was a maths teacher. It turned out that I had dyscalculia, so I struggled with numbers.

4.15 pm

I desperately wanted to be a teacher—in my heart, I would still love to teach in schools. The best bit of this job is on a Friday when, as Members of Parliament often do, I go to local schools and think about what could have been if I had got a C or above in my maths GCSE. I resat it and still could not get a C—I got a D—so that was my teaching dream gone. Frustratingly, I went on to study a higher national diploma in business and finance, as I have already said, which is NVQ level 5, where I got a distinction and commendation in managerial economics, finance and advanced numeracy—but I cannot get the piece of paper that says "General Certificate of Secondary Education".

I strongly believe that we have to close the attainment gap and give young people every opportunity to get that piece of paper, because if they do not have a GCSE, even if they have subsequent pieces of paper that are worth far more, so many doors are shut, so many opportunities are missed and so many dreams are dashed. I recognise that the Minister will not support the new clause of my hon. Friend the Member for Rotherham, but I urge him to carry on doing all he can to ensure

that every child, young person and adult has the opportunity to do the best they can with the basic skills of English and maths.

Mr Perkins: Those of us who have been on the Committee in the last week or so may well have been wondering what the next episode in the life story of my hon. Friend the Member for Denton and Reddish was, and we were not disappointed. *[Laughter.]* Joking aside, he makes an incredibly important point.

Too often in this place, there is a suggestion or an implication that if only the teaching was a bit better or there was a bit more application, everyone would have those GCSEs in maths and English. Actually, as my hon. Friend has laid out and as many others will know, students who are brilliant in many regards can have barriers that prevent them attaining those grades. It is a crucial issue for us. Thousands of other people out there have had their dreams similarly dashed by being unable to achieve those qualifications, so I appreciate what he has just said, which adds weight to the debate on new clause 5.

Question put, That the clause be read a Second time.

The Committee divided: Ayes 5, Noes 9.

Division No. 26]

AYES

Ali, Tahir	Perkins, Mr Toby
Gwynne, Andrew	
Hopkins, Rachel	Western, Matt

NOES

Bradley, Ben	Johnston, David
Burghart, Alex	Nici, Lia
Carter, Andy	Richardson, Angela
Hunt, Jane	Tomlinson, Michael
Hunt, Tom	

Question accordingly negatived.

New Clause 6

T-levels: Duty to review

"(1) Two years after the date on which the first T-levels are completed, the Secretary of State must perform a review of the education and employment outcomes of students enrolled on T-level courses.

(2) No qualifications may be defunded until the Secretary of State's duty under subsection (1) has been undertaken."—*(Mr Perkins.)*

Brought up, and read the First time.

Question put, That the clause be read a Second time.

The Committee divided: Ayes 5, Noes 9.

Division No. 27]

AYES

Ali, Tahir	Perkins, Mr Toby
Gwynne, Andrew	
Hopkins, Rachel	Western, Matt

NOES

Bradley, Ben	Johnston, David
Burghart, Alex	Nici, Lia
Carter, Andy	Richardson, Angela
Hunt, Jane	Tomlinson, Michael
Hunt, Tom	

Question accordingly negatived.

New Clause 7

Level 3 qualifications provision

"(1) Employer Representative Bodies may prescribe additional Level 3 qualifications, as part of the Lifetime Skills Guarantee.

(2) Additional Level 3 qualifications may be prescribed under subsection (1), in instances where the Employer Representative Body identifies a local need or skills shortage."—*(Mr Perkins.)*

Brought up, and read the First time.

Question put, That the clause be read a Second time.

The Committee divided: Ayes 5, Noes 9.

Division No. 28]

AYES

Ali, Tahir	Perkins, Mr Toby
Gwynne, Andrew	
Hopkins, Rachel	Western, Matt

NOES

Bradley, Ben	Johnston, David
Burghart, Alex	Nici, Lia
Carter, Andy	Richardson, Angela
Hunt, Jane	Tomlinson, Michael
Hunt, Tom	

Question accordingly negatived.

Question proposed, That the Chair do report the Bill, as amended, to the House.

Alex Burghart: On a point of order, Mrs Miller. I hope you will indulge me for a few moments so that I can thank you and Mr Efford for the way in which you have shepherded us through these six sittings. It has been an honour and a pleasure to serve under your chairmanship, particularly as this is my first Bill Committee on the Front Bench—

The Lord Commissioner of Her Majesty's Treasury (Michael Tomlinson): Hear, hear.

Alex Burghart: Who knows? Perhaps it will be the last. It has been a pleasure to hear a debate of this quality, to enjoy Opposition Members' paeans to the heady days of Thatcherism when there were great opportunities in the Manchester region, and to hear their fulsome praise for former Conservative Secretaries of State for Education. It is has been a privilege to listen to the sometimes philosophical debates about whether BTECs are brands. I feel that for the sake of future historians, we should put in *Hansard* how cold it has been in Committee Room 14. On one occasion, an hon. Lady had to bring in a blanket and wrap herself in it. Mrs Miller, thanks to you and Mr Efford, we have survived, and we look forward to taking the Bill forward.

The Chair: I thank the Minister for his very kind words.

Mr Perkins: On a point of order, Mrs Miller. On behalf of all my colleagues here, I add my thanks to you and Mr Efford for the work that you have both done and for your support through this debate, which has been very good natured and constructive, even if it was not, ultimately, as successful as we might have desired. I also place on record our thanks to the Clerks, who have been tremendously helpful in the enormous amount of work that we asked them to do. As always, we all very much appreciate the quality and timeliness of their

work, and their diligence. I thank everyone who served on the Committee for their varying contributions, whether they were here for all of it or not.

The Chair: I thank the Opposition Front-Bench spokesman for those kind words. I thank you all for your constructive debate throughout the Committee, and I thank the Clerks and *Hansard*.

Question put and agreed to.

Bill, as amended, accordingly to be reported.

4.26 pm

Committee rose.

Written evidence reported to the House

SPEB14 Sandwell College (Level 3 (T level) Qualification Reform – Strengthening their implementation)

SPEB15 Sandwell College (The Defunding of BTECs)

SPEB16 Sandwell College (Qualifications, T Levels and Work Placement feedback and suggested improvements)

SPEB17 Chegg Inc.

SPEB18 Mencap

SPEB19 Yorkshire Purchasing Organisation (YPO)

SPEB20 Community trade union

SPEB21 The Tutors' Association

SPEB22 CBI