

PARLIAMENTARY DEBATES

HOUSE OF COMMONS
OFFICIAL REPORT

Fifth Delegated Legislation Committee

DRAFT ENGLISH APPRENTICESHIPS (CONSEQUENTIAL AMENDMENTS TO PRIMARY LEGISLATION) ORDER 2015

Wednesday 21 October 2015

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IN GENERAL COMMITTEES

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The Committee consisted of the following Members:

Chair: FABIAN HAMILTON

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| † Allen, Heidi (<i>South Cambridgeshire</i>) (Con) | † Marsden, Mr Gordon (<i>Blackpool South</i>) (Lab) |
| † Barclay, Stephen (<i>North East Cambridgeshire</i>) (Con) | † Morden, Jessica (<i>Newport East</i>) (Lab) |
| Campbell, Mr Gregory (<i>East Londonderry</i>) (DUP) | † Morris, Anne Marie (<i>Newton Abbot</i>) (Con) |
| † Elliott, Julie (<i>Sunderland Central</i>) (Lab) | † Quin, Jeremy (<i>Horsham</i>) (Con) |
| Hammond, Stephen (<i>Wimbledon</i>) (Con) | † Rees, Christina (<i>Neath</i>) (Lab) |
| † Johnson, Joseph (<i>Minister for Universities and Science</i>) | † Smith, Royston (<i>Southampton, Itchen</i>) (Con) |
| † Jones, Gerald (<i>Merthyr Tydfil and Rhymney</i>) (Lab) | † Stewart, Bob (<i>Beckenham</i>) (Con) |
| † Kinnock, Stephen (<i>Aberavon</i>) (Lab) | Wilson, Sammy (<i>East Antrim</i>) (DUP) |
| † Lilley, Mr Peter (<i>Hitchin and Harpenden</i>) (Con) | Joanna Welham, <i>Committee Clerk</i> |
| † Lord, Jonathan (<i>Woking</i>) (Con) | † attended the Committee |

Fifth Delegated Legislation Committee

Wednesday 21 October 2015

[FABIAN HAMILTON *in the Chair*]

Draft English Apprenticeships (Consequential Amendments to Primary Legislation) Order 2015

2.30 pm

The Minister for Universities and Science (Joseph Johnson): I beg to move,

That the Committee has considered the draft English Apprenticeships (Consequential Amendments to Primary Legislation) Order 2015.

It is a pleasure to serve under your chairmanship, Mr Hamilton. Before I explain the effect of the order, I will set out the background to it. An independent review of apprenticeships in 2012 by Doug Richard recommended a number of changes to improve apprenticeships in England. In response to that review, the Government committed to making apprenticeships more responsive to employer needs. To achieve that, they introduced a range of apprenticeship reforms via the Deregulation Act 2015.

As a one nation Government, we want all people across the country to reach their full potential. There have been a record 2.3 million apprenticeship starts since 2010, and we have committed to delivering 3 million new apprenticeship starts in this Parliament. We are taking action to support the growth of apprenticeships to meet our 3 million commitment. We are working with large and small businesses to help them begin or expand their programmes, and we are setting new expectations for public sector bodies through public procurement.

We know that apprenticeships benefit employers, apprentices and the economy. In June 2015, research measuring the net present value of further education in England indicated that adult apprentices at levels 2 and 3 delivered £26 and £28 respectively for each pound of Government investment. We need to ensure that quality apprenticeships continue to help employers and the country to prosper in the years to come.

The Government are giving employers the opportunity to develop high-quality apprenticeships that deliver the skills they need. Through our trailblazer groups, employers are designing new approved English apprenticeship standards. They are deciding which skills, knowledge and behaviours are required in a successful apprenticeship, and how those skills should be assessed. More than 140 trailblazer groups, involving more than 1,300 employers, have already published 187 new approved English apprenticeship standards, and more than 160 are in development.

The new, approved English apprenticeship standards are in a broad range of sectors, including nuclear, fashion, law, banking and defence. A number of apprenticeships started on the new approved English

apprenticeship standards this September. The development of new, more rigorous, approved English apprenticeship standards is extending the coverage of apprenticeships into sectors with little or no previous history of apprenticeships, such as financial services and the legal profession. In addition, new degree apprenticeships in occupations such as chartered surveying and aerospace engineering are bringing together the best of vocational and higher education.

The order is technical. It makes relatively minor amendments, which are a consequence of the insertion by the 2015 Act of chapter A1, which relates to apprenticeships, into part 1 of the Apprenticeships, Skills, Children and Learning Act 2009. Chapter A1, among other things, defines an approved English apprenticeship. It also provides for approved apprenticeship standards, which will set out the outcomes that those seeking to complete an approved English apprenticeship will be expected to achieve, and confirms that an approved English apprenticeship agreement is to be treated as a contract of service.

The order makes amendments to two pieces of primary legislation. The amendments are required as a consequence of the changes I have just set out. It is important that those changes are made so that, where necessary, references within other primary legislation refer to the newly introduced approved English apprenticeships, approved English apprenticeship agreements and/or alternative English apprenticeships.

First, the order makes two amendments to the Education Act 1996, in respect of provisions that set out certain duties of English local authorities relating to the education and training of persons over compulsory school age, so that apprenticeships under the new statutory apprenticeship scheme are treated in the same way as those under the previous statutory apprenticeship scheme.

Secondly, the order amends the Education and Skills Act 2008, in respect of a duty on certain young people in England to participate in education or training, so that apprenticeships under the new statutory apprenticeship scheme are treated in the same way as those under the previous statutory apprenticeship scheme.

Taken together, those measures will update the primary legislation in question to reflect reforms that have already been made to the Government's apprenticeships programme. I commend the order to the Committee.

2.35 pm

Mr Gordon Marsden (Blackpool South) (Lab): It is a great pleasure to serve under your chairmanship, Mr Hamilton. I am new to this portfolio, so it is a pleasure to face the Minister for the first time, as it will be to face the Minister for Skills, the hon. Member for Grantham and Stamford (Nick Boles) in due course.

The Minister spoke about both the context and detail of the order, so I intend to follow his lead in that respect and ask specific questions. I accept and understand that he is not the Skills Minister, so if he cannot answer them now, a note to me and the Committee would be helpful.

I think the Minister was clear about this, but I want to be certain because there is a degree of ambiguity in the drafting of the order: will he confirm that all references in legislation to apprenticeships now include

the approved English apprenticeships with approved standards, and that no loopholes are left that could mean that someone undertaking a new apprenticeship would not be covered by legislation?

Perhaps more substantively, previous legislation covered both England and Wales, but the order, as I understand it, covers only England. What discussions has the Minister's Department had with the Welsh Assembly about its protection of standards for those who undertake apprenticeships?

Again, I think the Minister made this clear, but for the avoidance of doubt will he confirm that existing frameworks, and not just trailblazers, remain covered by all legislation supported by Government? In that context, I refer him to article 2, which talks about

“an alternative English apprenticeship... within the meaning given in section A1(4) of the Act”.

It has been suggested that alternative apprenticeships are directed at self-employed people or people who do not earn during their apprenticeships. Therefore, will he explain how the alternative apprenticeships also being inserted into legislation will work? In particular, if it is true that people who do not earn during their apprenticeship will be affected, how does that square with the Government's general position on the minimum wage and things of that nature?

The Minister talked about wanting to be more responsive to employees. I held the same position as I do now when the Richard report came out, and Labour engaged with that process and was broadly supportive of the proposals. However, the Minister will know that the devil is in the detail. As he will know, the CBI has called for clarity on the new trailblazer assessments, companies have been concerned that the assessment costs for trailblazers are disproportionate, and other providers in this area such as the Association of Colleges, the Association of Employment and Learning Providers and in particular the Federation of Small Businesses have expressed concerns about the detail. If he cannot comment specifically on that today, I would be grateful if he would explain in writing what measures his Department has taken to allay those concerns.

Finally, the 2012 review that the Minister mentioned suggested that apprenticeships should be sector-based. When the Government received that report, did they anticipate that 70 different sectors would be involved? Given that that is the case, what are the likely implications for administration and staffing in his Department or elsewhere?

2.39 pm

Joseph Johnson: It is a pleasure to face such a formidable, forensic opposite number—I am not envious of my hon. Friend the Minister for Skills in that respect. I will do my best to answer some of the hon. Gentleman's questions, and, in areas in which I cannot provide him with as much detail as he would like, I will happily write to him and other members of the Committee.

The hon. Gentleman's first question was whether all references to apprenticeships in legislation are now covered,

following the changes made in this order, or whether there are still loopholes. The intention is that the work done in this Committee today should mean that the legislation is now comprehensive, and we hope that we are addressing his concern in that respect.

The hon. Gentleman's second major point was about the Welsh aspect of the order. He asked what discussions the Government have had with the Welsh Government on the protection of apprenticeship standards. As he knows, skills policy in Wales is a devolved matter, and therefore the protection of apprenticeship standards in Wales is an issue for the Welsh Government.

I turn to how alternative English apprenticeships will work, which is another issue that the hon. Gentleman raised. Alternative English apprenticeships are intended to allow the Government to make provision, where appropriate, for apprenticeships in occupations where it is not the norm for apprentices to have an employer.

Finally, the hon. Gentleman asked about responsiveness to the needs of employers. I point out that we have, as he knows, set out the trailblazers programme. As I mentioned, there are 140 groups in that programme, comprising 1,300 businesses involved in designing world-class apprenticeships, including degree apprenticeships, which are essential for employers to ensure that they get the pipeline of skills that they need in years to come. We are working closely with trailblazers at all phases to ensure quality across standards. Giving employers responsibility for developing those standards is absolutely vital in ensuring that they have a vested interest in producing high-quality standards that are robust. A number of criteria have been set that all new apprenticeship standards must meet in order to ensure quality and consistency across all apprenticeships. Those criteria provide a framework against which to approve the proposals put forward by employers developing the new standards.

Mr Marsden: I appreciate, again, that the Minister's officials may wish to draft something for him in response to this point. When I referred to alternative apprenticeships, I mentioned two categories that had been suggested to me: one was self-employed people and the other was people who do not earn during their apprenticeships. There are certain very narrow circumstances in which that can and does happen at the moment, but I am sure the Minister would agree with me that that should not be regarded broadly as the norm, even for self-employed people. It would therefore be useful to know in due course, if not today, just how widely or narrowly the measure is drawn, if indeed the criterion is applied in those cases.

Joseph Johnson: On this occasion, I will write to the hon. Gentleman and make sure that he has that information available to him shortly.

Question put and agreed to.

2.43 pm

Committee rose.

