

# House of Commons Education Committee

# Appointment of Chair, Social Mobility and Child Poverty Commission

**Second Report of Session 2012–13** 

Volume II

Oral evidence

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#### **The Education Committee**

The Education Committee is appointed by the House of Commons to examine the expenditure, administration and policy of the Department for Education and its associated public bodies.

#### Membership at time Report agreed:

Mr Graham Stuart MP (Conservative, Beverley & Holderness) (Chair)
Neil Carmichael MP (Conservative, Stroud)
Alex Cunningham MP (Labour, Stockton North)
Bill Esterson MP, (Labour, Sefton Central)
Pat Glass MP (Labour, North West Durham)
Damian Hinds MP (Conservative, East Hampshire)
Charlotte Leslie MP (Conservative, Bristol North West)
lan Mearns MP (Labour, Gateshead)
Lisa Nandy MP (Labour, Wigan)
David Ward MP (Liberal Democrat, Bradford East)
Craig Whittaker MP (Conservative, Calder Valley)

#### **Powers**

The Committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No 152. These are available on the Internet via www.parliament.uk

#### **Publications**

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#### Committee staff

The current staff of the Committee are Dr Lynn Gardner (Clerk), Geraldine Alexander (Second Clerk), Penny Crouzet (Committee Specialist), Benjamin Nicholls (Committee Specialist), Ameet Chudasama (Senior Committee Assistant), Caroline McElwee (Committee Assistant), and Paul Hampson (Committee Support Assistant)

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## Oral evidence

## Taken before the Education Committee on Tuesday 10 July 2012

Members present:

Mr Graham Stuart (Chair)

Alex Cunningham Damian Hinds Ian Mearns

Mr David Ward Craig Whittaker

#### **Examination of Witness**

Witness: Rt Hon Alan Milburn, preferred candidate for Chair of the Social Mobility and Child Poverty Commission, gave evidence.

Q1 Chair: Good morning. It is great to welcome you, Alan Milburn, to this pre-appointment hearing for the position of chair of the Social Mobility and Child Poverty Commission. Is there any tension between the two concepts of social mobility and child poverty?

Alan Milburn: I do not think there should be. The more child poverty you have, the less social mobility you will have. Social mobility is about making sure that any individual is capable of realising their potential. The more social mobility you have, the less dependent you are for progress on your parents' class, background or income. If you get more kids trapped in poverty, it is more difficult for them to rise up and move on. None the less, it is important in terms of the public policy agenda to have an understanding that there are very different starting points in life for different people, and it probably requires different approaches. We are not currently short of public policy; there is quite a lot of it about. We have a lot of indicators, targets, measures, or whatever you want to call them, and we have had at least three big strategy papers: one on social mobility; one on child poverty; and the last one on social justice. It is quite important that the dots are joined up so there is clarity and consistency across the piece.

The one lesson I learned from government is that it is pretty difficult to get anything done, and if you do not have clarity and consistency it is almost impossible. Knowing what you are trying to do, focusing on it relentlessly and ensuring that you understand that there are very different starting points in life for different individuals is the key to success. I would say that right now there is good intentionality overall on the part of Government, as there was on the part of the previous Government. The proof of the pudding, however, is in the eating, and in the end it is not words that count; it is actions.

O2 Chair: To go back to the possible tension between social mobility and child poverty, those who support grammar schools, and the return of a greater number of them, would see those as an engine of social mobility, allowing more children from poor families to access a structured education and rise up, whereas opponents of grammar schools might point out that the other half of the system sometimes entrenches people in poverty. Therefore, you could see

a tension between greater social mobility and ensuring that no child is brought up in poverty.

Alan Milburn: It would be good if those two things were not posited as enemies and could become friends. I think they are. I think the Government's overall approach, which is to take a life chances-type approach, is right. For me at least, the most important thing is to ensure that, regardless of background, there is an equal opportunity for people to progress. That means the opportunities that are available, whether for early years education, mainstream education, higher education, and an opportunity to progress in later life, are reasonably equal.

What history shows does not work terribly well is having a one-off chance in life, whether that is at age 11, 16 or 18. We now live in a very fluid economy; people's skills are changing all the time. We no longer live in a world where there is a job for life; that has long since gone. The idea of deciding at 11 that a child goes one way and at 16 another way does not seem to me to be particularly pertinent to the modern world. You can have a debate about whether it was right or wrong for the 1950s, but it does not seem to me to be right for the 21st century. These things are not opposites. There is some risk right now that, for a variety of reasons, there are different emphases in public policy on different aspects—poverty, mobility, social justice and disadvantage-and I would see a need to bring greater coherence to that.

Q3 Chair: Do you agree with this Government that the last Government put too much emphasis on benefits to get people out of poverty and too little into making work pay?

Alan Milburn: It would be unfortunate if these two things were made to sound like enemies rather than

**Q4** Chair: Is this Blairite triangulation going on? Alan Milburn: You know me. I am afraid I cannot lose the habits of a lifetime. I will do my best, but it is difficult; it is in the DNA. Interestingly, if you look at what the OECD says about what works when it comes to poverty and mobility, it seems to be a combination of income transfers, incentives to work and service provision. It is these three things together that work. If you look at the stats, which are now

slightly old—I think they date from 2007—we spent quite a high proportion of GDP on family benefits and public expenditure on families. From memory, it was about 3.6% of GDP. I think that at the time the average across the OECD was 2.2%. However, that spending is skewed towards income transfers, in other words benefits, rather than services. What the OECD say about this-it is absolutely right, and would provide a very good framework for public policy—is that income transfers are of value but are not a magic bullet. Clearly, poor families cannot spend their way out of poverty so they need some help. Equally, you have to get right the emphasis on work incentives.

A valid criticism of the previous Government is that, when you look at the number of people, more jobs were created and more people went into work. The problem is that work did not always equal a step out of poverty. For example, the proportion of kids in poverty who were in a family where there was at least one adult working rose from about 47% in 1997 to 56% in 2010; in other words, work itself was not a guarantee that people would get out of poverty. That suggests that in-work poverty is more of a problem than we have come to realise, and therefore there needs to be more emphasis on making work pay, and ensuring people have a living wage and an opportunity to progress in their careers. The evidence suggests that what was happening was that people got into work and on to the first rung of the ladder but they were being paid too little, or were working too few hours, or they did not have enough opportunity to get on in their careers.

**Q5** Chair: Was there not another option: they did not have the skills required to move up and earn more? Alan Milburn: Of course.

**Q6** Chair: Isn't that one of the problems? The labour market is demanding more skills for more jobs, and there are fewer and fewer jobs that require lower skills. If you have not got the skill set, you cannot engage in work training; you struggle to get on.

Alan Milburn: That is entirely right. The nature of the economy, even now in hard times, is continuing to evolve. The only form of employment, even during the recession, that continued to rise was graduatebased employment. The squeeze is on those without skills at the bottom end because they face a world, as you rightly say, of endemic low pay, persistent insecurity and, frankly, little prospect of social progress. There is a huge agenda, which we can come back to if you want to, about what is on offer to those people beyond the prospect of higher education. The traditional public policy response is, "If only we could get more people into university." We do need to get more people into university, but there will be a cohort of people for whom the university option is not an attractive one. That is the second issue.

The third issue is about service provision. There seems to be pretty compelling evidence from across the world that you get higher levels of mobility and lower levels of poverty if you have parents in work. You get more two-parent families in work earning a living wage when you have universal high-quality and affordable childcare. One of the things we should worry about is that among OECD countries we have the highest rate of women—about 42%—who say they work part time because of their caring responsibilities. One thing the country needs to think about for the medium to long term is how we replicate what has gone on in some of the more successful countries, and not just Scandinavia, which is what people talk about, but provinces like Quebec in Canada. It is characterised by very high rates of maternal employment predicated on universal and affordable childcare. Affordability is a huge issue.

What the Government have done here in extending the three and four-year-old offer to two-year-olds is the right thing—it is a step forward. I would like them to do more and set out how they are going to replicate what we see in the best performing countries with a long-term plan for making childcare universal and affordable. That is one of the biggest things you can do to deal with these issues. It is a complex matter. Sometimes we are in danger of making this into an either/or debate, which is unhelpful.

Q7 Chair: My question was that this Government's analysis seems to be that the last one put too much focus on benefits and too little on making work pay. You can give a yes or no answer to that without saying they are mutual opposites and should not be seen as working together.

Alan Milburn: I do not want to give a yes or no answer because I think it is more nuanced than that. Chair: Fair enough.

Q8 Mr Ward: Just out of interest, based on your expertise in the area of social mobility do you subscribe to the spirit level analysis, which is that this is not just of benefit on an individual basis but nationally in terms of society?

Alan Milburn: The whole debate about whether you can have mobility without having lower levels of inequality is hotly contested. People will point to different countries across the world for evidence for one side of the argument or the other. Broadly, it is true that countries that seem to have better mobility and lower levels of poverty tend to have a lower level of inequality. Therefore, that takes you to the debate currently raging about whether or not we should keep the relative child poverty target, because in essence it is a measure of inequality.

The important thing in this whole arena is that, if you could do just that and fire a magic silver bullet, someone would have done it a long time ago. It is pretty complex, and there are multiple drivers for poverty and deprivation, and multiple barriers stand in the way of people realising their aspirations to get on in the world. În a sense you have to wrap a bit more science around some of this stuff than perhaps has been the case in the past. You have to be very precise about which interventions, particularly in a time of austerity, are capable of producing the biggest bang for the buck.

Q9 Damian Hinds: You talked about universal affordable childcare. Do you think that the path to that is more about public subsidy or reform and looking at the cost structure? There has been talk recently about

ratios, some of the cost drivers and international comparators. Is it also part of the commission's work to consider those key enabling considerations like childcare?

Alan Milburn: It is a great question. We will find out as we go along, because we have not got the commission. First, on the narrow question, pure public subsidy for childcare is probably unaffordable in the short to medium term, but in the end that is a fiscal decision for whoever is in government. What has not worked thus far—this is where the experience of the last Labour Government might be helpful for this Government—is that the market did not respond in the way one might have expected it to. There was a pretty universal 15-hour subsidised childcare commitment, and the market, for whatever reason, did not kick into action, so there are some issues on the supply side that need looking at, not least around quality. We have to be very careful about all of this because all the international evidence will tell you that you can provide childcare and so forth, but it is highquality early years education, particularly for the most disadvantaged youngsters, that produces the biggest premium.

Q10 Damian Hinds: In the Venn diagram of child poverty and social mobility, very much in the intersection is the quality of early years staff. The Cathy Nutbrown report and its analysis was quite startling to many people. Is looking at the quality of the early years work force and how you can improve the average that is accessible to ordinary families also part of what you see as the remit of your area?

Alan Milburn: In one sense the commission has a very narrow set of criteria, not least producing an annual report to Parliament on progress and so on. I hope that primarily it is going to be pretty data-rich in the way it goes about its work and founded on good evidence. The truth is that, if you are going to examine these issues and assess whether progress is being made, because inevitably both tackling poverty and speeding mobility are long term, you have got to look at what the proxy measures are. That is the problem in a sense. Can you identify the proxy policies and measures that are most liable in the long term to produce the right effect? From all the best evidence in the world, we think that the quality, universality and affordability of childcare is a pretty crucial driver. One would want to look at that.

That is where I hope the work of the commission is going to be important. It can be a very authoritative voice on these issues, but the authority comes from the credibility of its analysis, its impartiality and fairness, the credibility of the people who work for it, etc., but primarily it is going to be about its depth of understanding and the quality of its analysis. As we are already discussing, these are big issues and there is not one thing that is going to solve all the problems, and therefore the scope of what the commission would be looking at should be quite wide.

Q11 Ian Mearns: You are moving into pretty crowded territory in terms of what is happening out there. The post of Children's Commissioner has already been established. There have been two holders

of that post. There is a huge range of different voluntary organisations working in the field of child poverty. The Child Poverty Action Group, the Children's Society, Action for Children, NSPCC and Barnardo's, while concentrating on particular things, are all looking at different things to do with child welfare, so it is crowded territory. You have said that it will not be one thing. What real difference do you see your role making in this?

Alan Milburn: What the commission can and should be is an authoritative voice on child poverty and social mobility. The very fact that it is a body established in statute gives it, providing it is operationalised in the right way, the authority and credibility that I hope will make a difference. All the organisations you have mentioned do a great job, and they will continue to do so. I hope that the commission would have some sort of relationship with them, but the commission has to be independent. It is quite a big step for the Government to take. It is unusual in my experience for Governments to volunteer for more scrutiny; usually, they are trying to engineer less, so the fact that the Government have decided to establish a social mobility and child poverty commission to look at what they and others do is a big step forward. It expresses something else. What you are seeing is consensus building, which I can see first in politics. For me, it is very interesting and welcome that social mobility has almost become the new holy grail of public policy, at least in social policy, and that is shared across political parties. That is a good thing, not a bad thing. I also think that reflects a broader public consensus you can see emerging.

I do not know whether every cloud has a silver lining, but one consequence of the global financial crisis is that concerns about inequality, poverty, disadvantage and unfairness have massively intensified. I listen to all the political leaders talking about caring capitalism and more socially responsible forms of conduct. That tells you something is happening out there. I think there is a consensus emerging among the public that unearned wealth for a few at the top, stagnating incomes for those in the middle and entrenched disadvantage for some at the bottom is not a viable social proposition. The question is: what are we going to do about it?

The commission is not a body with power; at best it can have influence. That is not straightforward because, if you are too independent, you become slightly irrelevant; if you are too close, you become captured, and you have to navigate your way through that. The way you do it is, first, by the quality of the work you undertake; secondly, the impartiality and credibility of the analysis you undertake; but, thirdly, the strength of the advocacy you are prepared to undertake. To coin an Americanism, the commission provides a bully pulpit. It should be capable of holding to account not just the Government but all organisations—employers, professions, those universities, schools, career services and local government-who, quite rightly, have a hand in dealing with these issues. That is what I hope it would do.

**Q12 Ian Mearns:** But given that the role from the perspective of a single commissioner is to oversee child poverty and social mobility—you have come into the role with your eyes open and a vast amount of experience—do you think after two years that generally the Government are going in the right direction in terms of increasing social mobility and reducing child poverty?

Alan Milburn: In many parts of the Government, there is great intentionality and focus on these issues. That would be my experience having had conversations with a lot of people in government: Ministers, Cabinet Ministers and so on. However, let us be clear about it: we are hardly living in auspicious times for making progress. You can have a debate about whether child poverty was sufficiently reduced under the last Government, but the truth is that it was reduced. Was it reduced far and fast enough? It was not, but after two decades during which it had risen, the fact it reduced by 1 million or 2 million, depending on your measure, is undoubtedly progress, but those were far sunnier times.

We now face two considerable head winds: one is the state of the economy; the second is what is happening with public expenditure. When you have a situation where the economy is stagnating, public spending is flat-lining and inequality is probably widening, these are tough times. It would be wrong if in those tough times the poorest people ended up paying the heaviest price. There is a primary responsibility on government to ensure that is prevented from happening. The commission has a hand in that because it is capable of analysing those trends and making them very public. The fact that it reports to Parliament independently, not to the Government, is a great source of strength. It is then for Parliament to decide how it wishes to deal with the issues the commission raises.

**Q13 Ian Mearns:** But the fact that eradication of child poverty is unaffordable is a political choice, even in austere times. Therefore, from that perspective do you see your role in the short term as trying to get stuck in to change people's minds about their priorities, or are you more about preparing for sunnier times in the future?

Alan Milburn: This is a challenge for every political party and for politics as a whole. If you look at the latest trend lines, poverty continues to fall, but we are way off the target set in 1999 for where we should have been by 2010. At best, if you follow the current trend line, it is not going to be 2020 when we eradicate child poverty; it will be in 2027. At worst, if you believe the Institute for Fiscal Studies, rather than having relative poverty rates of 10% and absolute poverty rates of 5%, we will have poverty rates of 24% and 23%.

The only way we are going to hit the 2020 target is if one or other political party commits to what I do not believe any of them will do, which, in the words of the IFS, is to bring about a bigger redistribution of income than we have seen at any time in our country, with £19 billion worth of additional public expenditure to realise that target. I think there is a moment for honesty here. It is time for all the political

parties either to put up or shut up. I do not believe there is a snowball's chance in hell that we will hit the 2020 target, and privately that is very widely acknowledged. It should also be publicly acknowledged; it is time to come clean about this stuff.

Q14 Chair: We should repeal the Act.

Alan Milburn: That is for the Government to decide.

**Q15 Chair:** Is it your opinion that we should? The logic is that we have not got a cat in hell's chance, and therefore pretending to do something will lead to strange distortions and take us away from doing the best we can.

Alan Milburn: Whether or not you repeal the Act is a matter for the Government and the political parties to decide. Two things need to happen: firstly, to acknowledge that that is the trend line we are on. Unless somebody has a great plan to address it—I do not see that right now—we will not hit the 2020 target.

**Q16** Chair: If you were Prime Minister of a majority administration, would we hit the 2020 target?

Alan Milburn: It would be very difficult in these circumstances.

Q17 Chair: Would you repeal the Act?

Alan Milburn: I would not repeal the Act. I would do two things. First, I would set out, which I do not think has ever happened under any Government, the last one or this one, what the plan is to hit the target and by when. You have an annualised incremental decision. I have been part of this and I know what happens. You have a target. The Treasury meets and decides what it needs to do to make a little more progress, so you spend a little more money. That happens each year in every budget. What there has not been is a working back from where you want to get to and working out how you are going to get there over whatever the period is. It may now be a target of 10 or 15 years. Secondly, I would decide what the immediate priority is, because there is a danger—this is the moral hazard organisations from the child poverty lobby, for example, have put to me-that if you say the child poverty target is never going to be met, it takes the pressure off to meet it. What do you need to do? You need to set out some interim objectives. I am not a decision maker any more, but if I was, which is the question, Mr Stuart, unlikely though that might be as a scenario, but you never know—I think you do—the priority for me would be a cohort of kids under five in deep poverty, of whom there are about 800,000 right now. I would focus hard on what you could do for them. A big part of that would be early years education, going for it at that level, but that requires political muscle. If I may say so, since you raise the question, that requires prime ministerial engagement, too. This is not just a matter for individual members of the Cabinet; it is not just a matter for the Secretaries of State for Education and Work and Pensions, the Chief Secretary, or Deputy Prime Minister. My experience of making these things happen, if you are really going to focus, is that above all else it requires

the engagement of No. 10 Downing street and the Prime Minister.

Q18 Alex Cunningham: I know you have described the reality; it is the impossible dream, and you have left me a little depressed. You talk about interim targets and a number of other things, but we are going to see more and more children in poverty. We see what is happening in the economy; we see food prices going up. Organisations like Save the Children are basically looking at a doomsday scenario as far as poverty is concerned, so what difference does it make having another commission and commissioner in this situation?

Alan Milburn: I am an optimist.

Q19 Alex Cunningham: So am I, but you have just made me a pessimist.

Alan Milburn: You have to be an optimist to do what you are doing and what I used to do. The headwinds are strong and difficult, but you can undoubtedly make progress.

Q20 Alex Cunningham: But it is progress at the

Alan Milburn: I do not think it is progress at the edges to lift 1 million or 2 million kids out of poverty.

Q21 Alex Cunningham: That was achieved in the past, and I was going to come to that later.

Alan Milburn: It is possible to replicate that in the future, but you have to be focused about it. If you are the Government, you cannot ignore the fiscal situation. The job of the commission is to operate within a political environment, but primarily it is to analyse what is being done and suggest what else might be done. There are things, even with those difficult headwinds, that can be done, and that is not just a job for the Government but for the professions, universities and so on. You can continue to make progress. The indicators set out in the social mobility strategy, for example—you saw the latest report on that just a month or so ago-show that, even in difficult times, some of the big socio-economic gaps are none the less still being closed.

Q22 Alex Cunningham: How would you measure achievement? Is it half, a quarter or 10% of what the target is now?

Alan Milburn: First, at the very minimum, I would want to see consistent progress towards the target over time. I think it is highly likely—I cannot see any other scenario—that, at best, it will be hit late, whether that is 2027, 2025 or whatever it is. Secondly, I would like to see a cohort of children in poverty identified as the priority for action. Like all things in public policy, if everything is a priority, nothing is, so somebody somewhere needs to decide what the priority is.

There are some supporting measures, which, if they can be implemented in the right way, will make a difference. If the universal credit is implemented properly it can make a difference; the pupil premium, if it is implemented and monitored in the right way, can make a difference. All these things can make a difference. The question for me, when looking at it from the outside in, is: holistically, is there across government as a whole sufficient focus, intentionality and prioritisation to make progress in what are inauspicious times?

**Chair:** Thank you. My priority is to ensure we cover more of the ground through this meeting, so I ask for short, sharp questions from the Committee and shorter answers.

Alan Milburn: I was behaving as if I was Prime Minister. I am sorry.

Chair: This is not the Liaison Committee.

Q23 Ian Mearns: From your perspective, what particular experience have you had of working with disadvantaged groups of children and young people? Can you point to examples of where you have delivered effective outcomes for them?

Alan Milburn: I have never been a youth worker. I do not know why you are laughing.

**Q24 Ian Mearns:** I know you have not.

Alan Milburn: I think familiarity is in danger of breeding some contempt, Chairman.

Chair: I have had years of failing to control him.

Alan Milburn: I have worked with groups of kids, as you all do as constituency Members of Parliament, but I would not claim too much on that front because that is primarily not where I come from and not where my skill set is, to be frank with you. We are constructing the commission, which is not a one-man band. It is good that we are transitioning from an independent reviewer-me-to a commission, which I hope I will be able to chair, but there will be seven other commissioners, including a deputy and people from Scotland and Wales. What I would be looking for in the construction of the commission among the commissioners in particular is a range of skills.

Q25 Ian Mearns: In that transition do you see any particular constraints on your new role as it has been set out for you?

Alan Milburn: Not really. I think independence is guaranteed, and we can strengthen that through the credibility of the commissioners and the quality of the staff. There is a question about resources, because there always is. At the moment, the idea is that the commission will have seven members of staff. It will not be a large organisation, but I do not particularly want it to be. There will be a director appointed externally, so that will be an open advert to which civil servants and others can apply. I would very much like to facilitate some secondments into the commission from other organisations. If you like, you set it up as a public-private partnership so it is not just a drain on the public purse, and you are getting businesses and organisations who care about this issue and, critically, have expertise, seconding staff into it.

**Q26** Ian Mearns: As independent reviewer you have a couple of outstanding reports to be published. Will they have to go through a new process to be agreed? Alan Milburn: One will and one probably will not. I got the final draft of the report on higher education yesterday, so that is imminent. I think I can get that out wearing my old hat. The other report is far more complex and is a snapshot of what is happening in these trends in poverty and mobility. Given the time scale, it may well be better to hand that over to the commission and for the commission to consider and decide whether it wants to publish it. Therefore, I envisage that we will publish the one on higher education, and the second one may well be the first report of the commission.

**Q27 Craig Whittaker:** Your CV says that prior to entering Parliament you worked in business development for a trade union research centre and in a radical bookshop. It says that your interests include art, food, travel and, sadly, Newcastle United. What experience do you have in establishing a body such as the commission from scratch, and what will your first step?

Alan Milburn: Quite a lot. I have set up a lot of bodies in my time, some would probably say too many: the National Institute for Health and Clinical Excellence and the Commission for Health Improvement. Sometimes they have been abolished quicker than they have been established. Let's hope that is not the case with this one. As to the steps, the child poverty unit within the Department for Education is looking after this process. We have very good people there we would be working with. If I am appointed chair, my deputy would be Neil O'Brien from Policy Exchange, whom I am seeing tomorrow morning so we begin to talk about these issues.

This thing is literally being established from scratch. The most important thing is to identify the people. The one thing I have learned is that you can have the best organisational structure in the world but it counts for nothing unless you have the best people. This is a judgment call around the best people. I want people who are really good at this stuff, but from a variety of backgrounds. I would like people from business, academic, advocacy and practical backgrounds to come in as commissioners and members of staff.

**Q28** Craig Whittaker: You spoke quite a bit about priorities. What will your priorities be?

**Alan Milburn:** In terms of getting the thing going? **Craig Whittaker:** Yes.

Alan Milburn: There are basic things, like we have not got a building. There are some very nitty-gritty things that need to be sorted out. In truth the strength of this organisation will be in its relationships. There are things that you can publish and analysis you can do, but the one thing I have learned, certainly over the course of the last year and a half as independent reviewer, is that to get things done, and sometimes things stopped, you have to have influence built on trust in relationships. There will be a big job of work to do by me and the commissioners and staff to establish the appropriate relationships, not just with politicians and government, which of course will be important, but the whole array of organisations that make a difference as far as these issues are concerned: universities, schools, employers, professions, etc. I see a big part of the early work of the commission being quiet rather than public, establishing those networks and getting some credibility. The critical test will be the moment the first report is published, and that has

to be a work that is highly credible, built on good analysis and so on.

**Q29** Craig Whittaker: On your initial and ongoing priorities, you have already spoken about the commission being independent, so why do you need ministerial agreement around those priorities?

Alan Milburn: That is a question for Ministers and not me. The truth about these things is that, once they are established, a lot of this is how you build up the case history, so to speak. Although Ministers can ask the commission to do certain tasks and advise on certain things, I do not feel that somehow the commission is limited in its remit. Once you establish a body like this in law with clear independence and a relationship with Parliament, the remit is as wide as you want it to be. Were that not to be the case, it would be something that the commission would want to reflect in its reports to Parliament.

Q30 Craig Whittaker: You spoke to us very briefly about the commissioners and your role in their appointment. You have also said that you want a range of skill sets, which you did not go into because you were cut short. What kind of experience have you had at that type of leadership and, more importantly, in appraising these skills sets, because that is incredibly important if you are to have an effective team around you as you clearly want?

Alan Milburn: I hope I have reasonable experience in making the right judgments about appointing people to different positions. Michael Barber, who was Tony Blair's head of the delivery unit at No. 10, once said of my time at the Department of Health that I committed a coup d'état against it. In a sense, he was right because I wanted the best people regardless of what badge title they wore. I am pretty used to identifying and making public appointments. I have done that over very many years and under many different guises. I have a clear view about the sort of people and mix of skills I require. The civil servants, who will form the backbone of the commission and will come in probably on secondment from different Departments, will play a very important role, but we need some outside skills as well. In particular, we need high-quality data analysis skills. As you are aware, there is a huge swirl of data in this arena and it is very highly contested all the time. The quality of the analysis of this stuff is going to be very important. I suspect that we will be looking for secondments for those sorts of positions as well as appointments.

Q31 Craig Whittaker: You briefly mentioned that there was a question mark around resource. Are three days a month sufficient for you to carry out your role? Alan Milburn: I am assuming that that is a minimum, not a maximum. If it was a minimum, it would be great. With these public appointments—I have done it myself—you say, "It's three days a month, but what we really mean is five days a week," so if we mean five days a week, let's say five days a week and then everybody is clear. The one thing I have never been afraid of is hard work. People assume that, as independent reviewer, somehow or other I am being paid for it, I am doing it full time and I have a vast

array of resources behind me, none of which is true. I started out with one member of staff in the Cabinet Office; I have now reached the heady number of three. On that basis one has to do all the stuff one has to do. I think it is doable. I do not think it is necessary to have an enormous body of people, but what we do need is the right quality.

Q32 Craig Whittaker: Let me turn your attention to Scotland and Wales. What are the main differences between the devolved Parliaments' strategies and the coalition Government's as they currently stand?

Alan Milburn: If you read the Scottish or Welsh child poverty strategy, they would both say that they are operating within the confines of a big chunk of fiscal policy that is not controlled by them. They have slightly different approaches. In the case of Scotland, for example, its priorities are around protecting household income particularly against the current problems in the economy. The Welsh strategy is far more holistic in its approach and seems pretty good. To be frank, it will be a challenge because, although the commission has a UK remit, it operates within the context of devolution. As with much of devolution, it will be a question of finding our way, and things could become more complicated in the years to come. Who knows?

#### Q33 Chair: Or simpler.

Alan Milburn: Depending on your point of view. The one good thing about it is that, because there are slightly different approaches in Scotland and Wales from England, it is an opportunity for the commission to gauge which sort of approach and priority produces the best results. As the OECD keeps saying, there is no magic silver bullet, which is true, so having a variety of approaches is no bad thing.

Q34 Craig Whittaker: Would you use the best of that variety of approaches in the long term to ensure consistency in the commission's approach?

Alan Milburn: The commission will want to be consistent, but not in having a set policy paradigm because that is not its job; it is the job of the Scottish Parliament, the Welsh Assembly and the UK Parliament and Government. The job of the commission is to be rigorous in analysis and uniform in its application. That is what I would want to do in terms of how the commission looks at the work of Scotland, Wales and England.

Q35 Craig Whittaker: Are you going to be able to have some influence over the strategies of the devolved Parliaments, particularly if they start to move radically away from the national strategy?

Alan Milburn: The commission will have a Scottish and Welsh member appointed by the Scottish and Welsh Administrations, so there will be a natural link and they will be important in fostering that relationship. My experience of these things is that you have to stand outside and be independent, but you also want to have relationships, because in the end that is the way you get things done. It is important that the chair of the commission or the commissioners have a relationship with the Scottish Parliament, Welsh

Assembly, the First Ministers and indeed the Cabinets, and the commission has to be unafraid of reporting; that is its job. I am assuming that reporting and delineating what has and has not been done will have some influence. Both Scotland and Wales have signed up to the commission, so that gives you at least a foundation on which to build.

Q36 Chair: You will report to Parliament through this Committee. How do you see that relationship working, and how do you expect this Committee and the commission to work together most effectively? Alan Milburn: I think in a sense that is probably a matter for you to decide.

**Q37** Chair: You are an experienced parliamentarian. It may be for us to decide, but we are happy to hear your thoughts.

Alan Milburn: I think it would be good if you were taking regular reports from the commission, if you have time in your schedule to do that. I know that you have a big itinerary of work. It would be good if the Committee decided that, for the annual report in particular, it had an evidence session, in the way that is common for Select Committees when overseeing the business plans of Departments and so forth. There may be particular areas of inquiry that you think as a Committee it would be good for the commission to focus on. I would welcome that. I do not know whether the Government would, but that would be very welcome.

I see it as a two-way street. There are things we should be reporting to you and things about which you should be interrogating the commission. Equally, there may be issues that you properly want to lodge with the commission. For example, you may have noticed that in the last report I did on the professions I made some recommendations worth actioning by the commission. I have already in a sense tried to set up a work programme for the commission, for example around what progress the professions are making on issues about open access and so on. It may be that the Committee wants to do that similarly vis-à-vis the commission.

Q38 Alex Cunningham: You were a Minister in the Labour Government that achieved much of the 1.1 million children taken out of poverty, and the 900,000 who apparently were prevented from falling into it. That was in the good times that you described earlier. Was that success or failure?

Alan Milburn: I think it was progress.

Q39 Alex Cunningham: At heart you are still a politician. That was a very good politician's answer. Was it enough progress?

Alan Milburn: No, because we set out a very clear target.

Q40 Alex Cunningham: Could we have better used the resources we had in the good times?

Alan Milburn: There were some approaches that should have been nuanced and better focused. For example, it was good that more kids were lifted out of poverty and that more single-parent households

were in work at the end of that term of office than at the beginning. It was less good that there were more kids in working households at the end of the period than at the beginning. That suggests to me that the focus was not always in the right place. It would be very easy for the current Government to pick up the cudgels and deal with that.

**Q41 Alex Cunningham:** Bear in mind that now are not good times. The Chair has already asked whether the Act should be repealed. Was it right to enshrine child poverty targets in law and shackle future Governments to them?

Alan Milburn: I do not think it is a question of shackling them. If the current Government do not like the target, they have a very simple solution. Firstly, when in opposition it should not have voted for it, but it did. I do not know how you all voted, but that was what happened. Maybe you were all innocent but others were guilty. I do not know. Secondly, if they do not like it, by all means abolish it.

Q42 Alex Cunningham: Basically, it does not make any odds.

Alan Milburn: It does make odds. There is a very interesting academic study—there have been several-by the IFS that suggests that, without the target, effort and, more importantly, the focus, child poverty would have risen rather than fallen. I know two things about targets. First, if you get them right, they can focus effort and resources and you get results. Secondly, if you get them wrong, they can distort the priorities and you can miss the objective, even if you are hitting the target. In the case of this particular target, the fact that it was enshrined in law and was a galvanising principle for the then Government allowed progress to be made.

**Q43 Chair:** It was enshrined in statute only in 2010, so quite late on. It is hard to link progress under the last Government to enshrining it in statute.

Alan Milburn: Yes, but from memory the target was established in 1999 when Prime Minister Blair set it

**Q44 Chair:** But Alex's question was particularly about enshrining it in legislation. Was that the right thing to do? To set a target and putting it into legislation are two separate things.

Alan Milburn: It is rather like the commission. There is a "credibility" and "authority" point that comes from statute and it being the law of the land. I think that is a rather good thing. It makes it difficult to achieve, but nobody said it would ever be easy. Government is not an easy thing, and making progress, as successive Governments have found, on what are intractable and wicked issues around poverty and mobility is hard and very long term.

**Q45 Damian Hinds:** I suppose there is a legitimate question about whether you can have legislation about an outcome measure. For things you can control totally, you can say there is a target. If there are to be targets, what should the balance be between poverty targets relative to median income and absolute poverty targets in terms of a basket of goods or indicators of life chances?

Alan Milburn: Targets are out and indicators are in. What we are not short of are measures. At the moment we have three targets. We have a fourth one in the Act but it is not being implemented until 2015. We then have a new one on severe poverty that the Government have decided to introduce, so we have five. Then we have indicators in the social mobility strategy, some of which, frankly, are proxies for poverty, particularly around free school meals and so on. We have got quite a lot of measures. There is a danger of too much being too little in terms of what we focus on.

For me, the piece of the action that is missing and is not properly measured right now, if the OECD is right and what counts is a combination of approaches income transfers, incentives to work and service support—is around service support. The Government are about to consult, or are currently consulting—I cannot remember-on what an additional measure might look like. My advice—it is not my position to advise on it—is that is the piece of the action that should be focused upon. For example, could we assess across decile groups which ones are getting access to which services? Could we monetise that? Could we turn that into the equivalent cost of access to childcare, health care, health visitors and all the good things that are being done, and can we turn that into a monetary value? Could we assess the assumption that many people make about public services—that it is always the middle classes who do well and the poorer classes who do not-and seek to address such a gap, if it is there? I would not get rid of the relative poverty target.

Q46 Damian Hinds: The key question is: would you lead on it?

Alan Milburn: It is a great question to ask and a really hard one to answer, as you know because you have looked at these issues in the all-party group. It is complex, isn't it? It is not just one thing; it is a whole host of things. Of course, relative poverty, as we were discussing earlier in relationship to inequality and poverty, is important; absolute poverty is important, because that is what people experience. The service provision aspect is also important. You must have a basket. What I am slightly concerned about is that you have at least two baskets. To go back to the very first question the Chairman asked, you have a child poverty basket of measures and a social poverty basket of measures, and at the moment I am not sure that these properly coalesce.

**Q47** Mr Ward: This is crucial, because it is seeking to answer the big question of how we do it. The "poverty plus a pound" is easy and has immediate results that look very good. You earlier identified early years as being crucial. That will do nothing for the child receiving it, but hopefully it will have an impact on that child's child.

Alan Milburn: It will have an impact on the child in adulthood.

Q48 Mr Ward: Not in terms of the figures.

Alan Milburn: Maybe I am wrong—I have been wrong many times—but I thought the evidence suggested that high-quality, which I emphasise, early years education produces high returns in terms of-Mr Ward: In 20 years' time.

Alan Milburn: Yes, down the line in terms of behavioural problems, and that is particularly true in terms of disadvantaged youngsters. That produces an intra-generational benefit for the child as it progresses to adulthood. It is a really great question: does that also transfer into inter-generational benefits when that child becomes an adult and a parent? The likelihood is that it does, because we know that, unfortunately, there is a correlation between what parents do and what children achieve. We know that parents reading and interacting with their children have at least as much influence on their children's educational attainment as anything that a school or teacher does. I think we can make some assumptions in this space that it is of short-term, medium-term and inter-generational benefit in the long term.

Q49 Alex Cunningham: To go back to your word, "progress", we know how Governments thrive on moving goalposts and making the statistics work for them. I am interested to know what difference the commission is going to make in being able to identify and prove that progress is or is not being made.

Alan Milburn: There are two or three functions that the commission should properly have. I know that nowadays this is a slightly devalued phrase but I think it is right: if it is done right, we can construct a coalition of the willing. Your earlier point is a really important one. People look at it and think it is impossible to do; the factors and head winds are so strongly against it, it is impossible to achieve. The truth is that many organisations are achieving it. I look at the best universities and what they are doing on access; I look at what the best schools are doing to close the educational attainment gap; and I look at some employers, businesses, professions and local government that very often are doing fantastic work in this area. First, we have to construct a coalition of the willing to prove that it can be done.

Secondly, we have to continue to proselytise for progress. I see that as part of the commission's job. In response to Ian's earlier point, there are lots of organisations out there, but I hope that the commission, precisely because it has independence, hopefully credibility and definitely the authority that comes from a statutory underpinning, should be out there making the case for these things. Very often the truth about political decisions is that they do not just happen; somebody forces them to happen.

Alex Cunningham: Are you going to be a pain or a partner for the Government?

Q50 Chair: Alex's preference is clear.

Alan Milburn: I am just beginning to work that out. I think the job is to proselytise for progress. It would be for the Government to decide whether or not that is a pain. I hope it will not be and that the Government will take it seriously.

The third thing you have to do in terms of functionality is engage with the organisations that are

doing too less and should be doing far more. That might be government or other political parties; it might be universities, schools, employers or professions. You have to have a form of engagement by all of these. First, you need a coalition of the willing; secondly, proselytise for progress; and, thirdly, build a relationship with those who are not doing what they should be in order to make sure they do it in future.

Q51 Mr Ward: I think we have covered the approaches of the last Government and this Government and the differences. To take more specific ones, there are some plans, which are in the process of being implemented, to change benefits. How will the commission monitor the impact of benefit changes on child and family poverty, not just for the workless but those in work?

Alan Milburn: That is a good question. As to the benefit changes, lots of assumptions are being made on both sides, particularly around universal credit. On the one side, people are saying that, allied with the housing benefit changes, this is going to be terrible and different objections have been made. On the other side, the Government say, "But you don't take into account the positive impact of behavioural change that will result from these changes being introduced." The truth is that we do not yet know, so we have to find a way of assessing that. There is a huge amount of data in this space. Yet more data has been published recently. What I want to be able to do is analyse the impact on different groups in society by decile, quartile and socio-economic standing, so that we get a better understanding about which change is impacting which group in society. Some of that work is already done in-house by government; some is done by reputable, credible organisations externally. particularly the IFS, but the commission will need to undertake its own analysis, sometimes based on the work that DWP or the IFS undertake but sometimes undertaken independently.

O52 Mr Ward: You talked about proselytising, and presumably part of the work is to collect evidence of what is happening and best practice and make sure that what works is well known. I think you have covered that. Last week, we looked at destitution among asylum seekers and irregular migrants, and the impact that might have on their life chances through health and education outcomes. Is that an area you would look at specifically?

Alan Milburn: Where are the risks of poverty greatest? We know today where the risks are. The risk of poverty increases if you have a baby or you lose a job. We know there are some groups in society that are more prone to poverty and disadvantage than others, and some of the groups you have just described. It would be odd if the commission did not look at those groups, and I am sure that it will.

Q53 Mr Ward: I think we have covered the area of child poverty versus social mobility. The child poverty strategy will be revised in 2014. What part do you expect to play in the whole of that process?

Alan Milburn: I hope that by then the commission will have produced at least two big annual reports on progress or otherwise overall, and that we will have built up a body of evidence about which approaches are working and which, frankly, are not. There is a question for the Government that they will need to think about either in 2014 or before then. The Act stipulates that there should be a periodic review of child poverty strategies, which is fine, but we know that all of these issues are terribly long-term in terms of their impact and the potential for amelioration. I would hope that one thing the Government will want to think about, and maybe the commission will want to suggest to it, is that, rather than just doing a triennial review of poverty and the child poverty strategy, it looks at the longer term. Let's assume that the trajectory for the relative child poverty target is not 2020 but 2027. The Government's remit might be only five years, but this would not be the first Government, nor I suspect the last, to look beyond its term of office and determine a strategy for the medium rather than the short term. That is what I would very much like it to do; otherwise, you are making iterative progress and not sticking to and being consistent about what needs to be done for the medium to long term. I would hope that the Government would review its own strategy, but the commission can make suggestions, take a point of view and provide some analysis.

Q54 Damian Hinds: I do not think anybody doubts that, by international standards and over time, we have a social mobility problem in this country. Everyone is struck when they see the number of children on free school meals who go on to get good university degrees and so on, or the difference in the proportion of kids who go to private school and end up in public life. Do you think that sometimes the subject gets slightly exaggerated? In particular, there has been a recent controversy over the "rich, thick kids" theory and the so-called regression to the mean, played out in the pages of *The Guardian*, a regular paper of mine. Are you concerned that sometimes there is a danger of overstating the extent of these problems?

Alan Milburn: First, the evidence suggests overwhelmingly that there is a problem. It is contested and certain academics take a contrary point of view, but sometimes that is being contrary for the sake of it. The overwhelming body of evidence, including your own all-party parliamentary group, would suggest that there is a problem. The problem with the problem—you are on to a really good point—is that, if we continually send a signal to kids that it is impossible for them to get on, it becomes a bit of an issue. We have debated this before. Sometimes people put to me an argument that the problem today is that kids do not have aspirations. I do not buy that at all. What I do buy is that sometimes kids have low expectations, which is a completely different thing.

The work I did in 2009 and some of the work we have done this time round involves talking to groups of youngsters, focus groups and heaven knows what. What really strikes me is the discrepancy between what they would like to be and what they think they will be. I find that really disheartening, and it should

be a matter of concern for all of us. I have never taken the view, to put it at its most blunt, that somehow ability is unevenly distributed in our society; I have always taken the view that it is opportunity. When I hear groups of youngsters say, "That's not for the likes of me", whether it is a career or a university, we all share responsibility for that thinking. We have to be very careful about how we position this issue. We are not saying that kids cannot make it; we are not saying, "If you don't learn more, you earn more", because that is an equation in the modern world; and, at the same time, we have to continue to focus attention on the problem. Getting that balance right would be my bigger concern.

O55 Damian Hinds: You introduce a second very important point. There is the issue of expectation and aspiration. There is also appreciation of the steps you need to take to get there. There seems to be a rather large cohort of young people who have high expectations and are not short of self-esteem either, but somehow the interim steps are not happening; perhaps they are not making the best subject choices or, as you rightly say, they are thinking, "Such-and-such a route isn't for me."

Alan Milburn: I thought the formulation in your report was good, which is the idea of different cohorts: there is a breaking-out cohort and a moving-up cohort. You can slice this cake in very many different ways, but I thought that was a very interesting way of thinking about it. What that helps us to do is focus public policy on the needs of different cohorts in society. Different instruments will be needed. The daughter of middle-class parents who after graduation cannot get an internship is in a very different position from the child of a housing association tenant whose family has never had experience of a university education. They are just in different positions and they probably need different sorts of help and support.

Q56 Damian Hinds: It is very kind of you to cite that report. You are right. We talked in the all-party group session about three groups: the breaking-out; stars shining at the other end; and a big group in the middle which are those moving on up. Some people, including me, believe that there is a danger. The breaking-out is quite easy to measure and spot when you have children in abject multi-generational poverty. You get into mainstream work and so on. At the other end, it is also possible to spot the handful of free-school-meal kids who go to Oxford and become PhDs and all the rest of it. The danger is the 70% in the middle, the biggest group of people, which is hardest to measure. Do you think there is a danger in using free school meals, which is quite a blunt measure and is limited in scope, because perhaps it contributes to that and is an emphasis on one relatively small part of the population?

Alan Milburn: I do think there is a danger with that. It is a proxy measure. As we know, it is imperfect in several regards. Not every family wants to claim free school meals, for example; not every child who gets a free school meal at the age of five will necessarily be claiming it at age 15, etc. We know there are problems with it and that it is at best a proxy. At the

other end, when you come to the indicator around closing the gap between kids on free school meals and kids from private schools getting into the best universities, there is also a bunch of kids who are in private schools who would be entitled to free school meals—because of bursaries, sponsorship, etc. It is imperfect. It would be far better-this is a conversation I have been having with Governmentto get to a measure that was about decile groups. Therefore, we could be measuring the impact by socio-economic group, which is a harder, clearer and more granular set of data.

Q57 Damian Hinds: Presumably, you would have to do that by sampling.

Alan Milburn: Yes. I was looking at this in the context of the higher education report. We have so many different forms of data held by so many different organisations. The Student Loans Company will have data on family income, but the universities do not. Universities will use imprecise, mosaic datait is okay—about geographical areas of disadvantage. Schools will have different information. It is a really big job, and this is where government is important in this. We need a single set of indicators to track an individual pupil starting school, what happens to their progress in school and where they go once they leave school. We do some of that on a sampling basis, and post-university as well, but we do not do it coherently. As a consequence, we are not able to measure what we should be measuring, which is outcomes. All the time we are measuring inputs and outputs but not outcomes. The Government are now trying to do some marrying-up of data.

I thought your first point was a really important one. You say that sometimes we set up these two things. What worries me about the public debate is that, if we are not very careful, we will end up in a position where we are pitting the interests of kids at the very bottom against the kids in the middle. That worries me at a political level, and you can see it reflected in the British social attitudes survey this time round. Although there is a high degree of empathy for children in poverty, there is not a high degree of sympathy for their parents, and there is less and less sympathy over time for efforts on the part of government to ameliorate the financial position of those at the bottom end. If we end up in a position where working-class families are pitted against middle-class families, that is a really big public policy and political problem, because in the end you need public permission from the majority to be able to address some of these issues. Some of the indicators do not help that.

Q58 Damian Hinds: Presumably, that rears its head most commonly in debates about things like university admissions.

Alan Milburn: Correct.

Q59 Damian Hinds: When you talk about being able to measure outcomes and track a child all the way through, do you believe this can be done without the mother of all databases?

Alan Milburn: Yes, because we have a whole host of databases right now. I am looking for advice. I am told there is a social mobility transparency group inside government that is looking at how to bring together a lot of these different data sets. That would be enormously important, and maybe it is an issue the Committee would like to take a look at.

**Q60 Damian Hinds:** We have talked a number of times about key proxies. What are your top three proxy measurements, given the massively long lead times on the eventual outcome measures?

**Alan Milburn:** Do you mean on social mobility? Damian Hinds: Yes.

Alan Milburn: In the end, they have to be measures around education and employability. Your report and other reports and the common sense that has emerged indicate that there is not a single lever; there are lots of them, but what is the most important thing? The most important things are: early years education; time spent in school; quality of teaching; attainment levels; and employability skills. How you wrap those into indicators is, of course, a technical question, but, as the world becomes ever more oriented towards a knowledge and skills-based economy, we know that what will be required for kids to get on is the learning of more skills, better qualifications and higherquality education.

Q61 Chair: You have not included in that parental attitudes and understanding.

Alan Milburn: That is really important.

Q62 Chair: Is it fair to say that some immigrants who come to this country are in pretty abject poverty and they, or their children, get out of it because of the attitudes and understanding they have as to how to get on? White working-class boys do particularly badly in our system. To what extent do we need work to look at attitudes and understanding of the labour market? If a father says, "I did all right, son; you don't need to do it and you'll be all right", and it turns out that the labour market has changed and he does not know that, he is not trying to let down his child; he is just misinformed. To what extent should government be getting into that sphere?

Alan Milburn: That is a great point, and an important corrective. For example, if you look at the performance of Chinese boys who are entitled to, even if they do not claim, free school meals, they are in a completely different position from either Afro-Caribbean or white working-class boys. The Chinese kids are zooming ahead and the others, frankly, are falling behind, so cultural attitudes and parental styles—all the things Frank Field referred to in his rather good report—are very important. It is a pretty difficult area for government. Governments have permission to mess about with schools. Whether or not they have permission to mess about with parents and parenting skills is an entirely different point, but I have absolutely no doubt that the role of parents and local communities-social capital-is vital in all of this. When I was looking at the professions, for example, what struck me forcibly was that 60% of kids who had professional parents expected to go into

a professional job. Only one in six kids who have non-professional parents would ever think about a professional job.

**Q63** Mr Ward: I was one of two children in my class who passed the 11-plus. I was also one of two in my sixth form who did not go to university and both then became trainee accountants. It was the last year you could do that without being a graduate, so it was sliding doors, really, in terms of the different directions of the class. You say in your report that the glass ceiling has been scratched but not broken. What do you mean by this? Can the private sector be fully on board with what is required?

Alan Milburn: Much of it is. You are referring to the update I did on the professions report which was published last month. A lot of effort is going on, and I see it in particular sectors like the law where there are some great initiatives. The PRIME initiative is a fantastic example. Employers and the professions are trying to open their doors to the widest possible pool of talent. When you look at the top professions, remarkably little has changed. You could argue that in some ways it has got worse. We know that 15 out of 17 Supreme Court judges, 43% of barristers, 59% of the current Cabinet and 62% of the House of Lords all come from a private school background. If it was any other walk of life, you would say it was social engineering, with a stranglehold by the few on the many top jobs. If you were optimistic, you could just say that it is going to take for ever to put right. However, I am worried less about what is happening at the top of the professions and more about what is happening at the entry point. I had a look at what sort of kids are applying for and being accepted to study law or medicine. Some 57% of medical students admitted in the last academic year come from the top three socio-economic groups; 7% come from the bottom three. That has barely changed in a decade, and it is not dissimilar in law. It is hard to maintain one's optimism when you see that.

What have the professions got to do, and what are the best professions already doing? First, they have to diversify where they recruit from. It is shameful that we have 115 universities in this country and the top employers recruit from 19 of them. You are not telling me that it is only in 19 universities that we have people of talent and potential. Secondly, there is a regional dimension to this. The labour market is very heavily skewed to the south-east, not the north-east or other parts of the north, in terms of where employers recruit. Thirdly, your point about qualification inflation has been a problem in the professions. Nowadays, to become a nurse you need a degree. All of that might have been fine in reducing risk and all those sorts of things, but you also have to provide other entry points, which some of the professions are doing. In the old days, it was possible to start out as a messenger boy at a newspaper and work your way to the top and become editor; it is not any more. Interestingly, the one profession that has become more socially exclusive than any other is journalism.

**Q64 Alex Cunningham:** Some of us got in from the bottom.

Alan Milburn: The getting-in point is the real thing. What the professions have to think about is how to provide entry routes that do not necessarily involve a degree but allow people to work their way up. There are some great examples: legal executives and so on. These are beginning to get a bit of purchase, but, frankly, not enough. If we are not very careful, unless we take corrective action in these sorts of things, the professions will find themselves in a position where they simply do not reflect the sort of society they are supposed to serve.

**Q65** Mr Ward: And political parties and candidates. *Alan Milburn:* That is an interesting question.

**Chair:** And one that is not directly relevant to this inquiry.

Ian Mearns: I want to go back to talk about data tracking, which we are considering at a later stage. There is a whole minefield of stuff there. You state in your report that the Government must take all necessary steps to ensure that careers advice in schools does not miss the most disadvantaged children. What steps do you have in mind? What discussions have you had with the Government on your concerns about the new duties on schools?

**Q66** Chair: We are about to conduct an inquiry into just this subject.

Alan Milburn: I have had a discussion with the Secretary of State about this issue. If you remember, back in 2009 I looked at so-called information, advice and guidance, which nowadays is called careers advice. I was very critical of the Connexions service.

#### Q67 Ian Mearns: We set it up.

Alan Milburn: It seemed to me that its purpose had become somewhat skewed and that it had focused, maybe not unreasonably, on disadvantaged kids, but the consequence is that, for the mainstream majority of pupils, the sort of careers advice they were getting was pretty poor.

**Q68 Ian Mearns:** The "Bridging the Gap" report on which it was based was a very good report.

Alan Milburn: Yes, but back in 2009 I surveyed groups of youngsters. As a mystery shopper, I was asking them what they thought about the Connexions service. I am afraid that I heard barely a good word about the service in terms of careers. I recommended two things. One is that control over careers services should be devolved to schools, and, secondly, so should their budgets. The Government have done 50% of that. It has devolved the power but has not as yet devolved the funding. This year, for example, very many schools—four in five schools in one report—are saying their career services have deteriorated, and so on. The Government issued guidance to schools in March of this year about what they would like to see. That created a bit of a furore, in that some of the guidance did not accord with what we think works best when it comes to careers advice, not least face-to-face interviews between a specialist, not a general teacher, and a child. Why is that important? It is now pretty complex; the labour market is now incredibly complex. In a funny way, there are more

opportunities, but that requires more navigation. Some parents and families will be able to provide that to kids, but it advantages those who are in the know, not those who are not.

A number of things have to happen. First, there is a question about resources and skills needed in careers services. Secondly, if schools are ever properly to focus on providing high-quality careers advice, they

will do so only if they have to be transparent and accountable for what they do. That is one reason why Ofsted should, as a matter of routine, be looking at the quality of the careers services schools provide, including assessing what pupils say about the quality of the careers services provided.

**Chair:** Thank you very much for appearing before us this morning. It has been an interesting session.



