

Career guidance and the *Plan for Jobs*: Ensuring impact

This briefing is produced by the Career Development Policy Group, an independent network of organisations campaigning to ensure that all citizens can access support in their careers.

Why is career guidance important?

Career guidance describes a series of interventions designed to help individuals to make decisions, manage their careers and successfully manage transitions. Evidence shows that it can support governments to achieve their economic, educational and social policy goals.

Over the next few months over 800,000 young people will be entering the labour market while a substantial proportion of the nine million furloughed workers are facing redundancy. The Bank of England anticipates that unemployment will double and exceed two million people by the end of the year.

During this labour market crisis career guidance is more important than ever. Career guidance can integrate young people into the world of work and help vulnerable workers and unemployed people to find work, further training or undertake the work-related activities that will maintain their contact with the labour market.

What did the Chancellor announce?

*“The evidence says careers advice works, so we’ll fund it, with an additional £32 million to recruit careers advisers and provide bespoke advice and careers guidance for over a quarter of a million more people.” **Rishi Sunak***

The Chancellor announced £32 million to increase access to career guidance as part of the *Plan for Jobs*. This funding will be channelled through the National Careers Service over an eighteen month period. The new funding is designed to increase the capacity of the National Careers Service to work with out of work adults, from the age of 19, and its other pre-existing client groups. This means that working adults and those who are recently out of work will not be a priority for the service.

What is the problem?

The provision of £32 million will be critical in ensuring that the National Careers Service is able to continue to deliver a service to its existing priority groups (18-24 year olds not in education, employment or training (NEETs); low-skilled adults without a level 2 qualification; adults who have been unemployed for more than 12 months; single parents with at least one dependent child living in the same household; adults with special educational needs and/or disabilities; and adults aged 50 years and over who are unemployed or at demonstrable risk of unemployment).

What the new funding does not do is adequately resource the National Careers Service to work with a wider range of clients. This could be achieved by introducing flexibility for providers.

Key omissions in the current arrangements include:

- young workers below the age of 18;
- workers below the age of 50 who have been made redundant or are at risk of redundancy; and
- adults between 24 and 50 who have been unemployed for less than 12 months.

The current funding arrangements mean that the government is investing in a service that is not sufficiently focused on working with many of the people who will need it most; those who are over the age of 18 and at risk of redundancy or recently unemployed. In addition, providers of the National Careers Service are being expected to scale up and equip their workforce and raise awareness of their services with no dedicated training, development or marketing budget.

What needs to happen?

The government urgently needs to review the National Careers Service funding arrangements. For the £32 million to have the maximum impact government needs to:

1. broaden the priority groups to ensure that the National Careers Service can help all workers facing redundancy or experiencing unemployment;
2. allow National Careers Service providers to use a proportion of the new funding to recruit, induct and train the new staff needed to deliver the service;
3. raise awareness of the National Careers Service amongst the general population through national marketing campaigns to ensure that people know that they can access support when they need it.

Making these changes will ensure that the £32 million can be effectively used to support those people who need it most. Depending on the severity of the employment crisis there may be a need to review the funding envelope to ensure that the service can keep pace with demand.

Beyond the *Plan for Jobs*

The proposals set out here are offered as a way to maximise the effectiveness of the *Plan for Jobs*. Given additional flexibility, the National Careers Service will be able to effectively support the other elements of the *Plan for Jobs* including the work experience, training and employment schemes that are being funded by government. Providing individuals with access to expert careers guidance will help to get the best return on investment for: the £2 billion Kickstart scheme; the £1.6 billion to be invested in scaling up employment support schemes, training and apprenticeships; and the £111 million investment in traineeships in 2020-21.

Beyond this there are several other issues that need to be addressed to ensure that career guidance is available to everyone who needs it. These include the need to provide additional funding to local authorities to help them to support NEET young people, aged 16-18 and additional investment for schools so that they can provide personal career guidance for all of their students from September, as in 2021 school leavers will almost certainly enter a depressed labour market as the economy recovers.

In the medium term there is a need to develop a new national Strategy for Career Guidance to replace the 2017 strategy which comes to an end this year. A new strategy should seek to improve the coherence of the system and ensure that access to personal career guidance is guaranteed for all citizens who need it.