

Submission to the The House of Lords Youth Unemployment Committee by Jan Ellis, Special Adviser, Career Development Institute (CDI)

The CDI is the single UK-wide professional body for everyone working in the fields of career education; career information, advice and guidance; career coaching, career consultancy and career management.

Challenges

1. *What are the main challenges facing young people seeking employment today? How do structural factors impact youth unemployment, and how might these be addressed?*

ONS Labour market data shows that young people have been harder hit than older workers by the impact of the Corona virus <https://commonslibrary.parliament.uk/research-briefings/sn05871/>).

In part this is because they were over-represented in the sectors hardest hit by the crisis, including hospitality and leisure. Also, many were more likely to be in less secure employment such as zero-hours or fixed-term contracts, or cash-in-hand jobs

<https://www.resolutionfoundation.org/publications/uneven-steps/>).

A main challenges facing young people seeking employment today is the lack of ongoing job support, specifically careers information, advice and guidance (CIAG) to enable them to secure meaningful employment. All young people should have access to high quality CIAG delivered by qualified professional career advisers able to use LMI effectively, support young people in identifying their 'transferable skills' and matching these to employment opportunities in all sectors.

A key structural factor is restricted access to CIAG following the transfer of responsibility for CIAG to schools and colleges. One major consequence of this is that young people not in education or home schooled, potentially those most in need, are *excluded* from CIAG provision. The limitations of a wholly school/college based CIAG service was further highlighted during the pandemic when these establishments were closed.

This dearth of provision is further compounded by *controlled access* to the National Careers Service (England) (NCS). A national telephone helpline provides advice and guidance to young people and adults and through other channels including digital and social media platforms, but ***specifically not face to face***. Locally the National Careers Service does provide CIAG via face to face and group sessions, over the telephone and through digital and social media platform – *but only to adults aged 19 and over or 18 year olds who are not in education employment or training*.

The acceptable quality of service is reflected in the fact that the adequate qualification for frontline staff is a level 3 award in CIAG. Moreover, delivery and payment are based on customer needs as defined by the NCS:

- low skilled adults without a level 2 qualification,
- people with special educational needs or disabilities,
- adults aged 18-24 not in education, employment or training;
- adults unemployed for over 12 months;
- single parents and;
- adults aged 50 and over who are unemployed or at demonstrable risk of redundancy.

Many young people, and frequently the most vulnerable, in need of CIAG do not meet these criteria. In a world changed by the global pandemic young people need the skills and knowledge to design and

manage their own career paths, and the confidence to respond to career challenges and changing circumstances. Being able to access support from a professionally qualified careers adviser to enable young people to develop these skills is vital. Importantly, structural changes are needed to ensure CIAG provision is accessible to all.

An all-age career guidance guarantee would ensure that everyone aged 16-19 in education, all education leavers, those who are already NEET, and adults who are unemployed, would have access to quality personal career guidance to help them move on to further education, employment or to additional training and apprenticeships.

2. *What are the main challenges facing employers in the labour market today? What barriers do they face in recruiting young workers and setting up apprenticeships and traineeships?*

One of the main challenges facing employers today is the lack of occupational knowledge and awareness of employment opportunities, apprenticeships and traineeships and related progression routes among young people - *"Young people tell us that one of their biggest barriers to employment is not knowing what careers exist"* (Laura-Jane Rawlings, Chief Executive Officer, Youth Employment UK) This has an adverse impact on the supply chain, creating a barrier to recruitment.

Many employers receive applications from young people wanting *any* job. However, employers do not want someone who wants *any* job. They want the applicant who best meets the job description and wants to work for their company. Likewise, in the face of repeated rejection many young people lose the confidence to apply. Critically, the supply chain is enhanced and recruitment costs reduced, when young people have access to a qualified career professional able to support them in identifying their transferable skills, understand the labour market, tailor their job search, and act as a bridge between the young person and the employer.

3. *What future social, economic and technological changes are likely to impact youth unemployment? What impact might these changes have, and how should this be planned for and addressed?*

It has become evident during the pandemic, access to online platforms is not equitable. As many employment opportunities are advertised and applied for online, this **inequality in accessing the world of work** will continue to work against young people from disadvantaged backgrounds. This disparity could be addressed by providing young-people-friendly centres, with flexible opening hours, where they can access online platforms alongside receiving support and CIAG from a qualified professional careers adviser, helping them to make sense of the labour market and developing the skills necessary for successful online job search.

4. *Is funding for education, training and skills enough to meet the needs of young people and of the labour market? How can we ensure it continues to reach those who need it most?*

The short answer is 'no'. Schools and colleges are responsible for the provision of CIAG but receive **no funding to meet this statutory requirement**. Research by the Gatsby Foundation makes repeated reference to schools and colleges experiencing funding pressures with career leaders reporting that personal career guidance is not available to all students. Conversely, research commissioned by the Careers and Enterprise Company (Percy 2020) found a positive rate return on investment with benefits outweighing costs in a ratio of 4:1. Funding is required to ensure young people are able to

make well informed and successful transitions from learning to work. The benefits of this investment are two-fold, they impact positively on the young person and the economy.

The inclusion of CIAG as an integral component of training schemes, such as 'Kick-Start' and as part of technical and vocational training programmes is essential. Access to personal guidance from a qualified career professional would assist the young person in building skills and knowledge (human capital), increase their networks (social capital) and enable the young person to drive their career forward. Such provision has important implications for increasing labour market participation and rebuilding the economy and contributing to GDP.

Primary and secondary education

5. *Does the national curriculum equip young people with the right knowledge and skills to find secure jobs and careers? What changes may be needed to ensure this is the case in future?*

The Education Act 2011 removed from schools the statutory duty to provide careers education as part of the national curriculum - a mistake. However the statutory responsibility for schools to provide independent careers guidance remains under Section 42A of the Education Act 1997. It is a requirement for governing bodies to ensure that all registered pupils at the school are provided with independent careers guidance from year 8 (12-13 year olds) to year 13 (17-18 year olds). The government's white paper, Skills for Jobs (2021) proposes to extend this duty to year 7.

To meet this requirement, in 2017 the government published a careers strategy that aimed to secure for all young people in secondary education a programme of advice and guidance that is stable, structured around the Gatsby Charitable Foundation's 8 Benchmarks, and delivered by individuals with the right skills and experience. Sadly for a range of reasons, including lack of money and the pandemic, by the end of 2020 on average, schools and colleges in England achieved fewer than half of the eight benchmarks (CEC 2020¹).

To improve provision and ensure young people are equipped to find secure employment, ***careers education needs to be reinstated as part of the national curriculum.***

6. *Is careers education preparing young people with the knowledge to explore the range of opportunities available? What role does work experience play in this regard?*

In 2011 the government accepted a recommendation to remove the statutory duty on schools to provide work-related learning to all pupils in key stage 4. In retrospect this seems bizarre, since the 2017 careers strategy and Gatsby benchmarks emphasise the importance linking curriculum learning to careers, encounters with employers, experience of workplaces and encounters with FE and HE. Schools that have achieved the benchmarks will be preparing young people the knowledge to explore the range of opportunities available. However, progress on achieving this goal has been slow.

¹ The Careers Enterprise Company (2020) *Careers education In England's schools and colleges 2020 Working together for young people's futures* available at https://www.careersandenterprise.co.uk/sites/default/files/uploaded/1244_careers_ed_2020_report18_0.pdf (Accessed 03 May 2021)

With a focus on work experience, subsequent research (Mann et al 2017² , Valentine et al. 2021³) confirms the benefits of work experience. Likewise, the importance of preparing young people to explore a range of options is evident in the Gatsby benchmarks (as detailed in the paragraph above) and the 'Baker clause' which stipulates that schools must allow colleges and training providers access to every student in Years 8 to 13 to discuss non-academic routes that are available to them.

This renewed emphasis, combined with developments driven by the Careers and Enterprise Company supporting engagement with employers, has further demonstrated the value of work experience in preparing young people for their future careers.

Currently, despite the introduction of virtual work experience, there remain barriers to undertaking work experience that need to be addressed, including greater competition for placements, the costs of administration and especially where a sustained period of work-experience is unpaid.

7. *What lessons can be learned from alternative models of education and assessment? What are the challenges with, and obstacles to, the adoption of such models?*

N/A

Further education, higher education and training

8. *What more needs to be done to ensure parity of esteem between vocational and academic study in the jobs market and society? How can funding play a role in this?*

To support greater recognition and understanding of parity of esteem, a campaign is needed to bring about a **change of mindset within society, combined with funding to provide access to life long career guidance** for those in education, those in work or unemployed and those seeking a career change, so they can make well informed career decisions.

9. *What is the role of business and universities in creating a thriving jobs market for young people? How should they be involved in developing skills and training programmes at further and higher education level?*

Businesses, FE and universities should work collaboratively to ensure that learning is fit for purpose. They have a key role in providing information, advice and guidance about career pathways and training and employment opportunities. Career and employability services in FE and HE play a vital part in facilitating communications between students and employers. **These services need to be strengthened in FE, a point missed in the white paper.**

10. *What can be done to ensure that enough apprenticeship and traineeship placements are available for young people? Is the apprenticeship levy the right way to achieve a continuing supply of opportunities?*

² Mann, A. et al. (2017) Contemporary Transitions: Young people reflect on life after secondary school and college

³ Valentine, R and Keating, S (2021) *The value of student work experience in the graduate labour market*, Prospects . Available at <https://luminare.prospects.ac.uk/the-value-of-student-work-experience-in-the-graduate-labour-market> (Accessed 03 May 2021)

The apprenticeship levy ensures that business contributes to the upskilling of the present work force and development of the future workforce essential to a healthy economy. To achieve a continuing supply of opportunities and ensure that placements are available for young people, financial incentives offered to employers need to be extended beyond the recruitment of those at risk of being long-term unemployed. There is also a need for a change in mindset and behaviour on the part of small and medium-sized employers, who will need to invest to secure a future pipeline of workers at the same time as investing in the ongoing education and skills training of their workforce to remain competitive.

Jobs and employment

11. What lessons can be learned by current and previous youth labour market policy interventions and educational approaches, both in the UK and in other countries?

Unlike Scotland, Wales and Northern Ireland, government careers policy in England does not extend to an all-age careers service. Despite the fact guidance can improve educational, social and economic outcomes (OECD 2018), career guidance in England is marginalised and **hugely** under-resourced.

As highlighted earlier, services offered by the National Careers Service (England) are targeted at those who are socially disadvantaged or unemployed or have low levels of qualification. The outcome is that many at risk of becoming unemployed, those on furlough and at risk of redundancy and those not in education are unable to access information, advice and guidance about alternative employment opportunities or related training.

Also the National Careers Service funding model is problematic being based on based on an inflexible Payment by Results model.

*‘Government policy on the issue of Payment by Results (PBR) was also highlighted as problematic in the current Covid-19 crisis. Before COVID-19 hit, many providers were highly dependent PBR model and its success was highly dependent on referrals from the public employment service (DWP). **The current arrangements were reported as unworkable during the Covid-19 crisis.**’* (Hughes, 2020⁴).

Similarly government interventions such as ‘kick start’ offer opportunities only to those at risk of long term unemployment. More needs to be done to ensure that young people are not forced into unemployment to become eligible for support and be well-placed to take up the opportunities arising within the economy.

12. What economic sectors present opportunities for sustainable, quality jobs for young people? How can we ensure these opportunities are capitalised on and that skills meet demand, particularly for green jobs?

We already have much of the labour market knowledge we need in order to identify the sectors where the jobs of the future will be. Labour market intelligence reveals growth in jobs in e-commerce, health care, construction, finance, and education. There are also opportunities in the creative and digital industries, with increased demand for digital content, editing, marketing and cyber security. A critical point here is about investing in the training of qualified career development professionals so they can help young people and adults make informed career choices.

⁴ Hughes, D. (2020) COVID-19: Where Do I Go for Careers Support? Available at <https://iagonline.org/report-where-do-i-go-for-careers-support/> Accessed 03 May 2021

Further analysis by the Office for National Statistics found the sectors most resilient during the Covid pandemic were the Education, Real Estate, Wholesale Trade and Transportation and Storage sectors. Notable factors here were that workers holding university degrees, masters or doctorates made up almost 50% of all the workforce in resilient industries, and the ability to work remotely. Especially hard hit were accommodation, tourism and food service activities, and arts, entertainment and recreation sectors.

Developments in the green economy such as renewable energies (e.g. wind, solar, geothermal, hydropower, biomass, and hydrogen) bring new jobs in drilling, power plant construction, equipment supply and manufacturing, and operation and maintenance. Within the construction sector, greater demand for environmentally friendly 'green' buildings is driving the development of green building material. There are also new opportunities in recycling and waste-management. Likewise, the transportation sector is experiencing an increased demand for individuals with specialized knowledge and skills related to eco-friendly transportation assessment, planning, and logistics.

In summary, to ensure these new and emerging opportunities are capitalised on, unbiased occupational information and career pathways need to be easily accessible online. Qualified career development professionals (career advisers) will help young people and adults to make sense of this information and the dynamic world of work. Career guidance should evidence an awareness of the environmental impact of vocational choices and support young people in matching 'green' jobs with their concern for the environment. Schools, colleges and universities should work in collaboration with industry to provide appropriate training and skills development so young people are well placed to secure sustainable employment.

13. How might future youth labour market interventions best be targeted towards particular groups, sectors or regions? Which ones should be targeted?

More needs to be done to reach out beyond the narrow confines of earlier priority groups such as those identified by the National Careers Service funding agency. Critically, the government needs to adopt a more joined up approach, particularly between DWP, DfE, and the National Careers Service, to clearly signpost individuals to quality-assured career services, which by their nature will be working closely with local and regional agencies including the Chambers of Commerce and LEPs.

As in Wales, Scotland and Northern Ireland, all young people in England at risk of becoming NEET need to know where to go for high quality careers support; this cannot be left to the underfunded local authorities to manage. This is fundamentally important because the first challenge for many seeking to enter the work force, or who experience job loss or other barriers, is to build their confidence, help them to understand their own interests and skills, and identify opportunities that might fit them well, together with an understanding of the further education, training and progression routes linked to jobs opportunities.

In addition, there should be a local careers support framework in each local authority/local enterprise partnership (LEP) area designed to champion young people to employers.