

INVESTING IN CAREERS

What is career guidance worth?

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Foreword

The UK thrives when it harnesses the skills, talents and capabilities of its people. We need a highly skilled population, who are well aligned with the needs of the economy and society more widely.

Successive governments have tried to solve the 'skills problem' with limited success. In some cases too much emphasis has been placed on qualifications, in others on work-readiness, but of course in a modern economy we need both an excellent education system and employers who are capable of making use of the talent that it generates. And, of course, we need to make sure that the talent goes to the right places and is used effectively. This is why we need excellent career guidance.

Career guidance creates dialogue between education and employment and individuals and opportunities. It exists to ensure that everyone understands what opportunities are available to them and to smooth transitions to an ever-changing labour market. The idea of choosing a job at 16 and sticking with it throughout life is over. Now we need to ensure that people not only have a good start in life and make a positive transition to their first job, but also that they are ready for the changes that might come as they make their way into their future.

Sadly, career guidance has been a political football over the last forty years. Some changes have been for the better, others for the worst, but the constant chopping and changing has reduced the stability and coherence of the system. As the authors of this paper show, there are lots of strengths in the current system, but there are also many weaknesses which we need to address.

The Career Guidance Guarantee sets out a positive, and fully costed, approach to moving forwards. At the moment, we are spending less than £70 per person per year on career guidance for young people and less than £26 per person per year for adults. The Career Guidance Guarantee argues that we need to increase this funding, but more importantly it argues that we need to spend the money that we are currently spending better.

It is critical that we move to a more strategic, better resourced, high quality and professional career guidance system. This paper and the Career Guidance Guarantee point the way forwards. I hope that politicians of all parties will draw on this and begin the process of reform necessary to take us to a worldclass career guidance system.

Yours sincerely,

Sue Garden
The Rt Hon, the Baroness Garden of Frognal

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Executive summary

Career describes our pathway through life, learning and work. It is how we make a difference in the world and how we balance the competing demands on our time. When individuals make good choices about their education and training, access decent work, balance their various responsibilities and develop and progress throughout life, we have well-functioning societies.

Career guidance supports individuals and groups to discover more about work, leisure and learning and to consider their place in the world and plan for their futures. It helps individuals to make learning choices, to find and keep work and to manage their working lives as part of their broader lives. It takes many forms including education in the curriculum, one-to-one counselling interventions, experiential learning and the provision of information or online services.

Effective career guidance is associated with a range of economic and social benefits. Economically there is evidence that shows that career guidance helps people to engage with the labour market, align their skills with employer demand and be more productive in their workplace. Ultimately higher employment, better skills alignment, increased productivity and improved employee engagement pay off at the national level for government, in terms of a well-functioning economy and improved tax returns.

Career guidance can be aimed at young people and others in education, those in work, those out of work, including people who are economically inactive, and older workers considering when to retire. It aims to offer people new opportunities and inspiration, to help them to realise their potential and make choices that will help them build happy and successful lives and contribute to their community.

The career guidance system in England is made up of three main parts.

<p>Young people</p> <ul style="list-style-type: none"> • Career guidance for young people is mainly provided through the education system with decisions about its organisation mainly taken locally by schools and colleges • This is supported by the Careers & Enterprise Company • The National Careers Service also provides some online and telephone services for young people 	<p>Higher education students</p> <ul style="list-style-type: none"> • Students in higher education can access career guidance services through the higher education institution that they attend • Universities also provide some outreach services into schools and colleges both institutionally and through Uni connect 	<p>Adults</p> <ul style="list-style-type: none"> • Adults can access career guidance through the National Careers Service which prioritises funding for services to people with high barriers to the labour market and finds it hard to fully support other adults • Unemployed people can also access a range of employment support from the Department for Work and Pensions and Jobcentre Plus
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With a host of other services available to some groups, but very limited services available to others.

The current system has several strengths as it builds on a long tradition of provision, is publicly funded, supported by a skilled profession and a growing evidence base. However, it is also short of funding, lacks coherence and consistency, offers limited and patchy access and has to deal with low public awareness of career guidance. It is also increasingly facing recruitment and retention issues within the workforce

The Career Guidance Guarantee

The Career Development Policy Group have proposed six actions that could transform the provision of career guidance in England.

 <p>Publish a careers strategy</p>	 <p>Finish the Gatsby revolution</p>	 <p>Support lifelong career development</p>
 <p>Challenge youth unemployment</p>	 <p>Develop graduates' careers</p>	 <p>Ensure quality and professionalism</p>

This paper is largely focused on costing what the implementation of the Career Guidance Guarantee would cost and considering the return on investment that would be likely to result from this policy change.

Costing the Career Guidance Guarantee

We have done extensive costing work to estimate how much the government is currently spending on career guidance and to compare that to the level of spend in 2009. We estimate the figures as follows.

- We currently spend £68 per person, per year on the delivery of career guidance to young people. The equivalent figure in 2009 (adjusted for inflation) was £159
- We currently spend £26 per person, per year on the delivery of career guidance to adults. The equivalent figure in 2009 (adjusted for inflation) was £35

The level of investment is one of the major issues that career guidance in England faces. However, it is not the only one. Funding is currently highly fragmented and dependent on a series of local decisions in schools, colleges, universities and local authorities. There is a desperate need to manage funding more strategically to ensure greater consistency.

The career guidance workforce has also been depleted and the system has been de-professionalised. There is a need to take actions to improve quality and strengthen the professionalism of the system.

The Career Guidance Guarantee represents is a thought through and costed plan to achieve the improvements that are needed. To implement it in full we would need to spend an additional £315m on youth careers services and an additional £235m on adult careers services. This equates to an average additional spend of £47 per person on career guidance for young people and an additional £6 per head on working age adults. This represents a very modest new investment, which when combined with the other reforms in the Career Guidance Guarantee would lead to a much more effective system.

Return on investment

There is a strong and growing evidence base on career guidance. Robust studies have found impacts on attitudes and behaviours, NEET levels, increased likelihood of disadvantaged young people enrolling in higher education, improved employment levels and higher income.

If, as the evidence suggests, the Career Guidance Guarantee led to an uplift of around 5% in salary for at least 1% of the population, it would pay for itself in terms of the increased tax revenue being paid to the Exchequer. Given this, it is important that spending on career guidance is viewed as an investment in the human capital of the country.

More emergent evidence on the return on investment of career guidance suggests that for every pound spent on youth guidance the country can expect to receive £2.50. While for every pound spent on guidance with unemployed adults the figure is £3.20.

Final thoughts

Career guidance is a powerful intervention that can make a substantial difference to the lives of those who are able to access it. Currently too few people in England are able to access career guidance or are even aware that services are available and those that do get it often find that it is too poorly resourced.

Government needs to take a more strategic approach, professionalise the system and ensure its quality and begin a programme of new investment. The Career Guidance Guarantee represents a clear and costed blueprint as to how this can be achieved.

1. Introduction

Career describes our pathway through life, learning and work. It is how we make a difference in the world and how we balance the competing demands on our time. For most of us, paid work is central to our career, but for others their careers are pursued through education, voluntary work, caring for our family and a host of other life choices. Everyone has a career, regardless of age, disability, or capacity to undertake paid work. And for most of us it is a long journey with many changes in focus and direction.

When our careers flourish, we are able to give more to society, including economic returns such as improved productivity and increased tax returns. But the impact of our careers is not confined to the economic sphere, it is also intertwined in family life, in the effective functioning of the education system, in the, often unequal, distribution of opportunities in society, in our health, in the environment and in the quest for a fair and peaceful society.¹

When individuals are able to make good choices about their education and training, access decent work, balance their various responsibilities and develop and progress throughout life, we have well-functioning societies.

Despite the importance of career, it is often assumed that the ability to build and manage a career is intrinsic or acquired naturally. Such an assumption is dangerous because those who come from more advantaged backgrounds and who have greater access to information, experiences, networks, and opportunities are typically able to gain control of their careers more rapidly and manage them without any instruction or formal help in decoding the 'rules' of career-navigation.²

Career guidance exists to bridge this gap and help individuals to access the information, experiences, networks, and opportunities that will enable them to have positive careers regardless of the background that they come from. However, to ensure access to career guidance, there is a need to consider how that career guidance is best organised, funded and delivered. In this paper we will explain England's career guidance system and set out a plan for its renewal. We will also explore what it costs, consider what investment is needed and examine some evidence on the likely return on investment.

What is career guidance?

Career guidance supports individuals and groups to discover more about work, leisure and learning and to consider their place in the world and plan for their futures. It helps individuals to make learning choices, to find and keep work and to manage their working lives as part of their broader lives. It takes many forms including education in the curriculum, one-to-one counselling interventions, experiential learning and the provision of information or online services. Career guidance can be aimed at young people and others in education, those in work, those out of work, including people who are economically inactive, and older workers considering when to retire. It aims to offer people new opportunities and inspiration, to help them to realise their potential and make choices that will help them build happy and successful lives and contribute to their community.

In this paper, we have included within our definition of career guidance any government programmes which seek to support individuals to make learning and work choices through information, advice, counselling and coaching (sometimes known as career or personal guidance), education, brokerage or experiences of the world of work or further learning. Not all these services are delivered by career guidance professionals and nor is this necessary in every case. However, we will argue that there is a need to professionalise England's career guidance system further. We have not included any programmes that provide technical training, employment subsidies, or benefit administration and policing.

Benefits of career guidance

Career guidance is not just about helping people to find their way onto a course or showing them how to get their next job. Rather it is about helping people to make a purposeful next step that will move the trajectory of their life in a positive direction. Data published by UCAS in 2021 found that over 25% of students would make different GCSE choices now they know what their degree course involves – and around a third would choose different post-16 options. Two in five university students said they would have made better choices had they had better access to higher quality information and advice in school.³ Career guidance helps people to find their way onto the right course and into the right job for them. This in turn helps to ensure that their talents are well used and reduces dropout, labour market churn and misalignment of skills.⁴

Career guidance contributes to a wide range of public policy goals including supporting the effective functioning of the economy; the labour market and education system and contributing to social mobility, social equity, health and wellbeing, positive environmental behaviour and justice and rehabilitation.⁵ Helping individuals to understand how to integrate into society, play a positive role, use their talents and achieve success should be a win-win proposition with benefits variously derived by individuals, communities, businesses and national governments.

In previous work one of the authors of this paper has set out the economic benefits of career guidance across three levels.⁶ For:

- **Individuals**, career guidance reduces the likelihood of economic inactivity and increases wages across the life course;
- **Employers**, career guidance leads to the recruitment of staff who are better aligned with skills and labour needs which increases productivity and reduces staff turnover; and
- **Governments**, career guidance supports increased labour market participation, decreased unemployment, reduced skills shortages and ultimately increased GDP

Challenges for career guidance

Despite this value, the delivery of career guidance is often beset with problems. The lifelong and transversal nature (helping people to move from one stage of life to the next), means that the funding, delivery, and governance are often fragmented. As career guidance contributes to multiple policy aims it is often of interest to multiple parts of government.⁷ At its worst that can mean that because career guidance is everyone's problem, it ends up being no one's. More usually it results in a situation in which career guidance is fragmented with services funded and delivered by multiple government departments with little co-ordination or national overview. International policy guidance recommends that to maximise the effectiveness of career services, governments need to develop a lifelong, cross-governmental strategy and strong mechanisms for co-operation and co-ordination.⁸

2. The career guidance system in England

The organisation of career education and guidance is devolved to the different UK nations. This means that there are four distinct systems in England, Scotland, Wales and Northern Ireland. In many ways the system that exists in England is the weakest and most fragmented of these systems. The three other countries have all adopted an integrated all-age model of delivery.

The system in England is made up of three main parts.

Young people

- Career guidance for young people is mainly provided through the education system with decisions about its organisation mainly taken locally by schools and colleges
- This is supported by the Careers & Enterprise Company
- The National Careers Service also provides some online and telephone services for young people

Higher education students

- Students in higher education can access career guidance services through the higher education institution that they attend
- Universities also provide some outreach services into schools and colleges both institutionally and through Uni connect

Adults

- Adults can access career guidance through the National Careers Service which prioritises funding for services to people with high barriers to the labour market and finds it hard to fully support other adults
- Unemployed people can also access a range of employment support from the Department for Work and Pensions and Jobcentre Plus

Figure 1. The English career guidance system

Of course, many people also access support from their friends, families, and personal networks. This kind of informal support is invaluable but is no substitute for being able to access formal and ideally professional support.

Beyond the key components of the system set out above, there are also a range of other formal career guidance services which include:

- Services for young people who are not in education, employment and training (NEET) provided by local government or charities;
- Services available to working people through their employer, trade union or professional association;
- Mixed quality and mixed coverage private sector services available to those who can pay; and
- Other programmes connected to prisons, probation services, and health and social care, although these are often small scale and patchy

In short, England has, at best, a very limited universal offer of lifelong career guidance. While the National Careers Service can technically work with any adult, its regional contractors are not incentivised to do so, which ultimately means that most adults are unaware that they could access career support. If a substantial number of adults began to use the National Careers Service delivery would quickly become financially unviable for the providers of the service. While the services available to adults through Jobcentre and other Department for Work and Pensions programmes are typically provided at a lower professional level and focused on short term employment outcomes rather than long term career building.

This complex and patchy set of arrangements means that substantial and professional career guidance is mainly available to those in the education system or those who are a long way from the labour market. Yet, even this provision is patchy and variable. It excludes a large proportion of the population, many of whom may be seeking to retrain, upskill or change career but do not meet the limiting criteria to access publicly funded services.

Key strengths in the current system

It is important to be clear that career guidance in England is not all bad. There is much to celebrate in the existing system which is why we believe that it should be built on and developed rather than demolished and rebuilt. The previous attempt to rip up the system and rebuild it from scratch, with the defunding of the Connexions service resulted in a rapid decrease in the quality and quantity of provision. Given this it is important that any future changes to the system are made carefully with provision being evolved and institutional expertise and memory actively preserved.

Key strengths that should be preserved as we move forwards include:

- **A long tradition of career guidance provision.** England's career guidance provision goes back to the early twentieth century. Since then, we have learnt a lot about how to deliver career guidance effectively. There is also widespread understanding of the importance of career guidance in the education system and to a lesser extent across the population
- **Established public provision.** In every country where career guidance has a substantial footprint it is based on publicly funded provision. In England we have a National Careers Service as well as The Careers & Enterprise Company and other programmes. This principle that public funding should pay for career guidance services has been established for at least 70 years
- **A highly skilled profession.** Career guidance professionals, with appropriate knowledge and skills, developed through education and experience are at the heart of the career guidance system. England has a developed landscape of initial training provision for career guidance professionals including higher education, apprenticeships and other work-based training routes and continuing professional development
- **A growing evidence base.** There is a well-established evidence base on which policymakers and practitioners can base their decisions. Recent evidence has begun to establish clear impacts from career guidance on individuals' knowledge about career, career readiness, lifetime earnings and more emergent evidence suggests potential impacts on attainment at school, increased attendance and wellbeing
- **The Gatsby Benchmarks.** Finally, it is important to recognise the importance of the Gatsby Benchmarks. These provide a strong evidence-based approach to the delivery of career guidance in schools and colleges. The Benchmarks emphasise that the most effective career guidance is programmatic, progressive and comprised of multiple elements including career education, one-to-one personal guidance and engagement with employers and post-secondary learning providers

Key challenges for the current system

Despite its strengths the career guidance system in England also suffers from several serious and interconnected challenges. We can summarise these challenges as follows.

- **Shortages of funding.** Too many aspects of England's career guidance system are underfunded or reliant on funding decisions made at local levels e.g. in school budgets. This means that too many people struggle to access the career guidance they need. The problem is exacerbated by frequent changes in the size, focus and branding of different government funding pots. As this paper will show, many of the same activities which were publicly funded in the 2000s are still being funded, however the nature of this funding and the way it is channelled to service providers has changed many times
- **Lack of coherence.** The system is fragmented with multiple funders, providers and overlapping client groups. This leads to a lack of clarity about the offer and overlaps and duplication in funding and service provision
- **Inconsistency.** The career guidance system in England has been subject to repeated reforms which has seen it regularly change shape. This means that the names, locations and brands of the services and the individual's entitlement to these services are constantly shifting
- **Limited and patchy access.** Some groups can access career guidance when they need it, but most people cannot. Access is strongest in the education system and for those who are unemployed and weakest for those in work. There is a desperate need for a strategic look at who would benefit from career guidance and how they can access it
- **Low awareness of career guidance.** Most people are unaware of the career guidance services that they can access and may even be unclear about what career guidance is and what benefits it could offer. Out of 19 countries surveyed in 2019 for the OECD and World Skills young people in the UK reported the lowest value of school preparing them for "adult working life" (net positivity -24%) and the lowest usefulness of school career guidance counselling (49% said useful vs average of 75%). This also applies to both the National Careers Service, which has 'has a restricted and under resourced marketing capacity at a national and a local level' and 'is not well advertised or understood by customers, or referral agencies, including the DWP's own Jobcentre Plus. Even the small, and largely unregulated private sector in career guidance is poorly understood by the population meaning that even those who could pay for services may not be able to find their way to them
- **Recruitment and retention challenges.** Career guidance has been poorly funded for at least a decade. The funding shortage has resulted in stagnant or shrinking pay for the professionals working in the field and skills shortages for employers

We will continue to explore these challenges in the rest of this paper as we look at what needs to change, how it is currently funded and what additional funding is needed.

3. How the career guidance system needs to develop - the Career Guidance Guarantee

The discussion so far demonstrates that career guidance should be a core part of an effective education, skills and employment system. England has the basis for this, but it is currently systemically weakened by a range of issues.

Over the past few years, several careers sector bodies have come together forming the Career Development Policy Group. This group has developed a detailed proposal setting out how the English career guidance system should be developed over the next parliament. The aim of this proposal is to guarantee that everyone who needs career guidance can access and benefit from it. Consequently, the proposal has been called the Career Guidance Guarantee.

The Career Guidance Guarantee was originally launched on 20th October 2021. Over February and March 2022, the CDPG hosted three virtual roundtables to discuss key aspects of the career guidance system in England, attended by representatives from over 40 organisations. These discussions brought together careers professionals with politicians, policymakers, employers and key stakeholder organisations to explore and further develop the Guarantee. At that point several revisions were made to the Guarantee to reflect the insights of this wider group. The Guarantee has then been updated again in May and June 2023 to reflect the changing political circumstances. It is this version that is presented here. The proposal is made up of six elements.



Figure 2. The Career Guidance Guarantee

The rest of this section sets out the Career Guidance Guarantee.

Publish a careers strategy

The economy benefits from a strong link between education and employment.

Working people also need career development and support for career change to navigate an increasingly dynamic and unpredictable labour market. Yet, at present, support for career development is fragmented and unclear and only available at a sufficient quality to a fraction of those who could benefit from it.

What is needed?

- A national lifelong strategy for career guidance involving employers, education providers and careers professionals
- A clearer and more coherent system that guarantees access to career guidance for the population
- Giving local government, local employers and other key local stakeholders influence over the career guidance services in their area
- A cross-government forum to align the delivery of a coherent career guidance system

Challenge youth unemployment

Youth unemployment remains persistent and will become a greater challenge within the current economic climate.

Yet, most careers support is available only through the education system, making it difficult for other young people to access help.

What is needed?

- An entitlement to career guidance for all young people
- Funding for local authorities and the National Careers Service to support NEET young people and other young people outside of the formal education system
- The integration of career guidance and access to a career guidance professional as part of all government-funded youth programmes
- Improving the quality of tracking of young people outside of learning and work

Finish the Gatsby Revolution

The Gatsby Benchmarks have provided a useful framework for careers provision in schools and colleges. However, we are still a long way from all schools and colleges meeting all the Benchmarks.

Ensuring that schools are able to provide career guidance is essential because it helps young people to orientate themselves to the education system and labour market that they are going to enter rather than relying on assumptions and half-truths. Recent surveying in schools suggests that only 10% of young people are interested in apprenticeships, which is perhaps unsurprising as more than a third say that they have been given little or no information about this pathway. Career guidance can help to make young people's decisions more informed.

Develop graduates' careers

The graduate job market is always competitive and filled with inequalities, which makes 'success for all' an ongoing challenge.

It is unclear where career support should be accessed by graduates.

What is needed?

- A trained careers leader in every school and college with protected time to do the job
- All schools and colleges to be in a Careers Hub
- Funding to support work-related learning activities including work experience
- Funding for personal guidance for all students, delivered by qualified careers professionals
- Addressing career guidance in initial teacher education and CPD
- Improving the quality of destination data available to schools, colleges and other stakeholders

What is needed?

- Resourcing the levelling up of outcomes for graduates from low-income or minoritised backgrounds
- Funding to support SMEs to recruit graduates
- A clearer and more coherent national system capable of guaranteeing access to career guidance for graduates
- Increase and promote the professional, expert carers support available to graduates from the higher education sector

Support lifelong career development

Working people are facing challenging times in their careers. Many need to retrain, upskill or change their jobs. The need for adults to access career guidance is particularly important when the country is attempting to foster new levels of engagement with adult education and training as it currently is doing with the Lifelong Learning Entitlement. For this to be successful, people need to be able to find out what opportunities exist and how to take advantage of them.

England has a high-quality National Careers Service serving adults. But too few people know about it or access it. Alongside the investment in the National Careers Service much larger amounts of funding are invested in public employment services but with minimal attention to the professionalism of staff.

What is needed?

- Ensure all over-18s are aware of and have access to the NCS and review its funding model to provide complete all-age careers guidance
- NCS to work with employers and trade unions to give working people access to career guidance
- Provide intensive career support for those facing redundancy, unemployment or who recently left the workforce
- Integrate career guidance into the Lifelong Learning Entitlement so people can make informed choices
- Deliver a national campaign to clearly communicate the career guidance people are entitled to

Ensure quality and professionalism

An effective career guidance system is built on the practice of high-quality professionals, but the benefits of professionalisation are poorly understood.

The profession has been neglected and demoralised for many years, leading to capacity, recruitment and retention issues. The most recent survey by the Career Development Institute suggests that around a quarter of careers professionals intend to leave the profession due to these problems. Furthermore, the requirement for professionalism is applied inconsistently across different government programmes.

What is needed?

- Acknowledgement that career guidance is a profession and personal guidance is a specialism requiring a minimum Level 6 qualification
- Assurance that those who provide career development services within all government programmes are appropriately qualified
- A workforce strategy including government bursaries and enhanced starting salaries to encourage people to join the career development profession and build much needed capacity
- Funding for schools and colleges to gain and maintain the Quality in Careers Standard
- Establish a What Works Centre dedicated to career guidance

4. What does career guidance cost?

This section will look at what career guidance costs the nation. We will begin by providing a summary of current costs. We will then look at how this compares to historic spending in this area. Finally, we will set out what the costs would be for implementing the Career Guidance Guarantee.

We have provided endnotes setting out the sources of funding and our assumptions. In general, we have tried to make conservative estimations of costs where figures are not fully clear. We have included direct and indirect government funding (including funding from universities), but have excluded additional funding that comes from charitable sources, employers etc. While there are substantial financial investments from non-government sources, we anticipate that these are dwarfed by government funding.

Moreover, a more complete attempt to capture costs in this area would include voluntary time and in-kind resources (e.g. those incurred by employers whilst hosting work experience placements) which are critical to the delivery of career guidance and would represent a much bigger non-government investment of resources than simply counting the pounds spent.

We have taken a broad definition of career guidance which includes all government spending that is designed to help people to understand different routes and pathways and to support them to develop and build their careers. As with any public spending area there are questions about whether the money that is being spent, is being spent in the right places. One of the main arguments inherent in the Career Guidance Guarantee is that there is a need to take a more strategic and holistic approach to the allocation of government funding.

Current costs

In Table 1 and Table 2 we present an estimate of the current government expenditure on career guidance. We have tried to be inclusive and draw together all of the programmes that government directly funds or which it funds indirectly e.g. by asking schools to pay for career guidance services out of their budgets.

As you will see this is a complex picture with multiple overlapping programmes which are all focused in different ways. We believe that the opaqueness and complexity of this picture is one of the issues that needs to be addressed and that a more strategic approach would lead to increased efficiency and greater value for money.

About the data used for costing

As far as we are aware this is the first published attempt to detail the full funding of the English career guidance system. Regrettably, much of the information about funding sources and levels is difficult to find and has required extensive research, considerable forensic work, and some informed guesses. In making estimates we have consulted with members of the Career Development Policy Group and other key experts to check our figures. The evidence and assumptions that underpin the costing are provided in the endnotes.

In general, we have focused on estimating core delivery costs for the system rather than trying to cost for overheads and oncosts. This means that the full cost of the system is probably higher than the figures presented.

We believe that government needs to improve the transparency of what it is spending on career guidance and make it easier for citizens to see where their taxes are going. In the meantime we will continue to collate and update our estimates of costs, so if you believe that one of the figures or estimates is wrong, then please contact the Career Development Policy Group (<https://careerdpg.co.uk>) and help to improve the accuracy of these figures.

We start by making an estimate of the funding that is spent on young people up to the age of 18.

Young people (11-18) - 2023

	Direct government funding (Ms)	Indirect government funding (Ms)
The Careers & Enterprise Company	£30	
Schools		£127
Colleges		£34
Employer engagement programmes	£12	
Jobcentre Plus support for schools	£7	
Widening participation and outreach	£30	£179
Youth unemployment and NEET support		£30
Career information sources	£3	
Total	£82	£371
Total public investment	£453	
Investment per head	£68 (of which only £12 per head is dedicated government funding)	

Table 1. The Current cost of England's youth (11-18) career guidance system

The key finding from this analysis is that the bulk of the funding for career guidance for young people does not come directly from central government, but rather is drawn out of the budgets of schools, colleges and universities. This situation runs the risk of creating postcode lotteries and, particularly in a time when school and college budgets are under extreme stress, of forcing educators to make difficult decisions whereby career guidance is played off against other worthwhile activities.

It is also worth noting that the fragmentation of funding creates some strange distortions in the system. For example, almost half of the money available to support careers (the £209m allocated to widening participation in Table 1) is focused on supporting higher education choices, while much less (perhaps less than £100m) is devoted to the provision of professional, impartial personal career guidance. This is not to argue that the widening participation funding is not important, but rather to demonstrate how the fragmentation of funding and governance creates a system which is unbalanced and not necessarily in tune with government priorities.

The situation for adult career guidance is different, but no less complex. In this case career guidance is mainly organised across three government departments, with the Department for Education, Department of Work and Pensions and the Department for Levelling Up, Housing & Communities all funding employment and skills programmes which include elements of career guidance.

Historically the provision of adult guidance has been dependent on funding from the European Social Fund and other European funding sources. Many of these European sources of funding are still in use, but most will cease by the end of the year. Given this we have focused on the new UK Shared Prosperity Fund as this represents the ongoing funding that will be available to the system.

There are also additional government departments involved in funding career guidance related activities including the Ministry of Defence who fund both career guidance informed recruitment activities targeted at young people and resettlement support for people leaving the forces. Also, the Ministry of Justice provides some career guidance services in prisons and linked to the criminal justice system. We have excluded these for simplicity in this paper, but a careers strategy of the kind proposed in the Career Guidance Guarantee would seek to co-ordinate all these different elements and bring them into a more coherent system.

Adults (18-67) - 2023

	Direct government funding (Ms)	Indirect government funding (Ms)
National Careers service	£90	
Department for Work and Pensions	£763	
UK Shared Prosperity Fund	£26	
Higher education careers services		£82
Total	£879	£82
Total public investment	£961	
Investment per head	£26 (of which only around £5 per head consists of professional career guidance)	

Table 2. Current cost of England's adult career guidance system

In addition to the fragmentation discussed above it is noticeable that the existing adult career guidance services primarily serve two groups. Firstly, and most substantially, adults who are out of work and claiming benefits. Secondly, (mainly young) adults in universities. There are very few services available for the general population.

It is also important to note that while there is a substantial spend on adult career guidance, very little of this spend is allocated to the professionalised elements of the system. An irony in this is that the rates of pay offered to level 6 qualified staff within the National Careers Service are analogous to those paid to work coaches in Jobcentre Plus. Given the costs to increase the level of professionalism would be fairly minimal, the benefits would be substantial improvements in quality and consistency of provision.

Comparator costs

The figures provided above provide new clarity on what the government is spending. It reveals that funding is fragmented and opaque. It also shows that the bulk of the costs in the system are not being borne by dedicated funding, but rather borrowed out of the budgets of schools, colleges, universities and other bodies like local authorities. While there is nothing wrong with a wide range of institutions having some responsibility for career guidance, at present this results in patchy and uneven provision with the potential for some people to fall between the gaps.

This is exacerbated by the fact that one of the most important groups that could benefit from career guidance (working people) have very limited access to any publicly funded services other than what they can access from the National Careers Service which is focused on those out of the labour market. The National Careers Service is not incentivised to provide support to working people. While the organisation of the funding is clearly sub-optimal, it is more difficult to make a judgement about the overall amount of funding needed based on a single year of career guidance funding. Therefore, we want to offer some points of comparison, starting with funding for the equivalent services in 2009 under a different government and prior to the austerity period. This is not because we believe that the arrangements for career guidance in 2009 represent a golden era, indeed, there were many legitimate criticisms of those arrangements, but rather to provide a meaningful point of comparison. Figures have been adjusted for inflation to make them comparable with Table 1 and Table 2.

	Direct government funding (Ms)	Indirect government funding (Ms)
Connexions	£655	
Schools		£28
Colleges		£17
European Social Fund		£35
Employer engagement programmes	£117	£48
Widening participation programmes	£110	
Total	£916	£91
Total public investment	£1007	
Investment per head	£159 (with the overwhelming majority coming from direct funding)	

Table 3. 2009 costs of England's youth career guidance system

When we compare the youth careers system from 2009 with the current system we notice a number of important differences. Firstly, the system is much better resourced, with more than twice as much funding available for each young person. Secondly, the funding is more strongly based on direct, hypothecated funding designed to deliver a career guidance system and therefore far less reliant on local budgetary decisions within learning organisations. Thirdly, the system is much more coherent, with a far greater proportion of the funding being invested in a single agency (Connexions) which is required to deliver several activities.

And finally, there is a greater investment in professionalism, with direct resourcing flowing to professional career guidance services.

If we now turn to the adult population in 2009 we can see the following picture. Again, these figures are adjusted for inflation to make them comparable to the figures given in Table 2.

Adults (18-67) - 2009

	Direct government funding (Ms)	Indirect government funding (Ms)
Next step	£98	
Department for Work and Pensions (New Deal)	£903	
European Social Fund	£70	
Unionlearn	£19	
Higher education careers services		£73
Total	£1090	£73
Total public investment	£1162	
Investment per head	£35 (of which only around £5 constitutes professional career guidance)	

Table 4. 2009 costs of the adult career guidance service in England

The picture with adult career guidance services has similarities with the picture for youth. In real terms we are now investing around three quarters of what we were investing in 2009. However, in this case the main reason for the change is not a substantial change to the core professional career guidance services offered in higher education and for adults, but rather in a higher quality offer in the public employment service (the Flexible New Deal) which was delivering a broader range of employment support than the current offer.

The other major difference was the funding of Unionlearn, which while still a relatively small programme, represented a genuine attempt to direct career guidance towards working people.

5. Costing the Career Guidance Guarantee

In section 3 we set out what needs to happen to see substantial improvement in England’s career guidance system (the Career Guidance Guarantee). We have then gone on to demonstrate that England is already spending a considerable amount of money on career guidance in total, albeit relatively little per capita, and yet is still a long way from an ideal career guidance system.

In this section we want to move on to explore what improving this situation through the Career Guidance Guarantee would cost. In the table below we provide costings for all the elements of the Career Guidance Guarantee that would require additional funds. In many cases the additional funds required supplant existing spending but are designed to make it more effective. This involves creating greater clarity about what funding levels should be and funding activities accordingly.

	Cost (youth system) (Ms)	Costs (adult system) (Ms)
Publish a careers strategy	£0.25	£0.25
Finish the Gatsby revolution		
A trained careers leader in every school	£3	
All schools and colleges to be in a careers hub	£15	
Funding to support employer brokerage and ensure work experience placement	£9	
Funding for personal guidance	£21	
Addressing careers in initial teacher education and CDP	£5	
Improving the quality of destination data available to schools, colleges and other stakeholders	£20	
Challenge youth unemployment		
Funding for local authorities and the National Careers Service to support NEET young people under the age of 19 and other young people who are outside of the formal education system	£190	
Integrate professional guidance into all government funded youth programmes	£20	
Develop graduates’ careers		£19
Support Lifelong career development		
Access to the National Careers Service		£75
Providing support for redundant people		£15
Integrate career guidance into the Lifelong Learning Entitlement so people can make informed choices		£70
Give the National Careers Service a clear remit to work closely with employers and trade unions to ensure access to career guidance for working people		£38
Public information campaign to promote career management and career guidance		£5
Ensure quality and professionalism		
Train all those who provide career development services within government programmes to be appropriately qualified		£11

	Cost (youth system) (Ms)	Costs (adult system) (Ms)
Bursaries to attract people to join the profession and build needed capacity	£2	£2
Funding for schools to be able to gain the Quality in Careers Standard	£30	
Establishment of a What Works centre focused on career guidance	£1	£1
Total new funding	£314	£235
Existing career guidance funding	£452	£961
Proposed new funding envelope	£766	£1197
Cost per head	£115	£32

Table 5. Costing the Career Guidance Guarantee

The proposal set out in Table 5 represents a 70% increase in the spending on youth focused career guidance and a 25% increase in the overall cost of adult career guidance. The changes would be designed to increase the capacity of the system but also to increase its quality and efficiency, moving away from the current fragmented and de-professionalised arrangements.

6. What is the return on investment from investing in career guidance?

In this section we explore the return on investment (ROI) from government spending on career guidance. What can the government and the public expect to get back in return for their money?

Elsewhere we have argued that there is a need for more research into the return on investment from career guidance. The existing evidence has a range of methodological flaws that need to be addressed before it will be possible to offer greater precision about the ROI. We have argued that ROI calculations relating to career guidance, and indeed to many other analogous policy areas, need to be approached more consistently with a clear method for capturing costs and benefits, a strong counter-factual and a recognition of the importance of context.

However, the evidence base is continuing to develop which means that we are able to offer some strong insights which can give policymakers confidence that their money will be well spent, even if a precise ROI value at the system level cannot currently be estimated with confidence.

We will begin by looking at what evidence demonstrates that impacts exist from career guidance and then considering how such impacts can be monetised through a breakeven analysis and by presenting a summary of the current estimations of the ROI that career guidance offers.

Impacts

There is a well-developed evidence base that supports career guidance and provides reassurance that it leads to a range of positive benefits for both individuals and societies. For instance, in analysis for the Education Endowment Foundation, Hughes et al. identified 73 high quality (experimental or quasi-experimental) empirical papers since 1996 on the social, education, or economic outcomes of careers education in an OECD country context. They identified 27 which reported economic outcomes, 18 found positive outcomes and 9 found mixed or neutral outcomes; none found purely negative outcomes.

Progress has continued since these literature reviews were published, with key recent papers drawing on longitudinal data from eight countries, the development of specific and robust evidence on the Gatsby Benchmarks and new randomised control trials. These studies and others report a range of observable impacts from career guidance including improved career readiness, educational choice making, employment prospects, salary and wellbeing.

This is not the place to provide a full literature review of the impacts of career guidance. However, it is useful to provide some examples of key empirical findings in the field to demonstrate the nature and scale of the impacts that have been observed.

- 30-40% of a standard deviation increase in behavioural and attitudinal measurements (e.g. confidence in decision making) for participants in career guidance when compared with control groups
- 10% decline in NEET rates for post-16 leavers is associated with schools that fully implement the eight Gatsby benchmarks of good career guidance compared to those with zero benchmark achievement. This study controlled for the level of economic disadvantage and school structure, geography and academic performance
- 10% increase in the number of disadvantaged students who enrol in a higher education degree programme following receiving a career guidance programme in comparison with a control group
- 2.0-2.7x higher odds of being in education or employment aged 19-24 for individuals reporting two or more school-mediated employer engagement activities compared to those who reported no such contacts
- 4.5% higher average income for those in full-time employment aged 19-24 in 2011 associated with each extra experience of school-mediated employer engagement recalled at the time of the survey
- 8% higher average earnings for those in full-time employment aged 26 in 1996 associated with ten career talks with outside speakers received aged 14-15 in the mid-1980s using British Cohort Study data

It is possible to hypothesise a range of other benefits from career guidance which government and researchers should investigate further. For example, emergent evidence points towards career guidance having impacts on attendance and attainment in the education system, on job satisfaction and reduced employee turnover, on health and wellbeing and on the retention of older workers in the labour force.

We point this out simply to clarify that the benefits highlighted describe the best evidenced impacts of career guidance, but are unlikely to comprise the total benefits that would result from a world class career guidance system.

Fiscal breakeven

In earlier analysis, initial cost estimates for delivering the Career Guidance Guarantee arrive at £550m per year. This figure is designed to build on current provision, delivery models, and resourcing, so that we get the most value out of the current system and minimise disruption. As detailed policy development takes place within government, these estimates will be refined and are best interpreted at around £500m - £600m at present. With total UK government spend at over £2,000,000m per year, this level of precision should be adequate to support high level fiscal planning in the near term.

An important consideration in policy planning is understanding the net fiscal impact. Career guidance is not solely a cost category; as a crucial component of labour market operation, individual motivation, and productivity, it also drives fiscal benefits that typically more than offset the investment made.

Fiscal benefits are not the sole motivation for investing in career guidance and fiscal profit should not be considered the sole criterion for judging policy value. Career guidance has a role to play in supporting equality of opportunities, personal thriving, and community well-being – investing in it is as much a matter of social justice as fiscal responsibility.

While it is important to recognise the wider social benefits of career guidance, this section considers how the investment is balanced by returns to the Treasury. To explore this further we present a fiscal breakeven analysis on the Career Guidance Guarantee. This explores what would be necessary for the investment in the Guarantee to return as much money to the Exchequer as it spends. This analysis needs to recognise that some of the returned money is only realised over the following few years, as people’s careers improve.

As discussed throughout this document, there are many possible routes through which career guidance can improve labour market outcomes, with evidence discussed in the previous section for better career and education decision-making, improved salaries, and faster return to work.

One simple way of translating these different benefits to a breakeven analysis is to ask what average percentage of salary uplift among all beneficiaries would be required for typical direct tax payments to cover the £550m costs. Other fiscal benefits are present, but many routes ultimately lead to salary gains. To do so, we need to make a few assumptions around how many beneficiaries there are each year, what baseline earnings might be, and how long career guidance should be given credit for salary uplift.

One such route to fiscal breakeven is if career guidance provides an average of a 5% wage uplift on a UK low-pay wage for four years for 1% of the working age population, where academic evidence would typically identify larger benefits. Equivalent results could be achieved by assuming only a subset of people were helped gain a material benefit, but that the benefit is larger per person, e.g. if only 25% of beneficiaries see a material benefit, a wage uplift of 20% would be the required breakeven assumption.

The breakeven assumptions and brief motivations for them are set out in Table 6. To make the calculations easier to understand the assumptions are presented in a rounded format with full details in the notes. Stakeholders may wish to consider the results of different assumptions and so Table 6 is constructed in a way to make the impact of this easy to calculate. Overall, as described in Table 6, our view is that these assumptions are conservative in aggregate and the Career Guidance Guarantee is likely to deliver net positive returns for the Exchequer.

Some of these benefits will materialise almost immediately while others will take a few years (e.g. support for the unemployed or in work), and still others will crystallise over a decade or so (e.g. support to those currently in secondary education). Such a conclusion is in line with the formal Return on Investment (ROI) studies that have been published on specific career guidance interventions, which overwhelmingly show a positive impact well in excess of breakeven, as summarised in the next section.

Calculation component		Illustrative value as one possible breakeven	Motivation and assessment for being conservative
How many people would the Career Guidance Guarantee help per year? (whether by supporting new people not currently benefitting from guidance in England or by enhancing the support currently received, e.g. with additional resource or more trained staff)			
A	Working age population in England	35m	Rounded from 35.6m for the age 16-64 population in England in the 2021 census, as reported in March 2023. Includes those in and out of work as the CGG also includes support for currently inactive labour market population.
B	Population reached	1%	In line with the cost assumptions on support for lifelong career development.
C	Resulting number of people helped p.a. (AxB)	350k	Conservative result as support for young people in education can enrich provision for a whole cohort each year, being c. 600k, on top of any support for working population.
How much fiscal value is needed in net present value terms on average per year per person for breakeven?			
D	Career Guidance Guarantee annual cost	\$550m	High-level estimate from this paper, includes all CGG activities, noting that support for working age population might come from direct provision (lifelong support) but also from having supported them previously in school or university.
E	Cost per person (D/C)	£1,600	Calculation result applies on average per person p.a.
What level of salary impact might drive this level of fiscal benefit?			
F	Average salary assumption among those supported	£22,000	UK low pay definition for 2022 from ONS and OECD, being 2/3rds of median full-time employee pay from ASHE. While some beneficiaries may operate above this, those entering work from unemployment or immediately after leaving education are typically on below average wages.
G	Number of years over which career guidance support might benefit someone	4	Based broadly on the duration of a typical next career move or promotion. Highly conservative given data on benefits for guidance delivered in education, where interventions and circumstances aged 14-16 showed wage effects at age 26 and at age 34 (and potentially beyond, but not analysed). Integrated guidance provision with welfare-to-work services found a wage uplift for 18 months, as far as was analysed.
H	Discount rate, i.e. money today is worth more than money next year	3.5%	Standard public sector assumption. However, over a four year horizon such discounting effects are minor and stakeholders could discard them in exploring the impact of changing the other more material assumptions.
I	Typical % of marginal increase on gross salary that goes to HMT directly	38% (e.g. income tax, employer & employee national insurance)	Assumption from Walker & Zhu (2013). Actual value depends on salary distribution of those supported, with those on higher incomes paying a greater share. However, most assumptions of direct value are conservative, as increased salary also provides fiscal benefits via indirect payments like VAT and economic multiplier benefits. Moreover, those supported from unemployment into work will typically generate further savings via reduced Universal Credit claims.
J	Salary uplift required to drive breakeven (E/[Fx], summed over each of G years, discounting years by H)	5% or 4.7% if discount rate in H is ignored, i.e. E/(Fx x G)	Likely conservative given that the wage benefits described in G are estimated at 8% for career talks in KS4, 6%-17% for having job plans / aligned education-career plans as a teenager, 10% for reduced early career churn, and 3% for support to those leaving unemployment.

Table 6. Breakeven analysis assumption

Return on investment

The next stage of evidence beyond the kind of breakeven analysis presented in the previous section is to more precisely measure the returns that money invested in career guidance are likely to yield, firstly to individuals and ultimately to the Exchequer. There have been several attempts to calculate a return on investment for career guidance. In our previous work, we have highlighted some methodological flaws with these studies, and so findings should be used carefully. Nonetheless by using a systematic review approach, we have drawn together what is known from existing ROI studies to provide some initial evidence-based estimates to inform policy thinking.

We have identified 10 estimates of the ROI for career guidance in schools and 16 estimates of the ROI for career guidance with unemployed adults. Almost all estimates report that career guidance had a positive ROI. This means that governments should expect to get back more than they put in over the long term.

- For schools, the majority of studies estimated a ROI of between £1.20 and £4.10 for every pound spent. The average was £2.50
- For career guidance programmes with unemployed adults the majority of studies found between £1.90 and £6.70. The average was £3.20

This means that government should feel confident that investment in career guidance will ultimately result in at least fiscal break even or equivalent return to the Exchequer. Indeed, the best evidence that we currently have suggests that this return may result in the investment being doubled or tripled. It is important that government continues to investigate the ROI of career guidance and improve the methodological rigour of the studies on which these estimations are based. In the meantime, we can nonetheless be guided by the existing evidence in making investment decisions.

7. Final thoughts



Career guidance is a powerful intervention that can make a substantial difference to the lives of those who are able to access it. Currently too few people in England are able to access career guidance or are even aware that services are available and those that do get it often find that it is too poorly resourced.

The next government needs to ensure that access to career guidance is increased and give citizens the confidence that what they are getting is high quality and professional. The Career Guidance Guarantee provides a blueprint as to how this can be achieved.

Funding for career guidance is at a historic low. We estimate that the current government is only spending around two thirds of what the last Labour Government spent. While some efficiencies have been found, there is no doubt that the system is now faltering due to lack of funds.

To conclude we would like to set out three key principles that should guide the future of the system.

- **Strategy.** The career guidance systems is currently highly fragmented and poorly co-ordinated. There needs to be a much more strategic approach set out to make sure that public money is being well spent. Such a strategy would seek to reduce overlaps and gaps and create a coherent system out of the fragments. A strategic approach would increase efficiency and consistency and ensure that the government is getting better value for money
- **Quality and professionalism.** At present there are a range of different professional and quality standards as well as large swathes of the systems where there is little clarity about what constitutes effective, or even adequate practice. There is a need to rationalise quality assurance approaches in career guidance and drive up quality. Professionalising the workforce is central to this drive to improve quality
- **Increased resources.** The system has seen a dramatic decrease in resourcing over the last ten years. There is a need to address this and to ensure that funding is clearly hypothecated and directed to where it is most needed

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- xl It is difficult to identify the spend on NEET and unemployment support for NEETs who are under 18. We have assumed that 150 Local Authorities are spending an average of £200,000 on supporting NEETs.
- xli Based on an assumption of £1M for the National Careers Service online service for young people + £2M for the ASK apprenticeship service.
- xlii The DWP spends over £2 billion on its Work and Health Services (<https://www.gov.uk/government/publications/dwpannual-report-and-accounts-2021-to-2022/dwp-annual-report-and-accounts-2021-to-2022#financial-report>). Many of these programmes include elements of career guidance although often delivered by staff who are not qualified to Level 6. In this estimate we have included three key programmes: Restart (£336M), JETS (£238M) and 50% of the work coaches programme (£189). The rationale for this is that work coaches are also involved in benefit assessment and administration alongside the careers and employment support that they provide. From conversations with the Institute for Employment Studies we believe that in all likelihood the 50% figure is an over-estimate, meaning that a smaller proportion of this funding is actually allocated to career guidance type activities.
- xliiii It is unclear how much of the UK SPF is going to be spent on career guidance activities, but as support for skills and employment is central to it is reasonable to assume that it will fund some career guidance type activities. If we assume 1% of the fund is spent in this area it is likely to be a conservative assumption.
- xliiv Based on a ratio of 1 careers staff to 995 students reported in AGCAS. (2021). The resourcing of HE careers services during a pandemic and beyond. AGCAS. This suggests that there are at least 2355 careers staff employed in HE. We have then assumed an average salary of £35,000 (based on <https://www.prospects.ac.uk/job-profiles/higher-education-careers-adviser>). Recent membership data from AGCAS suggests that the number of HE careers professionals may be even higher now suggesting that the investment in the current system is higher.
- xliv Assuming the provision in the National Careers Service and in higher education uses level 6 qualified guidance practitioners where appropriate and that

- the services funded by DWP and the UKSPF do not. See <https://www.disabilitynews-service.com/work-coaches-with-no-gcses-could-decide-on-fit-for-work-activity-dwp-admits/> for a critical account of the lack of qualifications of DWP work coaches.
- xlvi Hanson, J. Neary, S., & Blake, H. (2021). Personal guidance fund evaluation. The Careers & Enterprise Company. https://www.careersandenterprise.co.uk/media/ftbnck0j/1492_pgf-final-report.pdf#28
- xlvii Panel on Fair Access to the Professions. (2009). Unleashing aspiration. <https://webarchive.nationalarchives.gov.uk/ukgwa/+http://www.cabinetoffice.gov.uk/media/227102/fair-access.pdf>
- xlviii Inflation calculated using <https://www.ons.gov.uk/economy/inflationandpriceindices/timeseries/d7bl/mm23>
- xlix Based on the figures provided in Careers England. (2009). Gathering evidence on the positive impact of effective careers education and guidance/ information, advice and guidance. <http://www.careersengland.org.uk/wp-content/uploads/2019/08/evidence-of-the-positive-benefits-of-effective-ceg-paper-from-ce-10.09.pdf>
- l Based on average careers teacher time of 7.5 hours per week (<https://www.careersandenterprise.co.uk/media/eonoadha/careers-leaders-in-secondary-schools.pdf>). Across the country this equates to around £20M per year in 2009.
- li Assuming that costs reduced in colleges in line with those in schools.
- lii The European Social Fund was active in working with schools and youth groups as part of initiatives on NEET prevention (see https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/369964/esf-in-england-improving-peoples-live.pdf). We have estimated that 1% of the ESF budget for England was spent on these activities.
- liiii Mann, A. (n.d.). How much does it cost a country to engage employers in education? One assessment. <https://www.educationandemployers.org/research/how-much-does-it-cost-to-engage-employers-in-education/>
- liv This figure captures the input from schools into the employer engagement activities that were taking place during this period.
- lv Hansard. (2008). Aimhigher Initiative: Finance. <https://hansard.parliament.uk/Commons/2008-03-05/debates/08030570000039/AimhigherInitiativeFinance>
- lvi Funding for the combined New Deal / Flexible New Deal programmes was £508M. See Full Fact. (2010). Is Chris Grayling giving the New Deal a fair deal? <https://fullfact.org/news/chris-grayling-giving-new-deal-fair-deal/>. In addition we have also assumed that there is an equivalent spend to 2023 in career guidance related activities within the Jobcentre Plus staffing (£189M).
- lvii The employment strand of the ESF was worth 1.5 billion over 2007-2013 (c.250 million per year). See European Union. (2010). European Social Fund in England: Improving people's lives. https://ec.europa.eu/employment_social/esf/docs/uk_improving_peoples_lives_en.pdf. Discussions with organisations involved in bidding for these projects suggests that the amount of funding available for careers and employability activity was considerably larger in scale than at present. If we assume that 2% of the total budget (double our assumption for the UK SPF) was focused on career guidance we have a figure of 50m in 2009.
- lviii UK Parliament. (2017). Union Learning Fund. <https://questions-statements.parliament.uk/written-questions/detail/2017-11-28/116267>
- lix AGCAS. (2008). AGCAS Resources Survey 2008. Finding Report. AGCAS, estimated that an average careers service had 15 members of staff. This compares with an average of 25 in 2021. Based on 106 English HELs this would give us a figure of 1590 HE careers staff. The AGCAS survey also gives us a median salary for careers advisers of £32500. This gives us a total figure of £53M invested in 2009.
- lx Assuming the appointment of a small co-ordinating unit to oversee the implementation of the strategy.
- lxi Based on cost, informed by discussions with current providers, of £2500 per careers leader. With the aim of training 1000 careers leaders a year (to cover a quarter of schools a year).
- lxii Increasing the capacity of the hubs to work with schools and colleges. Assuming 50 hubs and an additional £100K per year for each hub.
- lxiii Based on 100 hubs each appointing a team of 5 employer engagement specialists (£30K). + The establishment of a national database and IT system (1M).
- lxiv Based on addressing the shortfall in personal guidance provision set out in Table 1. Ideally, funding for the full costs of meeting Gatsby Benchmark 8 would be provided centrally, so that provision would not be reliant on school budgets.
- lxv Based on the current costs of the National STEM Learning Centre as an equivalent agency designed to drive improvement throughout England's teaching workforce.
- lxvi Assuming £100,000 per local authority to develop a small team for tracking and follow up, plus a renewal of IT systems and data sharing agreements between local government and relevant central government (£5M).
- lxvii Based on an assumption of 100,000 NEET young people and assuming that spend should be at the same amount as the Youth Contract (£2200 per person https://www.employment-studies.co.uk/system/files/resources/files/548_0.pdf). The £190m addresses the shortfall from what is given in Table 1.
- lxviii Based on providing all current NEET young people with 2X personal guidance interviews to help them to choose which programmes to engage with and how to make best use of their involvement in the programmes. Costing interviews at £100.
- lxix Assuming that all English HEs are receive dedicated funding for five posts to support their delivery of their Career Guidance Guarantee responsibilities.
- lxx Assuming that 1% of England's working population see a careers adviser twice every year. We have also costed for some retraining and reorganisation of the National Careers Service to meet this new responsibility.
- lxxi Assuming that 1% of England's working population consider or access the LLE every year and see a careers adviser twice to help them to do this.
- lxxii Based on doubling the Union Learn spend in 2009 to allow the National Careers Service to work with both unionised and non-unionised workforces.29
- lxxiii Offer 3000 bursaries for level 6 every year for staff working for government or in government funded contracts. This training typically costs £3000 and results in a L6 qualification. This could result in all of the Work Coaches being trained in five

- years.
- lxiv Based on offering 500 new bursaries to attract students to the profession at the same level as those offered for nurses (£5000). Plus, additional public campaign to raise the profile of the profession.
- lxv Based on all schools receiving £7500 per year to support them to achieve and maintain the Quality in Careers Standard and pay for the accreditation costs.
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- lxix Covacevich, C., Mann, A., Santos, C., & Champaud, J. (2021). Indicators of teenage career readiness: An analysis of longitudinal data from eight countries. OECD. https://www.oecd-ilibrary.org/education/indicators-of-teenage-career-readiness_cec854f8-en
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- lxxiv Renee, L. (2023). The long-term effects of career guidance in high school: Evidence from a randomized experiment. https://www.laetiarienee.com/files/JMP_LRenee.pdf
- lxxv Percy, C., & Mann, A. (2014). School-mediated employer engagement and labour market outcomes for young adults. In A. Mann, J. Stanley, & L. Archer. (Eds.) Understanding Employer Engagement in Education: Theories and Evidence (pp.205-221). Routledge.
- lxxvi Mann, A., & Percy, C. (2014). Employer engagement in British secondary education: wage earning outcomes experienced by young adults. Journal of Education and Work, 27(5), 496-523. <https://doi.org/10.1080/13639080.2013.769671>
- lxxvii Kashfipakdel, E. T., & Percy, C. (2017). Career education that works: An economic analysis using the British Cohort Study. Journal of Education and Work, 30(3), 217-234.
- lxxviii Total Managed Expenditure was reported as £2,140bn in 2020-21 by ONS or 52% of GDP. <https://www.gov.uk/government/statistics/public-spending-statistics-release-may-2022/public-spending-statistics-may-2022>
- lxxix Section 5 www.ethnicity-facts-figures.service.gov.uk/uk-population-by-ethnicity/demographics/working-age-population/
- lxx Section 2 <https://www.ons.gov.uk/employmentandlabourmarket/peoplein-work/earningsandworkinghours/bulletins/annualsurveyofhoursandearnings/2022> and section 8 from <https://www.ons.gov.uk/employmentandlabourmarket/peoplein-work/earningsandworkinghours/bulletins/lowandhighpayuk/2022>
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- lxxiii Based on the inter-quartile ranges reported in Percy & Hooley, 2023.



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