

House of Commons Work and Pensions Committee

Employment Opportunities and Support for Young People

September 2016

*In January 2016, NIACE and the Centre for Economic and Social Inclusion
merged to form Learning and Work Institute*

Learning and Work Institute

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Learning and Work Institute is a new independent policy and research organisation dedicated to lifelong learning, full employment and inclusion.

We research what works, develop new ways of thinking and implement new approaches. Working with partners, we transform people's experiences of learning and employment. What we do benefits individuals, families, communities and the wider economy.

We bring together over 90 years of combined history and heritage from the 'National Institute of Adult Continuing Education' and the 'Centre for Economic & Social Inclusion'.

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SUMMARY

Learning and Work Institute welcomes this strategically important inquiry. We hope that our evidence aids the Committee is making recommendations to Government that will strengthen and protect employment and employment support for young people.

We have intentionally placed specific emphasis on disadvantaged young people in this submission. Learning and Work has championed young adult carers and young carers for many years and is engaged in work to improve educational and employment outcomes for those groups. We believe it is important for the Committee to take a view on how systems across DWP, and indeed DfE and across Government, work in or against the interest of young people facing educational, economic and social disadvantages.

As an example of how integrated employment support, education and skills can deliver positive outcomes for young people, Learning and Work is pleased to provide the Committee with a case study of MyGo, a programme based in Greater Ipswich which we are evaluating.

There are many opportunities for Government to introduce and improve on public service reforms designed to improve employability and employment opportunities for young people. However, we know that young people tend to be disproportionately negatively affected when the economy slows down, so there is a sense of urgency around these reforms in order to protect young people from any future changes in the economy. These opportunities include influencing collaborative implementation of the Post 16 Skills Plan between DfE and DWP to improve visibility of Traineeships, a key route to employment for disadvantaged young people, particularly in light of them becoming 'mandatable' options under the Youth Obligation in April 2017.

Learning and Work is happy to provide further written or oral evidence at the Committee's request.

1. Services for Young People

To what extent does getting young into work and supporting them in work require an approach distinct from that of other groups?

- 1.1 Young people are not a homogenous group. They often have a range of complex needs and challenges which influence the options available to them and the pathways they follow.
- 1.2 Research shows that particular groups of young people are less likely to gain employment, compared to others. This includes care leavers and young adult carers two groups who are of particular interest to Learning and Work – because of the level of disadvantage that they typically experience. Combinations of educational, economic and social disadvantages often impacts negatively upon their transition pathways and longer-term life chances. A disproportionate number of these young people become NEET.
- 1.3 Young people facing particular disadvantages, such as young carers and young adult carers require a distinct approach which is tailored to their individual needs and the specific barriers that they face. For example, young people with caring responsibilities develop a range of skills that are transferable to the workplace and valuable to employers.
- 1.4 Many young adult carers are keen to work and continue their caring role. However, support and employment that is full time, with fixed hours, is often not realistic as it does not fit with their caring responsibilities. Jobcentre Plus, other support service providers and employers therefore need to provide part-time and flexible opportunities to enable young adult carers to access employment in ways that fit with caring responsibilities.

Is current mainstream Jobcentre Plus provision adequate to meet the needs of all young people, including NEETs and unemployed graduates?

- 1.5 Data shows that the proportion of unemployed young people (not counting students) who are not claiming Jobseeker's Allowance and therefore are not receiving official help with job search is now 59.7 per cent and has risen by more than thirty percentage points since October 2012.

1.6 In addition, recent research shows that young people are more likely to have their out of work benefits reduced or stopped compared to any other group. These groups require specialist integrated employment and skills support to re-engage in learning and progress towards sustainable employment.

What do employers look for from their younger employees and potential employees, and how can Jobcentre Plus support them in funding this?

1.7 Learning and Work's initiative, 'What Employers Want'¹ project enables unemployed young people to engage directly with employers to find out what they are looking for in young recruits. Groups of young people are trained and supported to interview local employers. This dialogue breaks down barriers, challenges, misconceptions and enables young people to ask the questions they need answered. It also enables individual young people to understand what they need to do to improve their chances of securing employment. The findings of the interviews conducted by young people show that employers do not expect young people to be 'the finished article' – they recognise that young people need time to learn and grow. However, employers do value:

- A positive attitude – enthusiasm, commitment and energy;
- Soft skills – key transferable skills, in particular communications, problem solving, time management, teamwork, leadership and self-management skills, and the ability to work well under pressure;
- Literacy, numeracy, IT and digital skills;
- Qualifications – important for many job roles as a guide to a young person's skills in a particular area. A commitment to work towards qualifications is important too;
- Experience – this includes work experience and other types of experience, such as that gained through hobbies, volunteering and responsibilities at home.

¹ <http://www.whatemployerswant.org/>

- 1.8 Focus on the needs of disadvantaged young people, and in particular draw on our work on young adult carers and increasing access to apprenticeships for young people with disabilities and young people from black and ethnic minority backgrounds. Examples of best practice could be more easily accessible and incentives should be built in to the new apprenticeship funding system to encourage employers to provide apprenticeship pathways including work experience and traineeships for particularly disadvantaged young people.
- 1.9 The Jobcentre Plus offer is focussed strongly on benefit claimants and entry-level employment, so it is unlikely to be appropriate or helpful for all job seekers.
- 1.10 Learning and Work believes that the National Careers Service needs to play a key role in supporting young people with careers advice, support and matching/brokerage, and for graduates specifically, universities can often provide effective support.
- 1.11 Resources, such as What Employers Want, UKCES' 'Careers of the Future'² and local labour market analysis can better inform information, advice and guidance on offer to young people.

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https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/391911/15.01.05._UKCES_Career_Brochure_V13_reduced.pdf

2. Support Beyond Jobcentre Plus

How can Jobcentre Plus services for young people be more effectively integrated with other local services, especially around education and skills?

What broader measures, especially those aimed at employers, should be Government priorities to improve the employment rates of young people?

- 2.1 Learning and Work Institute is currently evaluating MyGo, an integrated programme to tackle youth unemployment in Greater Ipswich. MyGo was established as part of the Greater Ipswich regional City Deal, signed with Government in October 2013. It is designed and delivered by Suffolk County Council, in partnership with People Plus and Jobcentre Plus, and operates in Greater Ipswich from November 2014 to December 2016.
- 2.2 Findings of the interim evaluation indicate that the MyGo approach is effective in enabling unemployed young people to make transitions into employment. The programme comprises of a case worker service, supporting young people to tackle barriers and achieve progress towards employment.
- 2.3 The level of support each young person receives is determined by an assessment of their circumstances and needs, with more intensive support available to those most at risk of long-term unemployment. The service is available to all young people aged 16-24. This includes Jobseeker's Allowance claimants, who receive support from Jobcentre Plus 18-24 Work Coaches operating from the MyGo centre, as well as young people who are claiming other benefits (such as Employment and Support Allowance or Income Support) and young people who are not claiming benefits, including those in work or in education.
- 2.4 As such, MyGo represents an ambitious and potentially transformative service, bringing together Jobcentre Plus services with employment support, careers services, support for complex needs and local authority responsibilities for supporting young people not in education, employment or training.
- 2.5 There are a number of innovative elements of the MyGo approach:

- It is open to all young people, not just the narrow group of 18-24 year olds that claim Jobseeker's Allowance. This includes:
 - 16-17 year olds, thus bringing together transitional support into further learning, alongside careers and labour market help; and
 - Young people who have more complex needs and are outside full-time education – groups that typically fall outside mainstream employment support.
- Participation is mandatory for those young people who do claim Jobseeker's Allowance. This could pave the way for future reforms to devolve labour market conditionality and support for local areas.
- The service includes a triage system based on labour market need, which has not been used systematically as a basis for resource allocation and needs assessment within mainstream employment support previously.
- The MyGo approach is evidence led, building on the wealth of evidence around the effectiveness of integrated, caseworker-led, personalised support.

3. Further considerations

- 3.1 The Committee should emphasise the importance of accessible pathways from education to employment and recommend that approaches across Government, DWP and DfE in particular, which promotes participation of young people facing particular disadvantages.
- 3.2 While Government is right to improve the quality and rigour of technical and vocational education and training, including Apprenticeships and Traineeships, there are risks that reforms to qualifications, English and maths qualification requirements and through the introduction of Apprenticeship Standards that add to the barriers faced by disadvantaged young people.
- 3.3 Young people who face economic, social and educational disadvantages have the most to gain from the Government's target to increase the volume of Apprenticeships. Yet, it remains the case that apprenticeship growth among young people has been poor, with the majority of the increase in participation coming from adults. The Committee should recommend that the Department for Education work with the Department for Work and Pensions on implementation of the Post 16 Skills Plan, ensuring joining up of policy between education and employment services for young people around reforms to the skills system, Traineeships and Apprenticeships in particular.
- 3.4 Among those young people in Apprenticeships, people with disabilities and from BAME backgrounds are significantly under-represented. Learning and Work is currently engaged in researching approaches with employers to improve the diversity of their apprentices. Stakeholder in our research have identified:
 - Traineeships targeted at under-represented groups in order to provide training and experience to overcome qualification barriers or allow young people to compete successfully against other applicants.
 - Working with community partners and charities with specific interest in particular groups, and creating a 'talent pool' of interested and suitable candidates to whom vacancies could be suggested.

- Anonymised application processes, whereby those reviewing applications did not have access to personal information, such as name, gender, ethnicity or age.
- Diverse interview panels to reflect the diversity of their staff.

- 3.5 Traineeships are a key progression route to employment and Apprenticeships for young people. At present, lack of visibility of the programme is restricting its potential in enabling significant numbers of young people bridge the gap to employment. Learning and Work's work has shown that developing and promoting new approaches can maximise the impact of the programme and secure good outcomes for young people. Our demonstration pilot project, delivered in partnership with Humber LEP, has successfully embedded STEM Traineeships in the local offer and is providing young people with a route to jobs in growth sectors, where there are current and future vacancies in the Humber region. Data now shows that Humber's Traineeship starter per ten thousand of the 16-24 population vastly out-performs other parts of England. Taking a focussed, strategic and embedded approach has worked.
- 3.6 In addition, our work with DCET Training in Bristol has highlighted similar outcomes from its Traineeship programme, which is focused on the electrical sector. Hand on electrical project work, alongside crucial health and safety qualifications and embedded English and maths has resulted in fourteen out of fifteen of the latest cohort of trainees progressing directly on to an Apprenticeship. This vastly outstrips the national progression rate from a Traineeship to an Apprenticeship, which is currently around 1 in 4.
- 3.7 Traineeships can make a difference in enabling young people to bridge the gap to employment. By utilising the flexibility of the programme, developing tailored local and sector approaches, and getting the messages out to young people, employers and providers, participation rates and outcomes can be improved. This will be increasingly important from April 2017 when Traineeships will become one of the options that Jobcentre Plus can mandate unemployed young people to, under Youth Obligation.
- 3.8 Learning and Work Institute believes that the most pressing recommendation that the Committee can make in this inquiry is to encourage the Department for Work

and Pensions to make the necessary preparations now to protect young people, particularly already disadvantaged young people, from rising unemployment brought about by future economic slow-down. Young people tend to be disproportionately affected during economic recession as recruitment falls.

- 3.9 At the Autumn Statement, the Government should announce a set of measures to ensure that resources to support unemployed people will increase if unemployment increases – evidence shows that the best response to a weakening labour market is to give unemployed people more support to find, enter and keep work. This should include the ability to utilise the capacity and expertise from private, voluntary and community providers that can be mobilised quickly.

About Learning and Work Institute

A new independent policy and research organisation dedicated to lifelong learning, full employment and inclusion. We bring together over 90 years of combined history and heritage from the 'National Institute of Adult Continuing Education' and the 'Centre for Economic & Social Inclusion'.

We want everyone to have an opportunity to realise their ambitions and potential in learning, work and throughout life.

We believe a better skilled workforce, in better paid jobs, is good for business, good for the economy, and good for society.

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