



AGENDA

SELECT COMMITTEE - STUDENT JOURNEY

Friday, 22nd July, 2011, at 10.00 am

Ask for: **Theresa
Grayell/Gaetano
Romagnuolo**

**Swale 2, Sessions House, County Hall,
Maidstone**

Telephone **(01622) 694277/(01622)
694292**

Tea/Coffee will be available 15 minutes before the start of the meeting in the meeting room

Membership

Mr K Smith (Chairman), Mr M C Dance (Vice-Chairman, in the Chair), Mr A R Chell, Mr I S Chittenden, Mr P J Homewood, Mr R J Lees (Co-optee), Mr S Manion, Mr M J Northey Mrs C J Waters

UNRESTRICTED ITEMS

(During these items the meeting is likely to be open to the public)

10.00 - Interview with **Andy Brading**, ABC Consulting (1 - 14)
10.45 am

11.00 - Interview with **Lindsay Jardine**, Network Manager, Kent
11.45 am Association of Training Organisations (KATO) (15 - 16)

12.00 - Interview with **Becci Newton**, Senior Research Fellow, Institute of
12.45 pm Employment Studies (17 - 30)

Background Reading for Members (31 - 60)

EXEMPT ITEMS

(At the time of preparing the agenda there were no exempt items. During any such items which may arise the meeting is likely NOT to be open to the public)

At the end of the public session, Members of the Committee should remain in the meeting room for 20 minutes for summing up

Peter Sass
Head of Democratic Services
(01622) 694002

Thursday, 14 July 2011

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THE STUDENT JOURNEY SELECT COMMITTEE

Hearing 7

Friday 22nd July 2011

Witness Guide for Members

Below are suggested themes and questions. They have been provided in advance to the witnesses to allow them to prepare for the types of issues that Members may be interested to explore. All Members are welcome to ask these questions or pose additional ones to the witnesses via the Committee Chairman.

Themes and Questions

Andy Brading, ABC Consulting

- Please provide an overview of the services supplied by ABC Consulting, and of your role and responsibilities in it.
- What are the Enterprise and the Work-related Learning schemes, and what are their objectives?
- What are the benefits of these schemes? What are the challenges facing them, if any?
- To what extent, in your view, do learning and skills providers in Kent prepare young people for work?
- What are the views of the Business and Enterprise Head Teacher Steering Group on business and enterprise education? In your view, should Enterprise Education be embedded within schools' curricula?
- Is there a mis-match between local employers' needs and the employment skills young people are equipped with? If so, what skills do young people need to develop in order to be effective employees?
- What are your views on the Wolf Report and its recommendations?
- In what ways can local businesses - especially small businesses – be supported in order to offer good quality work-related learning to young people?
- Please inform the Select Committee of any policy changes at national level that have relevance in this review and that can impact on the educational and employment opportunities and choices of young people in Kent.

- Are there any other issues, with relevance to the review, which you would like to raise with the Committee?

The Student Journey - response to call for information and views

- Provide the Committee with any information/literature/data, in relation to your work with schools, businesses and young people and their experiences with education and employability, you think may be useful in this review.

I first started working with schools in this arena in March 2004 as a contracted advisor to the **Enterprise Advisor Service (EAS)**. The EAS was a DFES initiative to bring people from the world of business into schools to provide funded support, in particular for those schools identified as in the greatest need of support using the Free School Meals measure to identify them. The remit of the EAS was to work with schools to help them understand the Enterprise and Work-related Learning agendas and to support them in:

- Understanding the requirements of the agendas
- Auditing and base-line assessment of their current provision
- Action planning
- Effective collaborative working with support providers and local employers.

The end-game was to help schools both to develop a culture of enterprise as a vehicle for school improvement, to help them to produce employable young people, and also to become self sustaining in their provision of enterprise education, including being more informed and pro-active consumers of the services offered by support organisations and employers.

The initiative ended at the end of the 2006 school year and by this time the remit had spread from the original, restricted range of client schools to as many schools in the county as were prepared and able to engage with the agendas. During this time, of the 121 mainstream Kent & Medway secondary schools in existence in July 2006, **57 schools were actively supported by the EAS on a 1-1 basis with a further 41 schools having received contact and support through attendance at conferences and workshops. My own activity brought me into direct contact with 31 schools which I actively supported in some form.**

Following the end of the EAS contract, funding for the support of Enterprise Education became channelled through the Specialist Schools and Academies Trust through the S'EEN (**Schools' Enterprise Education Network**) programme, and latterly the **Enterprise Network** through a nationwide network of **Enterprise Learning Partnerships (ELP)**. Both of these organisations channelled the support of enterprise education through the network of Business & Enterprise specialist schools and colleges and I was contracted to work with both of them as co-ordinator and consultant to effectively continue the support previously provided by the EAS. Funding for the ELP programme ends on 31st March 2011 and all ELP's have been working over the past year to try to ensure their sustainability with no central funding. The Kent & Medway ELP comprises the 12 Business & Enterprise specialist schools in the county as well as partner schools, academies, and other interested schools, and is working in partnership with the 14-19 Innovation Team of KCC (through Martin Blincow) and is currently able to maintain operations for at least another calendar year with discussions and projects under proposal to support it beyond then.

The Kent & Medway ELP (KMELP) effectively devolved funding to 10 Local ELP's in the county to develop activities to support schools in their areas. A wide range of enterprise activities was supported during this time, a full list of which can be supplied on request and has been included in end of project reporting to SSAT. The range of activities was predominantly focussed on KS4 (as this was the original focus of the Enterprise Education agenda) but also included activities for special schools, primary schools and post 16 learners. The activities of the ELP have been the focus for the development of a Draft **Kent Enterprise Education Strategy** by the KCC Innovations team which has largely been informed by the work of the ELP.

Over the 2 years of the EAS, and during the development of the S'EEN and ELP networks, the Enterprise/WrL agenda has developed and is now generally understood to mean both the development of employability skills in our young people and also the development of personal and life skills to support them in their effective studying and life after education.

In addition to providing consultancy support as outlined above, my business has also provided a range of activities and consultancy services in support of schools' applied learning, Enterprise Education, and Work-related Learning agendas. These include:

- Diploma development support for the Maidstone & Malling 14-19 Partnership in support of the Business Administration & Finance and Sport & Active Leisure diplomas
- Employer engagement through the establishment and support of a school-led Enterprise Exchange as a vehicle for the bringing together of schools and local employers
- Provision of training services to teachers relating to applied learning, employer engagement and diploma delivery
- Provision of a range of activities for schools to support the delivery of enterprise, work-related learning, applied learning and employer engagement. A brief summary of the activities provided is attached.
- Development and delivery of bespoke activities to support the delivery of vocational subjects in schools.
- Development of a Business Challenge programme in co-operation with local employers to engage young people with local employers in a structured and meaningful way, with measurable learning outcomes. This programme has been taken up by 2 Maidstone schools as an effective replacement for KS4 work experience
- Through the above activities, and in association with other like-minded people with complementary experience, we have developed a working model which we are in the process of expanding in the Gravesham area to create a sustainable community business partnership with commercially sustainable support for student improvement and the long-term engagement of local employers.

Collaboration is key in this arena and we work hard to engage with other stakeholder groups and organisations including **Kent Enterprise Education Partners** (KEEP - this includes KCC Innovations team, Connexions, Kent Invicta Chamber of Commerce, FSB, Kent Foundation, Business Support Kent and other stakeholder groups), a range of local employers, and through membership of the Kent Invicta Chamber of Commerce and Federation of Small Businesses.

In their current guise, Work-related Learning and Enterprise Education have been in currency since the autumn of 2003. The availability to schools of funding through their Dedicated Schools Grant and the provision of funded support through the EAS, the ELP and the Education Business Link contract administered by KCC have led to a wide range of enterprise activities across the county with the aim of developing positive and engaged young people and equipping them with the necessary skills to be successful in their studies and in life after school. A number of reviews and studies have attested to the effectiveness of enterprise and WrL as drivers for the overall improvement in standards of education. All of this appears to be at risk with current central government thinking appearing to be progressing along different lines, especially for Key Stage 4 learners. The Wolf Review comments that there is no evidence for the assertion that learners following a vocational course are more engaged than learners following general courses. My experience would certainly support that assertion. However, those schools that have developed effective and integrated Work-related Learning programmes and have embedded Enterprise Education within the curriculum can certainly point to improved levels of engagement and of student performance. A school that I was talking with today commented that the impact of WrL and Enterprise on their most disengaged youngsters, those at risk of becoming NEET, has reduced the percentage levels from around 4% to around 1%.

The SSAT **Business and Enterprise Head Teacher Steering Group** (B&EHTSG) has recently issued a position paper putting the case for business and enterprise education and I have attached a copy of that with this submission. The paper was co-authored by David Butler, the previous lead inspector for enterprise for OFSTED. Within it is a statement that ***'There is strong evidence, particularly in specialist business and enterprise schools, that enterprise education has been an important influence in raising achievement across subjects because it has led to more innovative teaching and made learning more relevant.'***

- Offer your views on any of the topics outlined in the draft terms of reference above.

The following are some of my personal views having worked at 'the sharp end' of provision of enterprise and Work-related Learning in Kent schools for the past 7 years and being recognised and respected for my work in this field.

The Enterprise Education agenda was developed in response to the need identified by the last Labour government to address the mis-match between employers' needs for their future employees and the skills that young people were

being equipped (or rather, not being equipped) with. Many studies and reports over the past few years have come up with similar views on the skills young people need to develop in order to be effective, functioning potential employees. They focus on the need to be able to communicate effectively, to work well with other people, to be versatile and accepting of change, to be innovative in their thinking, and to develop a positive attitude, as well as the basic skills of literacy, numeracy and IT.

During the past 7 years schools have, in my opinion, generally understood and accepted the importance of these agendas although implementation has been patchy. Those schools who have embraced the concept of developing positive young people through enterprise and by bringing the relevance of their learning to life through effective WrL have benefitted from improved standards of overall education and pupil progression. However, schools need continued support in this area if the good work of the past 7 years is not to be lost and this is imperilled by the apparent direction of current government policy.

I have taken account all of the following documents and instruments, and others, in forming my views, in addition to my own direct experience of the past 7 years.

The Wolf Review
The Importance of Teaching
The 2009/10 Ofsted annual report
The Review of the National Curriculum
Skills for Sustainable Growth
The Comprehensive Spending Review

In my view, the Wolf Review is, overall, a sound, well-researched and well argued document which develops a range of themes that have been apparent to me personally and in the views expressed by other professional in education. A range of themes it develops , I believe, are demonstrably accurate including (but not only):

- The need to provide a solid foundation of core general skills
- The need to provide meaningful and valuable post 16 vocational qualifications
- The need to reform school performance measures and remove the incentive for relatively easy equivalencies to GCSE's that hinder pupils later progression
- Removal of the trend for specialisation as early as yr 9 and locking learners in to programmes that hinder or restrict their later progression

However, the review makes no reference at all to enterprise education and refers to Work-related Learning only in terms of equating it to Work Experience, which in my view is wrong. Whilst I fully agree that Work Experience at KS4 is expensive and, for many learners, a poor quality experience which adds little to their overall development and learning, this is by no means the whole story. For those young people in KS4 who have a good quality work experience placement it can be a powerful motivator to them in their learning. However, Work experience is only one element of Work-related Learning, not the whole story. A good quality WrL programme, regardless of whether or not it includes any vocational qualifications, or indeed work experience, is a very powerful motivational tool. It brings relevance to the learning and, most importantly, it provides a framework for young people to genuinely engage with local employers and gain an understanding of the world of work that awaits them. In CPD sessions that I have run for teachers I have often referred to Enterprise Education as the 'what' and Work-related Learning as the 'how' when it comes to helping young people develop employability skills.

The Ofsted Annual Report refers to the effectiveness of employer engagement as follows:

The focus that businesses place on enterprise, problem-solving and investigation encourages pupils to become self-reliant and develop work-related skills

Business partnerships can contribute to improvements in examination pass rates and the proportion of students gaining higher grades

Working with employers increases the relevance and quality of the vocational offer for schools, colleges and work-based learning providers.

Ofsted Annual Report 2009/2010

Good quality work-related learning, with well-managed and supported involvement of local employers is a strong force for improvement of the educational standards of a large proportion of our young people. This does not only

refer to the county's high schools, although it is particularly relevant to them, but also to those grammar schools that I have worked with who see the benefits to their learners of relating their learning to real life and work.

Employers, however, and businesses in particular, need to see a benefit to them in engagement with schools and this needs to go beyond the Corporate Social Responsibility agenda. For many small businesses, who are the most difficult to engage due to their need to be focussed full-time on their businesses, means need to be sought for them to benefit in business terms by working with young people. This does not mean paying them, as proposed by some including the Wolf Review. Models do exist through which employers will willingly take part as they can see real business benefits to them but the programmes need careful management and support. Schools generally are very poor at communicating with businesses and are ill-equipped to develop long term, mutually beneficial relationships. As a result, communication often breaks down, programmes with good potential founder, and businesses become disillusioned and vote with their feet. The model we are currently developing in Gravesham, which builds on current experience in schools and with local business, provides a means for sustainable employer engagement which can be rolled out to any other region, provided it is well managed.

There is a need to integrate the conclusions and proposals of the various documents referred to above and to focus on developing provision that has resonance at a local level. The Wolf review makes much, and rightly so, of the need to delegate decision making to a local level with the involvement of employers local to the schools. The same is true of provision in Kent. Kent is a large county with a wide geographic spread and the whole range of differing economic micro-climates. Decision-making should be devolved to schools and groups of schools but supported by KCC funding and provision of support services either in-house or, more likely, contracted out.

A.Brading, March 2011

Enc



Specialist Schools
and Academies Trust
THE SCHOOLS NETWORK™



SSAT Business and Enterprise Head teacher Steering Group

Position paper The case for business and enterprise education as an entitlement for all young people

The Business and Enterprise Head teacher Steering Group (B&E HTSG) embraces many of the education reforms being introduced by the coalition government as an opportunity for schools to ensure children and young people receive the very best education. We wholeheartedly accept the need to benchmark our education performance against the very best that is available globally; indeed business and enterprise education has always aspired to benchmark nationally and to increase participation and performance in mathematics and numeracy as a key part of the specialism. However, we do have some concerns about the apparent lack of consideration being given to the promotion of employability and entrepreneurial skills, economic and business understanding and personal finance education as part of the future curriculum for all young people. Whilst the recent White Paper, *The importance of teaching*, makes very little mention of these crucial aspects of young people's education, we recognise and will fully utilise the opportunity to provide evidence to the Curriculum Review Expert Panel. This position paper sets out a case for consideration.

Much has been achieved in recent years in helping to equip young people with the sort of employability and entrepreneurial skills, economic and business understanding and financial awareness required for the 21st century. Nonetheless, the evidence from Ofsted and the wider community of practice indicates that much remains to be done to achieve consistently good provision across all schools. Such provision is vital if young people are to become effective consumers, producers and citizens. The B&E HTSG believes this view enjoys widespread support from the Confederation of British Industry (CBI), the Institute of Directors (IoD), professional organisations, leading business people, consumer groups and schools. The group perceives a real danger that much of the excellent work that has taken place will be lost, rather than being built on and sustained. It is vital for future national economic prosperity that the education system in England prepares young people effectively for employment and self-employment. This requires developing pupils' capabilities to turn creative ideas into commercial and social enterprises. As future citizens, young people also need to understand the moral and ethical dimensions of the decisions they make and how they might influence the powerful economic forces that will shape their future lives.

The B&E HTSG is fully cognisant that current economic circumstances mean future government funding to support such work will be severely restrained, but believes that the recommendations that follow do not require any substantial or additional resource. Rather, they need a clear mandate that will underpin the essential nature of these propositions.

Recommendations

1. A coherent programme to promote employability and entrepreneurial skills, economic and business understanding and personal finance education should be part of the entitlement for all secondary aged pupils.

This view is strongly supported by the CBI, leading business people, consumer groups and the great majority of schools.

2. Work-related learning remains a statutory requirement at Key Stage 4 for all pupils and consideration is given to extending it to Key Stage 3.

Work-related learning is currently a statutory part of the curriculum for all 14-16 year old pupils. It includes the development of employability skills and an understanding of the world of work. There appears to be no compelling reason to remove this requirement as it generally supported by schools and seen as being important by young people. There is also a strong case for extending the statutory requirement to Key Stage 3 to bring it in line with that for careers education and guidance (CEG). Consideration might also be given to combining work-related learning and CEG as there is considerable overlap between the two.

3. Ofsted should continue to inspect the extent to which schools prepare young people for future employment and adult life.

The current framework for the inspection of schools includes an evaluation of how well pupils are prepared for adult life. The guidance to inspectors requires them to consider how effectively schools are promoting employability skills and developing economic and business understanding and personal finance education for all their pupils. This is a powerful way of encouraging schools to give these aspects of their work the status they deserve. Similarly, the triennial inspection of subjects/themes provides a usefully informative 'health check' for individual components of the national provision.

4. Encouragement should continue to be given to promoting employer engagement in education.

There is strong evidence that effective employer engagement in education raises pupils' aspirations and motivation by making learning more relevant and meaningful. It promotes a better understanding of employment and helps to develop the right attitudes of young people to the world of work. Most employers are keen to support education as they see it as mutually beneficial and many are actively involved. However, there is considerable scope for involving more employers, particularly from small and medium sized businesses. This is wholly congruent with the position taken by the Institute for Education Business Excellence and the Education and Employers Taskforce.

5. Support should continue to be given to providing work experience opportunities for all secondary school pupils.

Systems are in place to enable the overwhelming majority of pupils to benefit from work experience during their compulsory education. The great success of work experience in the UK is the envy of many other countries. However, this provision is threatened if future reductions in funding make it difficult for schools to secure the health and safety of their students while on placements.

6. The accountability measures for schools should include the progression of young people into post-16 and post-18 education, training and employment.

This measure is one used in other countries, for example in Australia, and encourages schools to place appropriate emphasis on developing young people's employability skills and their understanding of progression routes, as well as promoting basic skills in literacy, numeracy, science and information technology.

Supporting evidence

'Too many school leavers leave education without the skills, knowledge and attitudes to work employers are looking for.'

CBI, Fulfilling Potential, September 2010

The CBI sets out what it sees as the essential features for the success of our future system of education. These include: enabling all young people to develop a broad range of **employability skills**, defined as 'team working, problem-solving, communication, customer and business awareness and self-management'. The CBI also stresses that a **positive attitude** is the key foundation for employability. It sums this up as developing a 'can do approach', a readiness to take part and contribute, an openness to new ideas and a drive to make those ideas happen.

The B&E head teachers' steering group fully endorses the CBI's view and believes that business and enterprise education has a vital role to play in helping equip all young people with the knowledge and skills they need for future **employment** and **self-employment**.

Much has been done in recent years to promote enterprise capabilities and enterprising attitudes in schools which are very much in line with those set out by the CBI. Where enterprise education has been embraced fully, it has permeated **teaching and learning** across the curriculum and has impacted on the quality of **leadership and management**. There is strong evidence, particularly in specialist business and enterprise schools, that enterprise education has been an important influence in raising achievement across subjects because it has led to more innovative teaching and made learning more relevant.

Of the 4.8 million enterprises in the UK, around three-quarters of them are sole proprietor businesses. The great majority of the rest have between two and four employees and only around 6000 enterprises have more than 250 employees.

Enterprise education helps young people develop the skills and capabilities needed to become future entrepreneurs by providing opportunities for them to set up and run mini businesses, including social enterprises. While relatively few are likely to become entrepreneurs in the true sense, many will end up working in small businesses or be involved in business start-ups. A basic understanding of how businesses function is therefore vitally important. Yet, in a recent survey of employers, 70% expressed dissatisfaction with the level of business awareness shown by school leavers, so there is

clearly much that still needs to be done, particularly as there is very wide variation in the quality of provision made by schools.

Work experience has a key role to play in preparing young people for the adult world. It is an opportunity to bring home to them the attributes, skills and knowledge they need to succeed throughout their working lives.

Time Well Spent, CBI 2007

Around 90% of students currently go on **work experience** during their time in compulsory education. The great majority feel they benefit from this experience and most employers view it as being important. Many employers are also involved in mentoring schemes or in helping to support aspects of the curriculum and these are again well received and regarded as valuable by both students and employers.

'I believe that teaching young people about the economy will help them to understand a key aspect of the way our society works, how we each contribute, and how it affects our everyday lives.'

Dr Andrew Wardlow, Secretary of Bank of England, (from Towards Consensus? Ofsted 2006)

Education is clearly not just about preparing young people for adult working life. Business and enterprise education, including economic and financial awareness, is also an important part of **empowering** them as **consumers** and as **citizens**. It helps young people makes sense of the rapidly changing and often confusing world they live in, including issues such as poverty, globalisation and sustainability. It is now even more imperative that all young people develop an understanding of the very powerful economic forces that shape their lives and are made aware of how they can influence them through the choices they make. The case for students developing economic understanding must surely be as strong as that for developing scientific or historical understanding.

Recent history demonstrates the vital importance of **financial awareness** if young people are to spend and save their money wisely, make effective use of financial services and avoid getting into large debts which they are unable to repay once they have access to credit. Much has been achieved in recent years to promote personal finance education in schools but the evidence indicates that much still remains to be done.

Accountability measures need to be in place that ensure that all schools give appropriate emphasis to equipping young people for their adult working lives and to function effectively as consumers and citizens. Ofsted currently evaluates the extent to which pupils develop workplace and other skills that will contribute to their future economic well-being when it inspects schools. This includes the development of enterprise skills, economic and business understanding and personal finance education. This is a very powerful incentive for schools to make provision for these aspects in the curriculum. It is also suggested that accountability measures take into consideration how well learners progress to post-16 and post-18 education, training and employment. These measures are standard in other countries, for example in Australia, and have been found to be effective in helping to ensure high quality vocational education, rather than attempting to give them credibility by making them equivalent to GCSEs and GCEs. The recent education White

Paper appears to support this view. However, it is not proposed that schools are set targets for progression and account needs to be taken of local and national economic conditions.

The business and enterprise education curriculum

The B&E HTSG suggests that all pupils aged 11-19 should be entitled to the following.

- High quality provision in the core curriculum of economic, business and enterprise education. This should include: the development of enterprise and employability skills (including self-employment and entrepreneurship), economic and business understanding and personal financial education. This would include a strong body of essential knowledge and conceptual understanding, as well as the development of vital analytical and evaluative skills to empower young people as consumers, producers and citizens. It would draw on existing guidance for work-related learning, careers education, information and guidance and personal finance education.
- It should be left up to schools to decide how they organise the teaching of this but evidence from Ofsted suggests it is best delivered through a combination of specifically timetabled lessons, work through a range of subjects, suspended timetable or 'drop down' days and extra curricular activities.
- A high quality programme of work-related learning, which would incorporate aspects of the economic, business and employability/enterprise curriculum identified in (1), as well as careers, education and guidance. This would include an entitlement to work experience and individual advice on progression routes to further education, training and employment. The programme would be supported through partnerships with employers.
- The option of studying an accredited business-related course at Key Stage 4, such as applied business, business studies, the diploma in business, administration and finance (BAF) and business with modern foreign languages.
- The option of studying a range of broad based business-related course post-16, such as GCE business, GCE economics and BTEC/OCR national awards in business, the BAF diploma or more specifically vocational courses, such as accounting and retailing.

Tony Bloxham
Chair Business and Enterprise HTSG
Principal Preston School

David Butler
SSAT Business &Enterprise Consultant
Former HMI and subject lead for Ofsted

January 2011

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THE STUDENT JOURNEY SELECT COMMITTEE

Hearing 7

Friday 22nd July 2011

Witness Guide for Members

Below are suggested themes and questions. They have been provided in advance to the witnesses to allow them to prepare for the types of issues that Members may be interested to explore. All Members are welcome to ask these questions or pose additional ones to the witnesses via the Committee Chairman.

Themes and Questions

Lindsay Jardine, Network Manager, Kent Association of Training Organisations (KATO)

- Please introduce yourself and outline the roles and responsibilities that your post involves.
- Please provide an overview of the services supplied by the Kent Association of Training Organisations (KATO). In what ways does KATO support both training providers and employers?
- Which training providers work in partnership with KATO, and what services do they offer?
- What are the benefits of apprenticeships for businesses and young people?
- What does the recruitment process entail both for the employer offering apprenticeships and for the future apprentice?
- To what extent, in your view, do vocational training, apprenticeships and work experience schemes meet local labour market needs and the expectations of growth industries in Kent?
- In what ways – if any – can Kent County Council improve the quality and provision of apprenticeships in Kent? What can KCC do to increase the number of employers offering apprenticeships in Kent?
- Please discuss the effectiveness of current partnerships between local employers, educators and other skills providers in preparing young people for the world of work.

- Please discuss the role and impact that local career education and information, advice and guidance have in enabling young people in Kent to make informed choices about their future education and employment.
- Please inform the Select Committee of any policy changes at national level that have relevance in this review, and that can impact on the educational and employment opportunities and choices of young people in Kent.
- Are there any other issues, with relevance to the review, which you would like to raise with the Committee?

THE STUDENT JOURNEY SELECT COMMITTEE

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Themes and Questions

Becci Newton, Senior Research Fellow, Institute of Employment Studies

- Please provide an overview of the Institute of Employment Studies, and please outline the roles and responsibilities that your post involves.
- Please discuss the benefits and disadvantages of recent national policies in relation to youth unemployment (for example, the expansion of apprenticeships, and the removal of financial support to continue in full-time tertiary education).
- What is the Work Programme? To what extent, in your view, is the Work Programme effective in dealing with youth unemployment?
- What are your views on the Wolf Report and its recommendations?
- To what extent, in your view, do vocational training, apprenticeships and work experience schemes meet local labour market needs and the expectations of businesses?
- What do employers look for when recruiting young people? What skills and attributes do both lower-skilled young people and graduates need to demonstrate to secure employment?
- What are the conclusions of the evaluations of the Activity Agreement Pilots, which aimed to re-engage and support young people not in education, employment or training (NEET)?
- Please discuss the effectiveness of current partnerships between employers, educators and other skills providers in preparing young people for the world of work.

- In your opinion, should career education and information, advice and guidance be built into schools' curricula? If so, why?
- In your view, what policies, initiatives and strategies should Kent County Council implement in order to enhance the employability of young people in Kent?
- Are you aware of good practice policies and strategies to deal with youth unemployment from other European countries?
- Are there any other issues, with relevance to the review, which you would like to raise with the Committee?

The Student Journey Select Committee

Written Evidence from Becci Newton, Senior Research Fellow, Institute of Employment Studies

Policy context

The UK has one of the most flexible and lightly regulated labour markets in the EU, in that employers can hire and fire with comparative ease. However, over the past decade, individual rights to flexible working have increased. The dominant theme guiding UK labour market policy is to encourage labour-market participation.

Reducing the proportion of 16- to 18-year-olds not in education, employment or training (NEET) is a priority for the UK government. Being NEET between the ages of 16-18 is a major predictor of later unemployment, low income, teenage motherhood, depression and poor physical health. The Labour government's target (1997-2010) was to reduce the proportion of 16-18 year olds who are NEET by two percentage points by 2010.

Since this target was set, there has been a change of government to a coalition formed of the Conservative and Liberal Democrat parties. The coalition has confirmed the policy to increase the age of participation in education and training to 17 by 2013 and 18 by 2015. Through this policy, young people will be initially encouraged, and at the last stage mandated to remain in full-time education or to undertake work-based training equivalent to an apprenticeship until they are at least 18 year olds. Through this, the aim is to achieve minimum qualification to Level 2 and preferably higher levels.

The government has also confirmed an intention to expand apprenticeships to ensure that those young people who wish to work have opportunities to undertake training. It has introduced a number of schemes to support apprenticeship expansion including the opportunity for organisations to act as 'Apprenticeship Training Agencies', financial incentives to employers to introduce apprenticeships to their workforce, and pilots to assess how best to support the expansion policy. Each of these is now being evaluated.

However, other policies may disincentivise young people from continuing their education. For example, for 16-18 year olds, the government intends to remove financial support to continue in full-time tertiary education for all but the most disadvantaged, through ending the entitlement to Educational Maintenance Allowance. Furthermore, it ceased to support two national pilots which aimed to support the most vulnerable young people NEET back into training and learning. It is impossible to assess how the two policy directions (expansion of apprenticeship, removal of financial and other support) will interact. More certainly, the proportion of young people aged between 16-18 and not in education, employment or training has not showed much improvement and remains relatively unchanged at 8.5 per cent of the cohort (DfE SFR, final quarter 2010).

Youth unemployment (largely covering young people aged between 18 and 25) is rising, and young people have been particularly hard hit as the impacts of the global recession take hold in the UK. Recent figures suggest that one-in-five young people are unemployed. The group is highly heterogeneous and includes low and high skilled young people, ie graduates. The previous labour administration had introduced an Active Labour Market Policy, known as Future Jobs Fund, which encouraged public and third sector organisations to create short-term (on average six month) positions through which young people might gain valuable work experience to help them avoid the scarring effects of long-term unemployment at a young age. Young people who had been unemployed for six months were eligible for these posts. Jobcentre Plus part-funded the roles through routing benefit entitlements through the employer who would then pay the worker the national minimum wage.

This initiative was never subject to formal evaluation and ran contrary to the Coalition's vision for a reduced public sector. As a result, the initiative was closed and the government intends to introduce greater flexibility for unemployed people, including those aged between 18 and 25, to undertake work experience of up to eight weeks while maintaining their entitlement to financial support. This policy was confirmed in the recent budget statement.

A focus for the government is the provision of universal benefits and programmes. It will introduce a universal benefit (and remove the plethora of existing benefits) and provision, entitled the Work Programme, which will support all long-term unemployed people to make a transition to work. Private sector companies and social enterprises will provide the Work Programme and receive funding based on sustainable employment outcomes. People will become eligible for the Work Programme following 12 months of being unemployed. For young people, this duration of inactivity may be particularly detrimental and lead to entrenched behavioural and social challenges.

The government has also extended its review of the financial support available for university education. More of the cost of undergraduate study will be borne by the individual when they are in a position to repay ie have obtained employment at a defined salary point. In the process, the cap on fees for university study has been lifted and from 2012, students face a three-fold increase in potential costs. It is as yet unclear how this will impact on rates of unemployment, progression to higher education and the widening participation agenda which intends to increase the diversity of young people undertaking university studies.

What employers say they want

Recent evidence (Shury et al., 2010) shows that a minority of employers recruit young people direct from education, whether that is following compulsory, tertiary or HE. For example, six per cent of employers had recruited a school leaver, 11 per cent had recruited a young person aged 17 or 18, and 10 per cent had recruited a graduate aged under 24 to their first job.

Where young people had been recruited, a majority were seen as well or very well prepared for work although a significant minority were not (Shury et al. *ibid.*). Among those employers who had recruited a 16-year-old, two-thirds (66 per cent) felt the young worker was well or very well prepared; for those recruiting 17- or 18-year-olds, this proportion rose to 74 per cent; and for graduates it reached 85 per cent.

More generally, the analysis demonstrated that the labour market was somewhat constrained at the point of the survey, with the number of vacancies available having fallen compared to previous surveys (Shury et al. *ibid.*). It is also salient to note that the proportion of hard-to-fill vacancies had fallen compared with previous surveys.

It is plausible to suggest that young people are facing considerable competition in the labour market and need to be able to demonstrate skills and attributes that set them apart from others. Gaining qualifications beyond Level 2 would appear to contribute to greater likelihood of gaining work, and young people with higher levels of qualification appear better equipped for work.

What employers look for when recruiting

When they are recruiting, employers assess a range of personal attributes, skills and qualifications. Their emphasis on each of these varies by occupation and sector. The qualifications demanded by employers at the recruitment stage also vary by sector and occupation. Taylor (2005) reports a competency-based employability framework (see Table 3.1) which offers a view of the mix of personal attributes and skills that employers seek. Bunt (2005) assesses these to be motivation, flexibility, willingness to work and learn, appearance, behaviour, confidence, and positive mannerisms.

Table 3.1: Employability skills framework

Employability

Attributes		Soft skills
<ul style="list-style-type: none">• Loyalty• Commitment• Honesty & integrity• Enthusiasm• Reliability• Personal presentation• Common sense	<ul style="list-style-type: none">• Positive self-esteem• A sense of humour• Balanced attitude to work & home life• An ability to deal with pressure• Motivation• Adaptability	<ul style="list-style-type: none">• Communication• Teamwork• Problem-solving skills• Self-management skills• Planning & organising• Technology skills• Learning skills• Initiative & enterprise skills

Source: Taylor, 2005

The evidence suggests that employers may be less demanding about technical skills when recruiting: they may consider training to improve technical skills should applicants demonstrate an appropriate mix of employability and soft skills, and positive attributes (Winterbotham et al., 2001). However, young people may not understand this to be the case since they emphasise the need for technical skills over soft skills (ORC, 2010).

While there appears to be a greater emphasis on soft skills over technical skills (for instance, problem-solving and communication skills), how these are measured is often an inexact process. Evidence suggests that employers rely on their perception of the interaction with potential recruits at interview (Hogarth and Wilson, 2003; Maguire and Newton, 2010). Similarly, perception of the interaction at an interview is all important to the assessment of positive attributes.

Long duration unemployment is an area of concern for employers, and some perceive that job candidates who have been unemployed for an extensive period will lack any work preparedness. This may fuel a concern that recruits from this group are more likely to quit at short notice and after only a short period in work (Devins and Hogarth, 2005).

While many employers rank demands for qualifications beneath their need for positive attributes and soft skills in recruitment frameworks (Bunt, 2005; Jenkins and Wolf, 2005; Maguire and Newton, 2010), qualifications are frequently used to inform the short-listing process. Hence it is increasingly important that young people achieve their potential, in terms of their qualifications, in order to gain access to a job interview.

Employing lower-skilled young people

There is some evidence to suggest that employers may be willing to disregard or downplay qualifications if applicants display other positive personal attributes (Canny, 2004; Jenkins and Wolf, 2005). Furthermore, employers will not always look for the possession of well-developed soft skills in young candidates, instead looking for indicators of potential to develop these (Dench et al., 1998). Where young people have little or no work experience extra curricula activities – such as volunteering – may be used as the basis for assessing employability and soft skills (Dench et al. *ibid.*). A further consideration may surround perceptions of whether the young employee could be moulded to fit in the organisation's culture (Fuller et al., 2005; Maguire and Newton, 2010).

Employers of young people may also seek evidence of dependability and commitment, which might be measured through their school attendance rate or a reference from school or other agency (Fuller et al., 2005). Qualifications however remain important and employers may set minimum qualification requirements. They may also require applicants to sit a series of aptitude tests, as well as attend an interview, particularly if recruiting to apprenticeships (Fuller et al. *ibid.*).

Employers may have particular concerns about recruiting long-term unemployed young people, although their considerations in recruitment may also slightly vary for this group. For example, Elam and Snape (2000), reporting an Active Labour Market Programme (ALMP), found an emphasis on potential, a good attitude to work and a willingness to train and learn the ropes, and 'work readiness rather than job readiness'. Employers felt it was valuable for young people to combine the ALMP work with training and to gain qualifications in order to support their transitions to work, although it could be difficult to deliver a qualification within the duration of the ALMP.

The needs of lower-skilled unemployed young people

Young people who are disadvantaged and/or NEET, often have an ingrained sense of failure as a result of either their earlier experiences of education, or problematic or chaotic personal circumstances (Vernon, 2006). While the group considered NEET is highly heterogeneous, the most vulnerable young people have a greater likelihood of unemployment at a young age. The group includes young people with disabilities, and young parents and carers (Maguire and Thompson, 2007). This suggests that the group is likely to require considerable support in order to make a transition into work or learning.

Long-term inactivity or unemployment can lead to a sense of listlessness and a lack of focus or direction. Working with someone to review progress may enable an individual to gain a better understanding of the progress they are making, which can help embed a sense of achievement (Newton et al., 2009).

The evaluation of the Activity Agreement Pilots, which aimed to re-engage and support young people not in education, employment or training (NEET), demonstrated that confidence was at the core of young people's development and progression. The evaluation also showed that confidence did not result from focused confidence-development activities: instead it emanated from achievement of a range of activities and different types of accreditation or certification. Regular monitoring of progress including regular reviews with their advisers helped young people to understand their achievements and to develop increased confidence and improved self-esteem.

Work transitions of more highly skilled young people

Graduates have enjoyed a higher rate of employment than their peers (Bates et al., 2009). However, in recent years unemployment rates have been increasing for new graduates and evidence shows that those emerging from Higher Education (HE) are facing increasing competition (HESA, 2010). Three in five HE students expressed a concern that growing numbers of graduates would make it hard for them to get a graduate job (Johnson et al., 2009). A degree is no longer enough to secure a job – graduates need to have something extra.

A focus on the employability of graduates has been assisted by the additional income received from the increase in tuition fees introduced in 2007. It is set to increase further with the plans set out in the policy document 'Higher Ambitions: The Future of Universities in a Knowledge Economy'(2009) and be re-enforced by the recommendations of the Browne Review (2010). This requires all universities to state how they promote student employability. Furthermore, employability factors such as prospects for term-time employment, and the employment track records of alumni are becoming more important in student choices about higher education (HE).

What do employers want from graduates?

There is a history of employers bemoaning the quality of new graduates, with criticism centred on a lack of employability skills such as business awareness, self-management, ICT skills, and team working skills. The Confederation of British Industry (CBI) found that although employers were generally more satisfied with the employability of graduates (than school or college leavers) '*significant problems still remain*'. One in ten reported that graduates lacked basic literacy and numeracy skills, one-quarter expressed dissatisfaction with time management and problem-solving skills, and half were concerned about graduates' lack of business and customer awareness (CBI, 2010).

A key mechanism to develop employability and employability skills is practical experience, which if engaged in alongside HE study can raise the profile of a graduate when competing for jobs.

'The value of experience gained through volunteering or work emerges strongly when employers are asked for their most important advice for a young person looking to find employment in a difficult labour market. Two thirds of employers – rising to nearly three quarters of the largest employers – believe practical experience is the most valuable step young people can take to improve their prospects.'

CBI, 2010

Student and graduate engagement with work

Many HE students work while studying: Johnson et al., (2009) found that around half of full-time students had undertaken paid work during term-time and the vast majority had worked during the summer vacation. This appeared to be driven by a need to top-up income or 'pay their way' rather than gain experience.

Moreover, soon after graduating most graduates gain paid work, although this may not be graduate-level work or in a permanent or career position. Generally, graduates recognise that they will need further work experience in order to progress in their careers, and for some, work placements or internships can lead to more permanent roles. Graduates value work experience as a means to demonstrate their commitment to an industry and their understanding of the work area (Pollard et al., 2010). Work experience also builds contact networks that can be essential for entry to particular careers (Ball et al., 2010).

The importance of work experience to graduates was acknowledged with the launch of the Graduate Talent Pool (GTP) in summer 2009. This was essentially a brokering service, matching graduates to employers with placements or internships, in order to improve the long-term employability of recent UK graduates.

Evaluation of the GTP (Mellors-Bourne, Day, 2011) reported that graduates found the internships (paid or unpaid) to be a positive experience that they would recommend to others, and felt they had gained substantially in terms of employability, skill development and self confidence. They had gained work experience, which they saw as 'the first step along the road to their career' and which they could evidence in future job applications. A substantial group, around one-third, went on to long-term

employment with their internship employer, and others moved on to gain work with different employers.

Practical experience is important for all

While the lower- and higher-skilled labour markets operate in different ways, and the challenges associated with high- and low-skilled young people making a transition from education to work are quite varied, there are some areas of commonality. These surround the application of soft skills and the demonstration of positive attributes within a practical setting. However, the extent to which these two groups (low- and high-skilled) can be autonomous in seeking out opportunities is likely to vary considerably as well, and the most vulnerable are likely to require high levels of support to engage in practical, developmental activities.

Recent research (Newton et al., 2011 – forthcoming) has shown that volunteering can provide a route to gaining this practical experience and also provided additional benefits surrounding the opportunity to make a contribution in society which led to an increased sense of wellbeing. Volunteering was valuable since it offered an opportunity to experiment (to support making a choice about career and thereby shaping future training/learning goals), the chance to demonstrate and develop positive personal attributes and soft skills all in a supportive and sheltered environment. Gaining opportunities to ‘experiment’ in the field could lead to raised aspirations.

Supporting and training the most vulnerable

Motivations and attitudes of low skilled young people

The causes and consequences of gaining few or no qualifications while at school are well understood, hence attention has turned to the motivation and attitudes of young people in this category to further learning and work. Spielfoffer et al (2009) identify three sub-groups within those currently disengaged from learning in England as:

- **Open to learning:** those who made a poor choice in terms of progression following school and subsequently dropped out, but would be keen to take up a more suitable opportunity. This cluster is likely to be qualified to Level 2.
- **Undecided:** those unable to decide what they want to do, or unable to access the provision they want to pursue locally; have negative attitudes to school and the provision available; may lack resilience/skills to pursue opportunities.
- **Sustained:** often from deprived backgrounds, with no recent history of employment; having low educational attainment; and with very negative experiences of school, including a record of truanting.

Source: Spielfoffer et al., 2009

Another typology serves as a reminder that not all reasons to leave education are negative). Vernon, 2006 cites an Australian study (Dwyer, 1996) which identifies six types of early school leaver with different needs and motivations:

- **Positive leavers** who leave school to follow a specific career path such as an apprenticeship or employment
- **Opportune leavers** who take up a job or opportunity that presents itself before completing school
- **Would-be leavers** or **reluctant stayers** who plan to leave school as soon as an opportunity presents
- **Circumstantial leavers** who leave school for non-educational reasons such as low family income or other family needs
- **Discouraged leavers** who leave school because they are not succeeding at school and have low levels of performance and interest
- **Alienated leavers** whose needs are difficult to meet at school and for whom positive post-school experiences are crucial.

Source: Dwyer, 1996

This indicates the complex nature of the group of young people with low or few qualifications which include personal, social and institutional barriers and opportunities to the reconnection of young people with learning. However, the challenge for policymakers and training providers is to find the appropriate mechanisms, learning and training modes that can encourage young people to re-engage and achieve their potential.

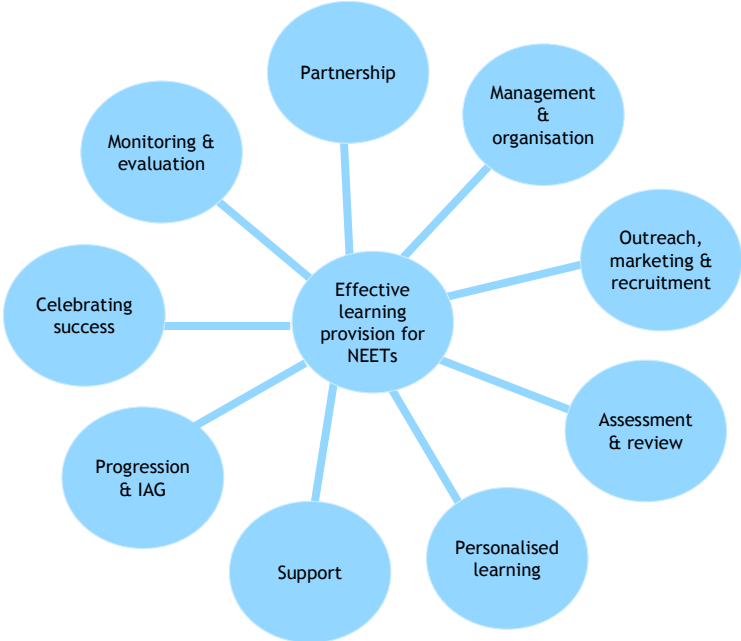
This group may have an entrenched sense of failure and may need support to re-enter formal learning environments (Vernon, 2006). A staged process, and off-site provision, may be necessary for them to reconnect with formal learning (Newton et al. 2008). There is growing consensus internationally that vulnerable young people require intensive support and information, advice and guidance, and personalised, tailored learning experiences (Dooley and Vallejo, 2007, Maguire et al., 2009; Cedefop, 2010). More generally, young people need information about the world of work. Research (Newton et al. , 2007 and 2006) showed that parents remain a key source of careers IAG. Depending on the work parents do and know about, a young person's exposure to careers options can be considerably limited. It is essential therefore that practical IAG is built into the curriculum – to raise aspirations, confirm or change course with regards to future career choices. Our research demonstrated that the provision of tasters was an effective way to deliver this.

Re-engagement, rather than training, is often a prime focus and attempts to make re-entry an attractive option. Steer (2000), based on a meta-assessment of research and a number of evaluations argues that it is vital that this group of young people is offered opportunities, activities and services that interest them (which he terms 'magnets') for example, cultural magnets such as music, sports, or arts, and/or financial magnets for example cash vouchers or payment for regular attendance. Residential trips, use of leisure facilities and access to technology (computers and

recording equipment) have also proven as successful magnets, along with youth workers who have charisma, leadership skills and the ability to relate to young people. Many of these 'magnetic' features were adopted as part of the Activity Agreement Pilots, the evaluation of which also demonstrated the importance of intensive and sustained support from an adviser and demonstrated some success in assisting young people to achieve qualifications (Newton et al. 2008; Maguire and Newton, 2009; Maguire and Newton, 2011).

A consortium of inner London boroughs in England sought to identify the characteristics of effective provision for early school leavers in order to inform the creation of a collaborative and inter-supported system of outreach, provision, environment, monitoring and guidance (Swift et al, 2008). The factors assessed as necessary are illustrated in Figure 1. While not all of the institutions examined by Swift et al. (ibid.) exhibited all these features, it is likely to be the interaction of these factors that has the potential to reduce the numbers of those not in education or training. As the figure illustrates, a whole system approach is required and many factors exemplify general good practice rather than good practice for addressing early school leaving *per se* (Newton et al., 2007) such as IAG and celebrating success.

Figure 1: Characteristics of effective provision



Source: Swift et al. 2008

Haywood et al. (2009) concur with many of the factors in the figure and note that policy solutions for re-engaging and training vulnerable young people need to put communication with young people at their centre, and focus on achievement rather than deficit models. There is also a need to address discipline issues such as bullying in order to provide a safe environment for vulnerable young people. Evidence points to the necessity of the following components:

- **Greater flexibility** including part-time, evening and weekend courses, and flexible start dates including roll-on, roll-off provision
- **Alternative curricula** including on-the-job learning, an emphasis on soft skills, work-based and practical learning
- Making greater use of **informal learning**.

Further to these factors, Ferguson et al. (2005) suggest caring and supportive teachers, small classes and off-site provision, and options for individuals to pace their own learning. Redistributing the power and decision-making to 'make greater room for the voice of the learner' is a point made by Ferguson et al. (ibid.) with which several other studies concur (Nuffield Review, 2009; Speilhoffer et al, 2006; Riley et al., 2006). Involving young people themselves in the decisions about their education is seen as a fundamental part of changing their attitudes to staying on (Riley et al. ibid.; James, 2005).

A debate has evolved over whether sufficient account has been taken of different learning styles. It is suggested that varying these can enable different types of learner to make the most of their learning experiences. In addition, the reconfiguration of learning objectives to place greater emphasis on developing soft skills than knowledge can benefit some learners. A case example is the inclusion of personal, learning and thinking skills in the Diplomas. A consortium of providers in Dagenham and Barking has sought to ensure that learning frameworks deliver the skills sets of: an independent enquirer, a creative thinker, a team worker, a self-manager, and an effective participator. These skill sets may present a stronger link to what employers say they want from young people (eg Jones et al., 2010; Shury et al., 2010) and thereby help to ease learning-to-work transitions.

Financial support and incentives can be effective in promoting sustained engagement with learning among young people (Maguire and Thompson, 2006; Haywood, 2009; Finn and Branosky, 2004). However, the effects of financial support may be linked to non-pecuniary incentives such as individualised and tailored learning, as seen in the operation of the Activity Agreements in England (Johnson et al., 2008).

There is a growing debate about delivering training in order to develop entrepreneurial skills for those who have left school early. While this may be effective for some in the early school leaver group, it may require a level of motivation and capability that is beyond most vulnerable. Examples include ESF-funded provision, and the '*Determined to Succeed*' project in Scotland which aimed to prepare young people for the world of work through enterprising and entrepreneurial learning, work-based vocational learning linked to focused careers education. While the Scottish Government has gathered evidence about the value of enterprise education, and

made recommendations, it had not evaluated the provision developed at the time of the current review.

Cedefop (2010) note that entrepreneurship education can help young people to develop the attitudes (personal responsibility) and skills (flexibility and creativity) necessary to cope with the uncertain employment paths in contemporary societies. The study also reports that such programmes have been effective at keeping students from low-income urban backgrounds on the academic track and can be a significant force in driving them towards high achievement (Cedefop 2010 *citing* United Nations, 2000).

Concluding points

In considering the needs of young people it is clear that a one-size fits all solution is inadequate, and a segmented approach is necessary to address the needs of the range of young people who are currently unemployed.

Expansion of apprenticeships is valuable although young people require a certain standard of qualification and need to be work-ready. The most vulnerable may not be in this position and may require an alternative, but motivating setting in which they can gain skills, experience, personal attributes such as time-keeping along with qualifications.

For graduates, building a work profile in the chosen sector may be a greater concern although the shift towards unpaid internships on graduation, rather than work, is problematic.

All young people require support and guidance to support them to make choices. The forms this takes may vary but it is necessarily that advice is timely and available and young people know where to seek support.

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Off to a Good Start? Jobs for Youth

More jobs opportunities and better skills needed to ensure that young people benefit from the ongoing recovery

Young people have suffered a disproportionate share of job losses during the global economic crisis. In the third quarter of 2010, the OECD-average youth unemployment rate represented 18.5% of the labour force aged 15/16-24, with nearly 3.5 million more youth having joined the ranks of the unemployed compared with the corresponding quarter of 2007. But unemployment does not capture the full hardship for youth, as many of those who have left education do not even appear in labour market statistics. By mid-2010 in the 26 OECD countries in which data are available, the proportion of youth aged 15-24 who were neither in education nor in employment or training (the so-called NEET group), stood at 12.5% of the total population aged 15-24, up from 10.8% in 2008. This represents 16.7 million young people, 10 million of whom were inactive and not studying, and 6.7 million of whom were unemployed. Coping with unemployment is difficult for everyone. But for low-skilled youth, and especially those who have left school without qualifications, failure to find a first job or keep it for long can have negative long-term consequences on career prospects – a phenomenon that some experts refer to as “scarring”.

The risks posed by a “scarred” generation have motivated many governments to take vigorous action, notably by scaling up funds for youth labour market programmes. In the context of today’s fragile recovery and mounting fiscal pressures, there is a strong need to keep momentum, by maintaining adequate resources for cost-effective measures for youth. But governments cannot do everything alone, and well co-ordinated supports and incentives must come from all key stakeholders, including employers, trade unions, NGOs, and naturally from youth themselves. This report provides policy makers and other stakeholders a range of good practices for increasing jobs opportunities and developing learning capabilities to ensure that all young people get off to a good start in the labour market.

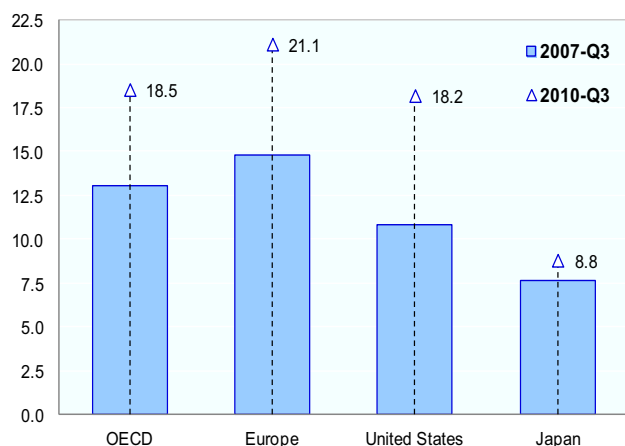
A. SHORT-TERM OUTLOOK

Youth unemployment has increased dramatically in the past three years

The most recent data show that in the three years to the third quarter of 2010, unemployment among young people in the labour force aged 15/16-24 increased by 5.5 percentage points in the OECD area as a whole, but by 6.3 percentage points in Europe and by more (7.4 percentage points) in the United States (Figure 1). In the third quarter of 2010, youth unemployment rates in the United States and Europe, at 18.2% and 21.1% respectively, are close to 25-year record-high levels. The situation is less dramatic in Japan, where the youth unemployment rate stood at 8.8%, 1.2 percentage point higher than in 2007.

1 Youth unemployment rates up to the third quarter 2010

As a percentage of the labour force aged 15/16-24



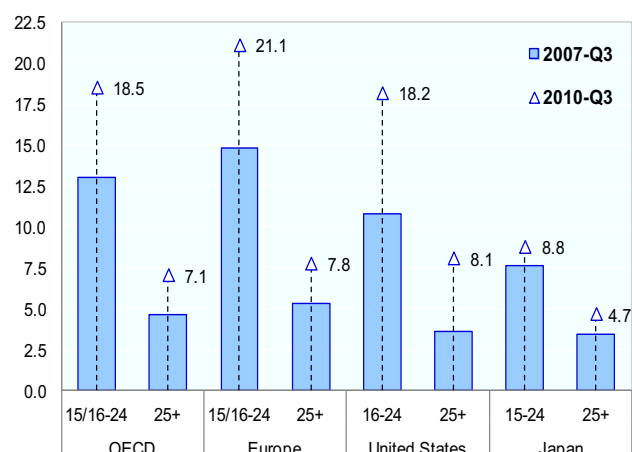
Non-seasonally adjusted data.

Source: OECD (2010), *Off to a Good Start? Jobs for Youth*.

Young people are much more vulnerable to unemployment than adult and older workers, with an OECD and EU average ratio of 2.7 in 2007 and 2010 (Figure 2). The ratio remained also stable during the crisis in Japan (around 2) but the gap decreased in the United States from 3 to 2.2.

2 Youth and adult unemployment rates in 2007-10

As a percentage of the labour force in each group



Non-seasonally adjusted data.

Source: OECD (2010), *Off to a Good Start? Jobs for Youth*.

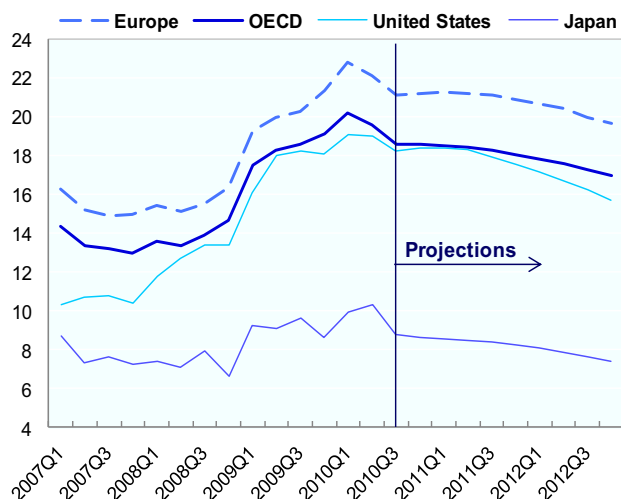
Youth unemployment rates should remain high in 2011 and 2012

Based on the most recent OECD economic projections, youth unemployment rates are expected to be around 18% in 2011 and 17% in 2012 after a very slow decline in 2010 (Figure 3). The situation differs, however, from one country to another. In Japan, the youth unemployment rate should decrease slowly to reach 7.4% end-2012 while in the United States, it is likely to exceed 18% in 2011 and decrease only in 2012 up to 15.7%. The situation could be even more difficult in Europe with a rate in excess of 21% in 2011 and close to 20% in 2012.

In the context of a weak recovery, a significant and growing proportion of youth, even among those who would have performed well in good times, are at risk of prolonged unemployment, with potentially long-term negative consequences for their careers, or so-called "scarring effects".

3 Projected youth unemployment rates

As a percentage of the labour force aged 15/16-24



Non-seasonally adjusted observed data.

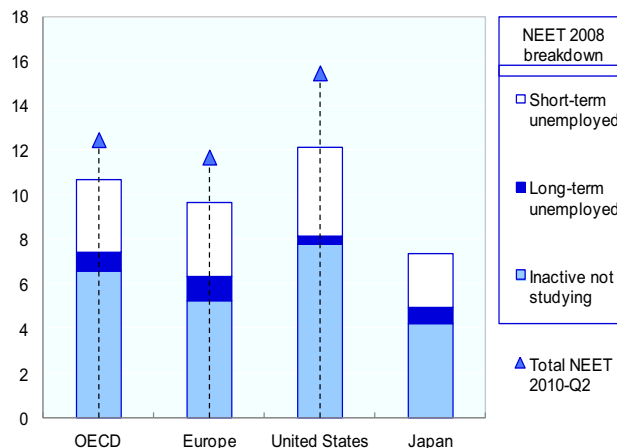
Source: OECD (2010), *Off to a Good Start? Jobs for Youth* and OECD (2010), *Economic Outlook*, No. 88.

Even more worrying, the number of young people disconnected from education and the labour market is on the rise

On average in the OECD, almost 11% of all young people aged 15-24 were NEET (Neither in Education nor in Employment or Training) in 2008. Of these, 33% were unemployed for less than a year, 7% were unemployed for more than a year, and 60% were inactive without studying (Figure 4). The corresponding NEET rate was close to the OECD average in Europe, much lower in Japan (7.4%) and much higher in the United States (12.1%). Everywhere it included a majority of inactive youth who were not in education. Recent quarterly data up to the second quarter of 2010 suggest that during the past two years, the NEET proportion among the population aged 15-24 increased by almost 2 percentage points in the OECD and in Europe, and much more in the United States (3.4 percentage points).

4 Youth NEET in 2008-10

As a percentage of youth aged 15-24



Non-seasonally adjusted data.

OECD: 26 countries. Europe: 20 OECD and EU countries.

No data available for Japan in 2010.

Source: OECD (2010), *Off to a Good Start? Jobs for Youth*.

B. WHO IS MORE AT RISK OF POOR EMPLOYMENT OUTCOMES?

In the decade prior to the financial crisis, a period when the global economy was relatively strong, youth labour market conditions improved. But not everything was rosy. In most countries, only a fraction of youth settled quickly into career employment after leaving education. Many young people experienced a longer and bumpier transition from school to work. In particular, two groups faced persistent difficulties in getting a stable job after leaving school, and the size of these groups has increased during the crisis.

The first group in difficulty: "left behind youth"

Some youth simply do not make it in the labour market. They often lack a diploma, come from an immigrant/minority background and/or live in disadvantaged/rural/remote areas.

The second group in difficulty: "poorly-integrated new entrants"

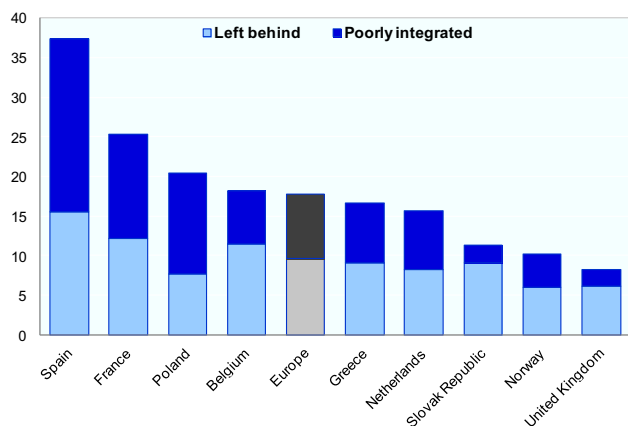
This group faces significant barriers to find stable employment. They often have

qualifications, but not the adequate skills to secure a stable job and they frequently go back and forth between temporary jobs, unemployment and/or inactivity, even during periods of strong economic growth.

In Europe in 2005-07, at least one in five young people aged 15-29 were at risk of experiencing poor employment prospects: 55% of them were left behind and 45% were poorly integrated in the sense of without a stable job after having started two years earlier on a temporary contract (Figure 5).

5 Estimated size of youth at risk in Europe

As a percentage of youth aged 15-29 out of school, 2005-07



Europe: Nine countries shown + Portugal, Italy, Finland, Luxembourg, Hungary, Sweden, Czech Republic, Austria and Iceland.

Source: OECD (2010), *Off to a Good Start? Jobs for Youth*.

Recognised skills and an inclusive labour market are key to helping these two groups

Early intervention is key to helping youth at risk of being left behind; it should commence with pre-school education followed by sustained support throughout compulsory education and beyond to encourage them to obtain an upper secondary qualification. This qualification is considered as the minimum requirement to be able to succeed in finding and keeping a job as well as to learn on and off the job.

But labour markets should also become more inclusive to offer job opportunities to school

leavers but also to ensure that short-term entry jobs act as a stepping stone to more stable jobs and not as a dead-end for young workers. This is particularly difficult in countries such as France, Italy, Japan and Spain where labour markets segmentation is perpetuated through overly-strict regulations on permanent contracts.

C. WHAT GOVERNMENTS AND OTHER STAKEHOLDERS SHOULD DO

This report urges governments, with the involvement of business and unions, to continue to focus on cost-effective measures for youth in the recovery.

First, job-search assistance programmes are found to be the most cost-effective for young people who are assessed as ready to work and many OECD countries hired new staff in the crisis to better assist young job-seekers. For example, Japan double the number of Job Supporters for high-school or university/college graduates in 2009

Second, temporary extensions of the safety net are vital to prevent poverty among unemployed youth. For example, the United States provided in the Recovery Act of 2009 federal funding to states to expand eligibility of unemployment benefit for the jobless with short work histories, including youth.

Third, apprenticeship and other dual vocational education and training (VET) programmes appear to be efficient school-to-work pathways, particularly for secondary students. These programmes are well entrenched in the so-called apprenticeship countries (Austria, Germany and Switzerland) and explain in great part their success in keeping youth unemployment low. But enhancing existing (VET) and apprenticeship programmes and securing access of VET students and apprentices to good jobs is key in other countries. Australia, for example, launched in 2009 an initiative to "Secure Australian Apprenticeships".

But for the most disadvantaged youth, who generally cumulate several social risk factors, more in-depth strategies are needed. Countries should not wait until a problem in the school-to-work transition occurs, but should tackle as early as possible the handicaps some children, particularly those from low-income families and disadvantaged backgrounds, face in the education system. But for school drop-outs, remedial help is needed. The focus should be on acquiring skills that the job markets of today need such as proficiency with computer and basic technical qualifications. While back-to-the-classroom strategies might prove counterproductive for them, training programmes taught outside traditional schools, combined with regular exposure to work experience and adult mentoring, are often better strategies for these disconnected young people.

Governments cannot do everything alone, however, and well co-ordinated supports and incentives have to come from all key stakeholders, including employers, trade unions, NGOs, and naturally from youth themselves. The active involvement of employers is particularly crucial in the current context when many of them are still wary about the future and uncertain about hiring new workers. In this context, subsidies could encourage employers to hire low-skilled unemployed youth, like in the Win-Win plan

launched in 2010 in Belgium. However, in order to avoid the well-known dead-weight effects entrenched in these subsidies (i.e. hirings that would have taken place without subsidies), these subsidies need to be adequately targeted, on priority on SMES and on apprenticeship contracts.

Facilitating the school-to-work transition and improving labour market prospects for all youth should remain at the top of the political agenda in all OECD countries. Getting off to a good start is crucial for all youth and a particular attention should be devoted to youth facing difficulties in getting a stable job after leaving school. If this is not done, there is a high risk of increasing the hard-core group of youth left behind who would be likely to suffer long-term "scarring" in terms of their future employment and earnings prospects. In a context of ageing populations, OECD economies and societies cannot afford the large economic and social costs that such outcome would entail.

Note: OECD and Europe stand for the unweighted average of respectively 34 countries and 21 OECD/EU countries, except when otherwise specified.

Acknowledgments

John Martin and Stefano Scarpetta, Director and Deputy Director (respectively) of Employment, Labour and Social Affairs, provided helpful comments on earlier drafts.

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Off to a Good Start? Jobs for Youth

OECD Publishing

ISBN 978-92-64-09607-3

158 pages

Price: € 29, US\$ 40, ¥ 3 700, £ 26

Published: 15 December 2010

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What works re-engaging young people who are not in education, employment or training (NEET)? Summary of evidence from the activity agreement pilots and the entry to learning pilots

Young People Analysis Division

Department for Education

This research report was commissioned before the new UK Government took office on 11 May 2010. As a result the content may not reflect current Government policy and may make reference to the Department for Children, Schools and Families (DCSF) which has now been replaced by the Department for Education (DFE).

The views expressed in this report are the authors' and do not necessarily reflect those of the Department for Education.

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1 Introduction

The Government remains committed to full participation in education and training for 16 and 17 year olds and to raising the participation age to 18 by 2015. This will help to raise attainment and give all young people, regardless of their background, the best opportunities to progress.

Local authorities have a statutory responsibility to secure suitable education and training to meet the needs of all young people in their area, including more tailored provision for those who are not in education, employment or training (NEET). Many of these young people fall into recognisable groups: they may be young parents, have learning difficulties or disabilities, or a history of offending. They will already be receiving support from local services, but need a package of help aimed specifically at returning to work or learning. There will be others who do not fall into one of these groups but whose lack of aspiration, behavioural issues or inability to travel independently mean that they cannot progress. Unless these issues are tackled, these young people are likely to remain NEET and at risk of other poor outcomes, with increased costs to the individual, their local community and the state.

What do we know about young people NEET?

The latest Official Statistics show that 183,000 (9.2%) of 16-18 year olds were NEET at the end of 2009.¹ The proportion of 16-18 year olds NEET has remained at around 10% over the last decade, but this hides two significant factors:

- i) the proportion of 16-18 year olds in education or training has risen from 76.7% in 1999 to 82.7% in 2009. But, this has been offset by a fall in the proportion in employment; and
- ii) the proportion of 16-17 year olds NEET has fallen from 7.0% in 1999 to 5.1% in 2009, but the proportion of 18 year olds NEET has risen from 10.4% to 16.9% over the same period.

Although the proportion of 16-17 year olds NEET has fallen, there is still some way to go to achieve full participation by 2015. England is also lagging well behind other countries. The most recent OECD comparisons of the 2007 participation data for 17 year olds places the UK 28th out of 30 countries.

Being NEET can impose high external costs on society; latest evidence suggests that the average additional lifetime cost per person NEET at age 16-18 was around £56,000 in public finance costs (Coles *et al*, forthcoming publication). The personal impact of being NEET is also significant. By age 21, young people who have been NEET for six months or more are more likely than their peers to be unemployed, earn less, receive no training, have a criminal record, suffer from poor health and depression (Social Exclusion Unit, 1999).

Young people who are NEET are a diverse group with wide ranging

¹ DfE Statistical First Release: SFR 18/2010

characteristics and needs and do not form a homogenous group (Spielhofer *et al*, 2007). Recent research (Spielhofer *et al*, 2009) into the characteristics and experiences of 16/17 year olds NEET segmented young people into 3 groups using the Youth Cohort Survey:

- i) '*Open to learning NEET*' who constituted 41% of the NEET group.
- ii) '*Sustained NEET*' who constituted 38% of the NEET group.
- iii) '*Undecided and NEET*' who constituted 22% of the NEET group.

Young people described as '*sustained NEET*' were more likely than those in the other two groups to be NEET in future sweeps of the survey. Most, however, said that they would consider education or training in the future although they were significantly more likely to choose a work-based route when they did re-engage and were less likely to move into full-time education. The research also found that those who were '*sustained NEET*' were more likely than the '*open to learning NEET*' sub-group to consider that they were under-qualified and most said that they did not have the qualifications that they needed for the course or job they wanted. They were also more likely to experience lack of appropriate opportunities as a barrier, were more likely than the '*open to learning NEET*' sub-group to report that there were no 'decent jobs' available and say that they had not found a suitable job or course.

Further evidence of the characteristics of young people NEET is available from the Youth Cohort Study and the Longitudinal Study of Young People in England.² This shows that 17% of all young people had spent some time NEET by the time they were age 17/18, and 4% of all young people had spent over 12 months NEET. In comparison:

- 28% of young people with no qualifications spent more than 12 months NEET and 66% were NEET at some point in the period
- 27% of all disabled young people had spent sometime NEET by age 17/18, and 10% of disabled young people had been NEET for at least 12 months
- 59% of those permanently excluded and 42% of those who were suspended had spent at least some time NEET by age 17/18

Most areas will already have a range of programmes in place aimed at supporting young people to participate, including:

- i) Preventative measures pre-16 (such as Sure Start and school engagement programmes)
- ii) Personalised support, including financial support (such as the Discretionary Learner Support funds and Care to Learn) and information, advice and guidance; and
- iii) A range of education and training opportunities for 16-19 year olds, including entry level provision such as Foundation Learning and re-

² 2009 National Statistics Bulletin; The Activities and Experiences of 17 Year Olds: England 2009 (<http://www.dcsf.gov.uk/rsgateway/DB/SBU/b000850/index.shtml>)

engagement provision for those who are not ready or able to access mainstream provision.

What can be done to re-engage young people who are NEET?

The figures above show that there is more to do, especially to reduce the proportion of vulnerable young people who are NEET, and to take action before young people become “long term NEET”. The Department has been trialling two programmes which are aimed specifically at re-engaging the hardest to help young people; the Activity Agreement Pilots and the Entry to Learning Pilots. These pilots are the focus of this summary.

Activity Agreement Pilots were set up in 2006 to test ways of helping young people aged 16 and 17 who needed additional support to re-engage in education or training. Different groups were targeted in different phases of the pilot, including those who have been ‘long term NEET’, were Job Seekers Allowance claimants and/or belonged to specific vulnerable groups. These initiatives were followed in 2008 by Entry to Learning Pilots aimed at working with the voluntary and community sector to bridge the gap between re-engagement activities and more formal education and training programmes. Both the Activity Agreement and Entry to Learning Pilots will come to an end in 2010-11. The pilots have been evaluated and links to the full reports can be found in Appendix 1.

This report summarises the evaluations of the Activity Agreement and Entry to Learning Pilots, harnessing the years of piloting and evaluation to highlight the key features of the programmes, their impact, what has worked well and what has worked less well, so that local authorities and providers have access to the many helpful lessons learned from the pilots.

This report starts with a brief description of each pilot and sets out the evidence on their impact (section 2). Section 3 summarises the lessons learned from the pilots, highlighting a number of features that were common to both pilots, and areas that could have been improved. This report is not intended to be a comparison between Activity Agreement and Entry to Learning Pilots. The scale of the pilots were very different, they did not have the same eligibility criteria, and the evidence on each pilot was collected using very different research methods which mean that direct comparisons are not advised. The Activity Agreement was subject to a multi-stranded approach that included robust survey methods, an assessment of operational issues and in-depth case studies to generate understanding about how and in what ways Activity Agreements worked well. The Entry to Learning Pilot was subject to a much smaller, qualitative evaluation.

2 Key features of the Pilots

Activity Agreements

Activity Agreements were piloted in eight “high NEET” areas of England, covering around 50 local authority areas, to test ways of re-engaging 16 and 17 year olds who were NEET. The pilot ran initially between April 2006 and March 2008, and was extended for a further three years, testing its effectiveness on different groups young people, with an increasing focus on those falling into one of the recognised vulnerable groups.

The Activity Agreement is a personally negotiated contract between the young person and their Personal Adviser/Keyworker³. Appendix 4 has a template for an Agreement, which outlines the specific steps the young person should take to progress to education, employment or training. Young people received continuous support from their Adviser throughout the process. Discretionary funding was made available to cover the cost of activities, which were focused on:

- **personal development** – to help cope with personal difficulties and/or boost confidence and motivation. This might include anger management, dealing with money or help to travel independently
- **skill development** – either filling existing skill gaps or more proactively seeking to acquire skills that are necessary to progress to further training or employment - for example, literacy/numeracy
- **work-related activities** – including work tasters, workplace behaviour, CV and interview skills. These activities were particularly popular with participants but could be difficult to source.

The pilots were based on a ‘something for something’ model in which non-means tested financial incentives of between £10 and £30 per week were offered but were conditional upon young people fulfilling their agreement. Participants who were in receipt of certain benefits were not eligible for the allowance. Education Maintenance Allowance (EMA) was not payable.

The Activity Agreement was designed to reflect the young person’s individual needs; young people could begin and finish their agreement at any time of the year and it could last from anything for 6 to 20 weeks, with the average length of stay around 12 - 15 weeks.

Management Information shows that over the period April 2006 - March 2010, approximately 25,000 young people took part in an Activity Agreement. Using Management Information data from the first two years of the pilots the costs are estimated at £2,122 per participant. This breaks down into average costs of:

- £1,279 on staffing and administration

³ For brevity, from here on the term ‘Adviser’ will refer to both either personal advisor or a keyworker.

- £461 on discretionary funding which was used to buy provision and to meet travel and equipment costs
- £383 on allowances

However, as with any programme of intervention, there was some deadweight - which is essentially the percentage of positive outcomes that would have happened even without the programme. The evaluation assessed this by matching individuals who took part in the pilot with young people in non-Activity Agreement areas who had very similar characteristics in terms of gender, age, qualifications on leaving school, and employment and training undertaken since leaving school and comparing the two groups. Using this method, evidence suggests that 72% of participants in the first two years who progressed into education or training would have done so without an Activity Agreement, so programme deadweight is around 72%.

Taken with the cost per participant, this means the costs per *additional* individual who progresses into education or training as a result of Activity Agreements are significantly higher than average cost per participant outlined above. Despite the costs attached to re-engaging young people, there are some elements of Activity Agreements that are more effective than others and important lessons can be learned from the approach.

What difference did the Activity Agreement Pilots make?

The evaluation of the Activity Agreement Pilots measured the impact of the programme by comparing participants in the 2006-2008 stage of the pilot with a group of young people who were NEET, shared similar characteristics and lived in areas where the pilots did not operate. By comparing outcomes for Activity Agreement participants with those for the comparison group, it was possible to see what difference the programme made.⁴

The analysis found that in the short-term, 3 months after participation, 49% of young people were engaged in education and employment related activities. This compared to 36% in the control group. In greater detail, this included:

- 28% of participants were studying towards a qualification compared to 20% in the comparison group
- 17% of participants were in paid work without training compared to 27% without an Activity Agreement*
- 10% entered elementary occupations compared to 16% in the comparison group
- 7% of participants reported doing some voluntary work, compared to 5% in the control group (Tanner *et al*, 2009)

The Activity Agreement also had a small, but positive impact on attitudes. Across a range of measures, between 5% and 10% of participants

⁴ Asterisks denote statistical significance. All tests were based on a 10% significance level.

demonstrated more positive attitudes towards education, employment and the future in general as a result of their participation (ibid).

The impact of the 2006-08 pilot was assessed again two years after participation. A sample of 250 former Activity Agreement participants and 250 young people in matched control areas were interviewed about their activities and attitudes to learning. The key findings were:

- Activity Agreements had a sustained impact on participation in work-based training or studying towards a qualification. Some 48% of participants reported doing some studying or work-based training at the time of the follow-up interview, which is about 8% higher than would have happened without the Activity Agreement*
- Activity Agreements had an impact (of about 9%) of moving young people who would have been in work with no training into education, work-based training or a job involving training
- Employed Activity Agreement participants were working at a higher occupational level than young people in the comparison sample, and more likely to have achieved a qualification
- Activity Agreement participants were more likely to have completed a qualification since the first interview than those in the comparison group (73% compared with 62%) (Tanner *et al*, 2010)

The evaluation concluded that whilst the intensive support and tailored learning were resource intensive in terms of staffing, these two facets of the programme helped to support the needs of young people who had failed to engage through mainstream interventions.

Entry to Learning

The Entry to Learning Pilots ran between 2008 and 2011 in four local authority areas in England. The pilots were designed to provide young people who were NEET with opportunities to improve their skills and employability through strengthening the progression between voluntary and community sector re-engagement activity and formal learning (Bickerstaffe and Walton, 2010).

Echoing the Activity Agreement Pilots, each young person was assigned an Adviser to support them throughout their time on the programme (an average of 15 weeks) and to broker access to bridging activities that would help them progress to further learning, and which were accredited wherever possible. Entry to Learning Pilots also involved a financial allowance, paid to young people as an incentive to take part and retain them on the programme.

The main difference between the two pilots was that within Entry to Learning some local authorities contracted with voluntary sector organisations (or a consortium of organisations), to employ Advisers and either deliver the learning provision themselves or commission this from other established providers. As a result, there were various approaches to the delivery of the pilot, with some areas building on existing engagement work with young people, while others

selected one voluntary sector organisation to act as a 'portal' through which the local authority worked with to identify and access other voluntary sector providers (*ibid*).

Young people who took part in Entry to Learning participated in a range of bridging activities that can be broadly grouped into 3 types:

- **Mentoring and support** from the Adviser
- **Personal development** designed to increase confidence and motivation (eg group activities, first aid course, driving theory, activities to improve literacy and numeracy)
- **Work-related learning** (eg CV writing, vocational taster courses and preparing for going on a course)

Management Information shows that over the period February 2009 - March 2010, approximately 1,500 young people took part in Entry to Learning. Using Management Information data the costs are estimated at £1,757 per participant. This breaks down into average costs of:

- £1,026 on staffing and administration
- £455 on bridging activities
- £63 on discretionary funding
- £213 on allowances

What difference did the Entry to Learning Pilots make?

Entry to Learning was piloted on a smaller scale and for a shorter time than the Activity Agreement and subject to a smaller, qualitative evaluation, which means that issues such as deadweight could not be assessed. The evidence on the impact of participating in Entry to Learning is therefore based on the perceptions and experiences of those involved in the pilot.

Management Information collected by the pilots offers an indication of where young people went immediately after they had left the programme and at a 13 week follow-up, however this should not be compared to the data from the Activity Agreement pilot evaluation above; Entry to Learning had less rigorous eligibility criteria, had far fewer participants than Activity Agreement Pilots and was not subject to external quantitative evaluation.

The Management Information from the end of December 2009 showed that of a total of 1192 participants:

- 41% were still participating in the programme
- 61% had left the pilots and progressed to a positive destination, half of them into education and two fifths to training (largely Entry to Employment or an Apprenticeship). The remainder have entered employment with training
- Of those who progressed to a positive destination, 72% were still recorded in a positive destination 13 weeks after they had left the programme

In addition, stakeholders observed that for many young people there were a range of softer outcomes, often relating to personal or social development which they felt will have benefited the participants and demonstrated a degree of progress, albeit not a formal positive destination. The development of employability skills was also identified as a critical soft outcome (Bickerstaffe and Walton, 2010).

More detail on the pilot programmes and the different variants that were tested can be found in Appendices 2 and 3.

3 Lessons from the evaluations of Activity Agreement and Entry to Learning Pilots

What works best to re-engage young people in education and training?

Activity Agreement and Entry to Learning Pilots consisted of three key features that together made a strong approach in terms of the engagement, retention and progression of 16 and 17 year olds who were NEET. The intensive support and one-to-one engagement with an **Adviser** helped young people get the most out of their participation on the programme, the **activities** were tailored to meet individual need and gave young people the platform to progress and the **allowance** worked as an incentive to help engage and retain young people. The following section discusses each feature in turn.

The role of the Adviser

The Adviser played an important 'broker' role between meeting the needs of the young person and finding the right activities that would enable them to progress. Young people valued the support from their Advisers and the opportunity to negotiate what activities they did, rather than being told what to do. Advisers found that young people had very different starting points; some had a clear idea about what they wanted to do and in a relatively short number of discussions with their Adviser, they identified a set of activities that led towards a particular goal in education or training.

Others had more complex needs and required more individualised help. This became increasingly apparent as the Activity Agreement Pilot narrowed its focus onto the most vulnerable within the NEET population. The increased personal and social needs of many of the participants led to a greater emphasis on the intensive support offered by Advisers, as well as a move towards 'one-to-one' activities and a tailoring of provision to meet individual needs. (Maguire *et al*, forthcoming publication). However, while vulnerable young people often had a specific barrier or barriers to overcome, the long-term NEET group had often tried or rejected all other types of intervention and were entrenched in inactivity. For this reason, young people who were long-term NEET were often described as being the most difficult group to engage and support.

The final phase of the pilots required Advisers to extend and strengthen links with local support agencies, such as Youth Offending Service, Leaving Care teams, Housing Departments, Teenage Pregnancy/ Parents support services, Sure Start Centres, Youth Services and Social Services (*ibid*). Pilots found it worked well to have Advisers who developed a specialism focusing on one specific vulnerable group, such as young carers, pregnant teenagers, or young people with learning difficulties and/or disabilities, enabling closer working with other agencies supporting these young people (Maguire *et al*, 2010).

Over the course of Activity Agreement Pilots, some Advisers developed closer working relationships with Jobcentre Plus, sharing data and expertise. In a limited number of pilots, staff were seconded from Jobcentre Plus to work in Connexions and in other areas, Advisers found that holding regular briefing

sessions with Jobcentre Plus staff to provide updates on Activity Agreement worked well.

Across both pilots, there was a consensus that one-to-one support was a critical factor, however there were certain aspects of the Adviser's role that pilots found could be carried out by other, more junior colleagues, such as sourcing provision, booking appointments and managing the more routine mentoring. This reduced cost, 'tiered' approach to the support meant using the time and professional skills of the Adviser more effectively to concentrate on supporting the most vulnerable. Pilots found that the ideal case load for Advisers was between 15-20 young people per Adviser (Maguire *et al*, 2009).

The combination of the intensive support provided by Advisers, together with the ability to offer young people bespoke provision helped sustained participation. (Maguire *et al*, 2009 and Bickerstaffe and Walton, 2010).

Activities

Key to both pilots was the provision of a range of activities tailored to the needs of each individual. The flexibility of the pilots was very important to the progression and outcomes achieved by young people. Provision was purchased from a wide range of private, voluntary and public sector agencies. There were many examples where Advisers had researched and negotiated individual programmes of learning for young people. Some of the young people involved in the pilot had personal issues either as a result of or as a cause of the position they were in. The initial task was often to start to overcome these issues through confidence building support activities, such as anger management, team building skills or personal hygiene and fitness (Maguire *et al*, 2009). In other cases, Advisers worked together, sometimes within and between local authority areas, to start courses for groups of young people where a shared need for a specific course had been identified, and where group provision was needed in order to make the programme of learning viable, such as in construction skills (Hillage *et al*, 2008).

Over the course of the pilots, Advisers developed a better understanding and knowledge of the provider market and available provision. Most pilot areas accessed provision funded through other sources such as the European Social Fund or local authorities, for example basic skills provision, support for dyslexia and ADHD. This worked well but could have been developed further, making greater links between neighbouring local authority areas for example and mapping the potential overlaps between Activity Agreement and mainstream provision. (Maguire *et al*, 2010).

Whilst there were many examples of provision that could be easily sourced or negotiated for small groups of young people with a common interest or gap in skills, a minority of participants, required intensive, one-to-one mentoring and support to build their confidence and this is unlikely to be delivered through a prescriptive, pre-set programme of activities (Newton *et al*, 2009).

The pilots helped to identify gaps in the locally available provision. The most consistently identified gap was a lack of work experience placements. Other

shortage areas included the provision of basic skills courses and construction skills courses. The lack of availability of provision of basic skills provision was a key concern to Advisers because of the high demand for this type of support. In some cases, Advisers commissioned the voluntary and community sector to deliver suitable provision (Maguire *et al*, forthcoming publication). There were also issues for a minority of young people accessing provision that was not in their immediate area, and this was noted in urban as well as rural areas. This tended to relate to transport difficulties, confidence issues or notions of territoriality (Hillage *et al*, 2008 and Bickerstaffe and Walton, 2010).

The involvement of the voluntary sector gave young people access to opportunities that might not otherwise be available. It provided access to venues where young people felt comfortable, and where the provision was different to the mainstream 'statutory' provision many had previously disengaged from. Voluntary sector involvement also brought access to a range of inter-related support mechanisms for example housing, IAG and job clubs. (Bickerstaffe and Walton, 2010). However, although smaller voluntary sector organisations offered important flexibility and alternative ethos to mainstream provision delivery, they could be limited in practice in what they could deliver because of the funding arrangements that were in place. Some voluntary organisations also had limited geographical coverage and lacked consistency in terms of policies, procedures and quality (*ibid*).

As the pilots developed, there was an increasing emphasis on the accreditation of learning. This was an important factor in the assessment of the additional value of Activity Agreement and gave young people a sense of achievement and in some cases helped them progress. In some areas, Advisers built accreditation around existing programmes and colleges were encouraged to offer accreditation to young people as part of their Activity Agreement or Entry to Learning work taster programmes, helping some young people to progress to mainstream provision. For example, in one pilot area, a Youth Offending Service team had linked a young offenders' reparation programme with Activity Agreement delivery. The reparation part of the programme involved young people repairing bicycles and the Activity Agreement element had introduced accreditation for the work, with a group of young people completing a qualification in bicycle repair work (Maguire *et al*, 2010).

However, there was also recognition that non-accredited activities (for example, anger management or team building skills) were still important, especially for those participants who needed the opportunity to engage and gain confidence (Maguire *et al*, forthcoming publication and Newton *et al*, 2009). A key component of the Activity Agreements was the flexible tailored approach and part of this was the balance between activity of the non-accredited kind and activity that led to qualification attainment. Activity Agreements worked well by utilising both approaches according to the needs of each individual.

Allowance/ Financial incentive

The role of the weekly financial allowance was multiple; the evaluation of Activity Agreements found that to some young people it was the 'carrot' that initially drew them into the programme, while for others it helped engage and

retain them on the programme. While many young people had a genuine need for the allowance, a small minority simply saw it as a bonus (Johnson *et al*, 2008).

Some pilots used the allowance to help young people to understand that breaching their agreement, missing appointments or poor behaviour were not tolerated. Across both pilots, the evidence suggests that the allowance brought more people into the programmes and kept them there, than would have been the case if there had been no financial incentive (Bickerstaffe and Walton, 2010 and Maguire *et al*, 2009).

Participants needed to have a bank account in order to be paid the allowance, and arranging this was one of the first steps for many young people. Advisers regularly helped young people obtain the identification needed to open an account and guided them through the process (*ibid*). Having a bank account in place also made it easier for participants to make a claim for EMA or other financial support when they progressed to education or training.

Both pilots had access to a 'Discretionary Fund' which was used by Advisers to fund activities and any specific costs, such as travel to activities, clothes for interviews or tools that a young person needed to progress. This could immediately lift a barrier to young people participating. For both pilots, the Discretionary Fund was seen as an important part of the financial support that worked very well; enabling Advisers to make quick, pinpoint financial interventions that made an immediate difference to young people's ability to participate. (Maguire *et al*, 2010).

The Agreement

The three key features (Adviser, activity and allowance) were underpinned by 'the Agreement'. This proved to be an important part of both programmes; it demonstrated that the support being offered was truly personalised and created for the individual and it worked well to make it clear young people that they had to try their best to keep their part of the agreement.

Part of the Adviser role was to instigate the weekly payments and, if terms and conditions in the agreement had not been met, they also had the authority to withhold payment. This process worked well and it was felt that it helped retain the programme's credibility (Hillage *et al*, 2008).

At the beginning of both pilots the Agreement covered a fixed time period on the programme; 15 weeks for Entry to Learning and 20 weeks for Activity Agreements. Whilst this was more than enough for many young people and they progressed into education or training within this timeframe, as the pilots developed, it became clear that a minority of young people required support for longer and some were ready to leave the pilot before the end of this period. It was accepted that the pilots needed to have certain flexibilities, in particular the most vulnerable young people required very small steps towards engagement that often took longer than the prescribed 15-20 weeks.

What could be improved to re-engage young people NEET

One of the benefits of a pilot programme is that new approaches and methods can be tried and tested and that lessons can be learnt. Various learning points have been identified during the course of the evaluations of Activity Agreement and Entry to Learning Pilots and they are summarised below.

The importance of knowing the cohort

Some pilots operated in areas that had good tracking systems in place which meant they could effectively manage their performance and monitor their progress. All pilots improved their tracking of young people, but few local authorities had a reliable estimate of the eligible population or had systems in place to track young people's progress after their involvement in the pilots. Good local authority data and tracking systems would have helped the projects to get going more quickly and enabled better assessment of impact (Hillage *et al*, 2008).

Getting young people to take part

It was expected that the majority of referrals would come from Connexions services, but this was not always the case and many of the pilots sought to recruit directly. Significant numbers were recruited through 'cold calling' or through word of mouth recommendation (*ibid*). Others were recruited through referrals or networking with key stakeholders, such as colleges, youth centres, third sector, work based learning providers and other providers that have direct contact with young people (Maguire *et al*, 2009 and Bickerstaffe and Walton, 2010). However, they tended to have limited knowledge of the eligibility requirements and some young people had to be turned down as a result.

Appropriate provision

Across the pilots, Advisers found it difficult to source work experience and work shadowing opportunities. This type of provision was felt to be important for young people who were ready to sample different work areas, understand the requirements of a work environment and pick up 'employability skills' (Hillage *et al*, 2008). Accessing literacy and numeracy skills development was also challenging for the pilots. In some areas this was available at no cost to the pilot and in others there were considerable costs. Linked to this, the high cost of assessments for learning difficulties and disabilities was a cause of concern, particularly since assessments would underpin the ability of a young person to make a transition into mainstream provision (Maguire *et al*, forthcoming publication).

Flexible provision

Inflexible start dates were repeatedly cited as a barrier to young people's progression. The lack of opportunities outside the main September-October intake and the desire for roll-on roll-off provision meant that participants were less likely to be able to reengage as soon as they were ready. Further partnership working with the FE sector could help address this issue (Bickerstaffe and Walton, 2010).

Building expertise

Some pilots experienced delays in getting staff in place, and keeping staff on temporary contracts towards the end of each pilot extension. It also took the pilots time to establish the best ways of identifying and engaging young people (Hillage *et al*, 2008).

Lowering costs

Various ways of reducing the cost of running a programme to re-engage young people were identified and many were put into operation during the lifetime of the pilots. They included a tiered staffing approach to the Adviser support, accessing provision that was funded through other sources, pooling provision across LA areas, developing and maintaining understanding of the local provider market and strengthening links between Advisers and related support agencies. The pilots were efficient at identifying programmes which could be sourced outside of the mainstream provision offer in order to meet the needs of young people ie the initiatives tended to be young person 'led' rather than provision 'led'.

Clarifying benefits interaction

The interpretation and understanding of the regulations surrounding benefit receipt varied within and between pilot areas. Despite the dissemination of national guidance, there was much confusion and misunderstanding particularly around Job Seeker's Allowance and Income Support (Maguire *et al*, 2010 and Maguire *et al*, forthcoming publication).

Conclusion

This summary has drawn together the headline evaluation evidence from the Activity Agreement and Entry to Learning Pilots and the numerous publications that span four years of evaluation. The evidence suggests that the combination of Adviser support, tailored activities and a financial allowance has worked to help re-engage some young people who are NEET at 16 and 17, but it is clear that this approach is relatively costly. However, this is balanced by wider evidence that points to the longer-term social costs of being NEET at 16 and 17 and related limited future life chances. As we move towards raising the participation age, local authorities and providers will be considering new approaches to engaging young people who are not yet ready or able to begin more formal education or training. This summary provides information on the key elements of the pilots, highlighting what has worked well and what worked less well, to help inform decisions around this challenging issue.

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Appendix 2: Background to the Activity Agreement Pilots

Activity Agreements were initially piloted for 2 years in 8 areas of England, for 16 and 17 year olds not in education, employment or training (NEET). The initial pilots ran between April 2006 and March 2008, and were subsequently extended for a further 3 years to pilot different client groups.

Table 1 below shows the areas and the different models piloted between 2006 and 2010.

Table 1: Pilot areas

AA area	2006-2008 (Main evaluation)	2008-09	2009-11
West Yorkshire	Model 1 Variant 1 –	Models 1 and 3	Model 4
Tyne and Wear	Model 1 Variant 1	Models 1, 2 and 3	Model 4
Kent and Medway*	Model 1, variant 1	Models 1	Model 4
Cornwall and Devon	Model 1, variant 2	Models 1, 2 and 3	Model 4
Greater Merseyside	Model 1, variant 2	Models 1, 2 and 3	Model 4
Central London	Model 1, variant 2	Models 1 and 3	Model 4
Greater Manchester	Model 1, variant 3	Models 1 and 3	Model 4
London East	Model 1, variant 3	Models 1 and 3	Model 4

*Kent only from 2008

Model 1: 13 and 20 weeks

This was a direct extension of the pilots which tested an earlier intervention at 13 weeks NEET, whilst continuing to offer AAs to 20+ weeks NEET young people. Whilst participating in an AA, young people received an allowance (subject to completion of agreed activities) for a maximum of 20 weeks. 3 variants were trialled:

Variant 1 - £20 per week to YP

Variant 2 – £30 per week to YP

Variant 3 - £20 per week to YP and £30 per week to family

Model 2: EMA drop-out

This model allowed young people who had previously been in receipt of EMA immediately prior to their referral to Connexions, to enter an AA six weeks after leaving their course or training programme. Following notification of 'drop out' by their learning provider, follow-up contact was made by Connexions. A young person could start an AA if they had not secured a future start date in EET by week 5 and if no more than eight weeks had elapsed since notification of their drop-out had been received.

Model 3: Vulnerable Groups

This model allowed particularly vulnerable young people to be fast-tracked onto an AA. Initial assessment and advice was completed by Connexions. Young people who were classified as belonging to a vulnerable group started an AA after a six-week eligibility period and received £30 each week unless they were

claiming some types of benefits, for a maximum period of 20 weeks. Vulnerable groups were defined as young people from a number of different categories including carers, the homeless, young offenders and young people with learning difficulties/disabilities.

Model 4: Vulnerable Groups

To be eligible for model 4, the young person must fall into at least one of the following categories:

- a JSA recipients (on an agreement only basis)
- b Vulnerable groups (as model 3) who had previously worked with Connexions services for 6 weeks
- c NEET for 26 weeks or more;

The Activity Agreement Evaluation

A consortium of contractors, led by The Institute for Employment Studies (IES) and involving the National Centre for Social Research (NatCen) and the Centre for Education & Industry (CEI) carried out the evaluation of the main pilot that ran from 2006 to 2008.

The evaluation had three strands:

1. Quantitative Evaluation – Survey data and differences analysis between pilot and control areas, gathered by telephone and face-to-face interviews, to gain measures of programme effectiveness.
2. Process Evaluation – case studies in all pilot areas to explore the operational issues and the implementation chain, identifying problems and good practice.
3. Programme Theory Evaluation – in-depth work in a number of areas to generate understanding of why the pilots have or have not been effective; to provide insight on the types of young people, the circumstances and the respects in which the programme mechanisms work to best effect.

The evaluation extensions of 2008-2010 were subject to smaller evaluations than the 2006-2008 period and were based on survey and case-study methods.

Appendix 3: Background to the Entry to Learning Pilots

Entry to Learning was built on the lessons learned from the early phases of the Activity Agreement Pilots. Four pilots were launched in November 2008 in Brighton and Hove (with East Sussex), Birmingham, Sandwell and Lancashire.

Eligible groups are:

- young people who are not in any form of employment, education or training when they start an Entry to Learning programme;
- young people participating in personal development opportunities who are not in receipt of wages or an allowance;
- young people who have been in receipt of EMA immediately prior to leaving learning i.e. those who have completed their course and those who have 'dropped-out';
- Vulnerable groups.

Vulnerable groups were defined as: young people from a number of different categories including carers, the homeless, young offenders and young people with learning difficulties/disabilities

The Entry to Learning Pilots tested three key elements of support:

- A trusted adult to provide continuity of support throughout the young person's reengagement
- Bridging provision to provide small manageable steps between reengagement provision and formal learning; and
- A financial incentive to encourage young people to take part in the programme.

These three elements have been tested through two specific models:

- In Model 1, the Connexions Personal Adviser acts as the trusted adult;
- In Model 2, the local authority contracts with a third sector organisation (or consortium of organisations) to provide the trusted adults.

Appendix 4: Agreement Example

Name:	YP Identifier:
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Name of Personal Adviser:	Date Agreement started:
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Original Goals
This section is used by the young person together with their personal advisor/key worker to set out the young person's long term goals, which might be, for example, to prepare for college or for employment in a certain occupational area.

Steps on the way
This section is used by the young person with the help of their personal advisor/key worker to identify and agree the steps required to achieve the young person's long term goal. Steps might include finding somewhere to live, basic skills, and learning to manage money and assistance with setting up a bank account.

Who can help
This section is used to identify and name who will be supporting and helping the young person to achieving their goals, which might be for example their Connexions Personal Advisor, YOT Key Worker, Drug Rehabilitation Worker and Social Worker.

What next – agreed action	By whom	By when
Total number of hours		

<p>I am willing for this information to be shared with providers in order to help me. I am aware that the information may be held on a computer system and that I am entitled to see any information held about me</p> <p>I understand that if I do not complete the activities agreed for this week I will not receive my allowance.</p> <p>Signed:.....</p> <p>Name Date...</p> <p>Signed Personal advisor/key worker:.....</p> <p>Name of Personal advisor/key worker:.....Date</p>

Ref: DFE-RR065

ISBN: 978-1-84775-833-0

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November 2010