

HOUSE OF LORDS

Select Committee on Social Mobility

Report of Session 2015–16

**Overlooked and left
behind: improving
the transition from
school to work for
the majority of
young people**

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The Select Committee on Social Mobility

The Select Committee on Social Mobility was appointed by the House of Lords on 11 June 2015 “to consider social mobility in the transition from school to work for 14–24 year olds.”

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Declaration of interests

See Appendix 1.

A full list of Members’ interests can be found in the Register of Lords’ Interests:

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Q in footnotes refers to a question in oral evidence.

SUMMARY

“My first and main option was to stay at 6th form, there were quite a range of subjects but none i was really interested in so it was just a choice of which ones i could put up with for 2 years, to waste the time until i was legally allowed to leave. it was just normal school hours five days a week. i didnt bother to look at other options i thought id just keep my head down and get on with things for another 2 years. i already i knew i wasnt going to uni, mainly because of money, so i wasnt working towards anything too special and didnt really mind what i did. there were no apprenticeships that had been presented to me. i did start at 6th form but then walked out because i hated it after 2 days. it was a decent school results wise but thats all they (and you) care about and it made me miserable. did a bit of research and then started a college which i was at for a few days then left. the courses available there were better but still un inspiring in every way to me. i thought id just leave and get a job or something but havent really got round to that yet.”

A respondent to our Social Mobility survey for young people, aged between 16–18, who attended a state-run or state-funded school which is non-selective.

The transition from school into work is a vital point in the lives of young people. Making a successful transition through a high quality and valued pathway can mean a successful career. Becoming trapped in poor quality and under-valued alternatives can mean a lifetime of poverty.

This report is about young people and social mobility, and focuses on how to ensure that all young people are offered a high quality career path after they leave school. We have found that the current policy structure means a large number of young people do not have good options, and are not supported to make a choice which works for them and is successful.

An increasing number of young people leave school and go on to A-Levels and university. Of the others, a small minority are at risk of dropping out of education, employment or training—the NEETS. Successive governments have focused on these two groups for a long time. But the majority of young people in the UK do not fall into either group. They do not go to university; they find jobs or they continue with some form of vocational education. Despite making up the majority of the emerging workforce, they have received much less attention. It is these young people who are the focus of this report.

The current system for young people who do not follow an academic route is complex and incoherent, with confusing incentives for young people and employers. Careers advice and education are being delivered in a way which means that too many young people simply drift into further studies or their first job, which often has no real prospect of progression.

The combined effects of this confusion are damaging to the UK's economy because they mean that the workforce is not being given the skills it needs. Investment in all young people has significant long term economic and social value. The current system means that significant potential economic growth is being lost. The inequality between academic and other routes—such as vocational training—does not serve the UK's economic needs and produces outcomes which are unfair and restrict opportunities for social mobility.

The UK has placed a strong focus on apprenticeships. They have real value in upskilling young people for the future economy. But at present only six per cent of 16–18 year olds follow this route and there must continue to be scope to support young people who do not follow a pathway to university or an apprenticeship to make a successful transition into the work place by other routes.

This report makes eight recommendations to the Government. Our recommendations support the development of a coherent and navigable transition system for those aged 14–24. These recommendations do not add to the policy fragmentation which has hindered progress and clarity. Instead we recommend a cohesive system: a core curriculum for those aged 14–19, with tailor made academic or vocational elements, a gold standard in careers advice, and careers education in schools that empowers young people to make good decisions about their future. This system needs to be underpinned by reliable and publicly available data. It needs to be properly funded, owned by a single Minister, and monitored for success. Only by taking these actions can we make sure that all of our young people have the best chances of success.

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

Students leave the educational system without the skills necessary for work and life

1. Employers say they look for more than just qualifications in their recruits. They want their employees to arrive with the skills to succeed in the workplace: communication, team working, resilience, and self-management. Many of these skills can only really be gained through experience of work, either through work placements, or once in employment. For young people who do not have access to work-based training, the education system can go some way towards teaching these skills. However, Life Skills are not embedded in an effective way alongside or within the curriculum, and young people leave the education system insufficiently prepared for adulthood and the world of work. (Paragraph 49)

Existing recruitment practices hinder upward mobility

2. Employer recruitment practices disadvantage those in the middle and at the bottom end of the labour market. Small and medium-sized businesses in particular rely on informal means of recruitment, such as word-of-mouth. Using this sort of recruitment means that applicants' existing social connections and networks are important and lead to their success. Not all young people will have these connections. We welcome the fact that some employers are already changing their recruitment practices to address these problems. We note however that these changes are not widespread, are limited to the largest employers and will not go far enough on their own to achieve real progress. (Paragraph 58)
3. The expansion of higher education has served some groups well. It has, however, disadvantaged those already underserved by the education system and inhibited upwards social mobility for those in the middle. (Paragraph 93)

Making alternative qualifications system coherent, accessible and business-friendly

4. Non-academic routes to employment are complex, confusing and incoherent. The qualifications system is similarly confused and has been subjected to continual change. (Paragraph 94)
5. These options do not guarantee routes into good quality employment. The qualifications themselves are often poorly understood by employers. Employers cannot be expected to understand what skills unfamiliar qualifications represent and cannot be expected to have knowledge and faith in their quality. (Paragraph 95)

Reducing unfairness between academic and vocational routes to work, particularly in funding

6. These structural issues are deep-seated. They further disadvantage those already underserved by the system, who then become at risk of ending up in low-skilled and insecure employment or of becoming NEET. (Paragraph 96)
7. The UK needs a structure which offers better routes to those who do not follow an academic route. Such routes need to make sense, be purposeful and be of a high quality. (Paragraph 97)

8. We welcome the ‘Sainsbury’ review of technical and professional education and hope it will provide greater clarity for young people about their routes into work. We also welcome the review’s focus on progression for lower attaining students and hope the review improves the situation of middle attainers. (Paragraph 98)

Ensuring apprenticeships remain high-quality

9. Apprenticeships have a strong tradition of providing robust training in a number of professions, and have been well regarded for a long time. The existing quality of apprenticeships must not be compromised for the sake of greater quantity. If it is, employers may often overlook apprentices for the ‘safer’ academic option. There is also a risk that the ‘brand’ of apprenticeships is damaged—alienating employers and young people from participation. The Government has placed substantial emphasis on quantity and, more recently, on standards. The results of this policy emphasis remain to be seen. (Paragraph 104)
10. Apprenticeships are a good way of upskilling people for the future economy and meeting economic need and we welcome the recent focus on them. Apprenticeships are not, however, the only answer. The current emphasis on them risks creating a system where there are only two options for transition into work: an apprenticeship or higher education. There must be scope in the system for those who are not ready to undertake either route to be prepared and supported for the transition into the workplace. (Paragraph 113)

Inequality between academic and vocational routes to work

11. As they stand the area reviews of post-16 education and training institutions move away from Kevin Orr’s vision of further education colleges as engines of social mobility. The idea behind the reviews is that a group of colleges covering a given area share facilities and specialisations. This could pose problems for young people who live in more rural areas where distances between colleges are more substantial and travelling to college is therefore more difficult and costly. (Paragraph 192)
12. There is a culture of inequality between vocational and academic routes to work. The culture pervades the system and the incentives to everyone involved. In England, the education system focuses on academic achievement of a particular kind. That is five GCSEs at grade A*-C and then A-Level. Such a focus means only the half of young people who attain this high level are served by the system. (Paragraph 193)
13. Government policies, funding, and incentives all support this focus on academic achievement. Current funding for schools and performance tables incentivise the promotion of academic routes that help meet targets. As a result, few young people see vocational routes as a positive option. (Paragraph 194)
14. Investment in all young people has significant long-term economic value. Recent Government policy has protected schools and university funding but the same is not true for post-16 institutions who provide for the majority of young people who do not go into higher education. Intermediate routes to employment for middle attainers—who are already underserved—are restricted further by this discrimination. Lack of investment increases the risk of these young people becoming NEET (not in education, employment

or training) or of moving into low level jobs with little or no opportunities for progression. There is a need for greater clarity on how funding works. (Paragraph 195)

15. Schools and colleges receive between £500 and £1,200 less per year for students aged 16 and over, than for students aged 16 and under. Schools and sixth form colleges only cater to students up to age 18, and further education colleges to students over 18. Therefore these stark funding differences underpin a system of inequality. (Paragraph 196)
16. The inequality between vocational and academic education has had a significant impact on the overlooked majority of young people on whom our inquiry has focused. It is a long-standing and deep-rooted issue that will not be overcome easily or soon. Clarity and understanding, and promotion of alternatives to higher education, could however begin to destigmatise vocational education and training. Therefore independent, impartial and robust information, careers advice and guidance are vital. (Paragraph 197)

Improving careers guidance and advice for young people

17. Careers education and careers guidance are two different ways for young people to learn about the world of work. Each is important and closely linked to the other. There is a pressing need for young people to be clearer about the decisions they face at an early age and the future employment options available to them as a result. Without more clarity, this overlooked majority of young people are at great risk of drifting into work and being trapped in employment at the bottom end of the labour market. (Paragraph 237)
18. Young people need careers education in schools which is embedded into and fits alongside the curriculum and is informed by labour market information. At the appropriate time, they will also need professional careers guidance that is independent of schools or colleges, delivered face-to-face, helping them to choose their individual routes forward. Both forms of support are vital in preparing young people for work but they are markedly different. (Paragraph 238)
19. Work experience is essential. It helps young people to develop the attributes they need to succeed in the workplace. Yet not much is available at age 14–16, and even less is available in rural areas or for students studying at lower levels. Young people are often expected to arrange their own placement, and tend to get any work experience through their informal networks. Their experience is therefore limited to what is available through those networks. This means that within the current system aspirations remain fixed. Upwards social mobility is limited. (Paragraph 239)
20. We echo and endorse the findings of Ofsted and the House of Commons Education Committee. Careers advice and guidance as it stands perpetuates the inequality between academic and non-academic routes. However, good quality careers education and guidance alone will not solve the structural issues in the system. (Paragraph 240)
21. Ofsted inspections drive school and college behaviours. If Ofsted gave a greater emphasis on the provision of careers education in schools and colleges in its reports, the quality of career education would improve. However, we accept that while necessary, this is not a panacea. It will not be sufficient to stimulate the required changes in the system. There may be a case for

Department for Education reconsidering the funding available to schools. At the end of this report, we make the recommendation that they do further work on a cost benefit analysis as a matter of high priority. (Paragraph 245)

Making transitions work for those in the middle

22. Transitions to work take longer for some young people, and this is not recognised in the current format of 16–18 or 16–19 education. It would be better for the national curriculum to stop at age 14, rather than 16, and for a new 14–19 transition stage to be developed. This would enable a tailor-made route to work to be developed. Such a route would combine a core element with either academic or vocational elements. (Paragraph 257)
23. A 14–19 Transition stage would move away from age 16 being the cut-off point at which many young people embark on the wrong path. It could reduce drop-out rates at age 16 and age 17 from both vocational and academic routes. It would however require suitable advice and guidance to be given before young people make decisions about the subjects that they study at 14–16, which may later help or hinder progression to employment and further learning. (Paragraph 258)
24. The preparation of all young people for adult life and success in the workplace, however they reach it, needs to be seen as an important pillar of the education system. (Paragraph 259)
25. Preparation for the work place needs to begin as early as possible. We recommend that the national curriculum should reflect this, and that careers education and the development of Life Skills should be present in or alongside the curriculum at least from Key Stage 3 (age 11–14) as well as after the age of 14. (Paragraph 260)
26. Those without a Level 3 qualification are much less likely to be employed than those with one. They are also likely to earn less over their lifetime. Given the importance of Level 3 qualifications, it is important that young people are given time to achieve one or at least the opportunity of progressing to that level through lower level jobs. It is important that employers offer opportunities to employees for career progression. (Paragraph 264)
27. The system is inflexible and appears to favour those from more advantaged backgrounds. (Paragraph 280)
28. The inflexibility of the current system may prevent many young people from having fair access to education and training opportunities. As an example, the 21-hour studying limit on carer’s allowance prevents young carers from being able to participate fully in some education or training. (Paragraph 281)

Increasing market transparency with destinations data for schools and colleges

29. Local labour market information helps to ensure that training is matched to the needs of the local economy. This will help schools and colleges to prepare young people for the local labour market opportunities available in their area. (Paragraph 286)
30. In principle publishing destinations data over a period of several years is a good idea. Publishing small amounts of data is no good. More needs to be done to ensure the accurate collection and recording of data. While care

would have to be taken in designing these figures, an example of a relevant figure could be the percent of free school meals (FSM) students who go onto find employment within six months. We recognise, however, that there are factors affecting young people over which schools and colleges have little or no control. Such factors include a range of influences associated with their family circumstances and background. (Paragraph 313)

31. Existing data is unreliable and inconsistent. Too little is known about the group of young people who do not pursue higher education, what they study, and where they are employed. In particular, the publicly available data does not allow for the analysis of learners by different demographics such as family background, ethnicity, social class, region, gender, caring status and so on. (Paragraph 320)
32. We agree with, and support, the Social Mobility and Child Poverty Commission's principles on administrative data sharing. More information is required on young people's further education and vocational qualifications and routes, and their destinations in the labour market. (Paragraph 321)

Increasing employment involvement with schools in the transition to work

33. It is clear that financial incentives have varying effects on employers. We are not convinced that they drive collaborative behaviour by employers. (Paragraph 331)
34. Changes to the Corporate Governance Code may incentivise listed companies to change their behaviours: to offer apprenticeships, work placements, other experiences of the workplace such as mentoring, and to work with schools and colleges to promote opportunities to young people. (Paragraph 334)
35. An increased role for employers is fundamental to improving school to work transitions. (Paragraph 348)
36. Employers need an easier way to work with schools and colleges. Employers and schools need to be supported to work together to meet the needs of young people who do not follow an academic route to work. (Paragraph 349)
37. There is good practice to be found locally, but practice across the UK is varied. (Paragraph 350)

Developing a clearer policy framework and a more effective delivery mechanism: our recommendations

38. There is a need for more coherence in the UK Government's policy governing the transition of young people into the workplace. The policy should set out a framework for school to work transitions from age 14 to age 19 and over. It should explicitly address the middle route to work, and the decision-making that takes place from 14 onwards, and set the standard for sharing best practice across the UK. (Recommendation 1) (Paragraph 370)
39. The transition stage should be considered to be from age 14 to age 19. Learning during this stage should include a core curriculum with tailor-made academic and/or vocational courses. It should aim to get as many people who can, up to a Level 3 qualification. There are three important strands to the framework:

- (a) Clearer routes to good-quality work for those in the middle, brought about by local collaboration, to enable:
 - (i) vocational routes to work which are robust and high quality, do not close down future opportunities, and lead to worthwhile destinations. The work of the Sainsbury led review should contribute to this.
 - (ii) meaningful experiences of work, organised between the student, the school and a local employer, including work placements and work-based training. Any work experiences undertaken must have a clear aim and objective to prepare young people for work and life.
 - (b) A new gold standard in independent careers advice and guidance, supported by a robust evidence base and drawing on existing expertise, which moves responsibility away from schools and colleges (which would require legislative change) in order to ensure that students are given independent advice about the different routes and qualifications available, to include:
 - (i) independent, face-to-face, careers advice, which provides good quality, informed advice on more than just academic routes, so that individuals are able to make decisions based on sound knowledge of what is available.
 - (ii) a single access point for all information on vocational options, including the labour market returns on qualifications.
 - (c) Improved careers education in schools, to empower young people to make good choices for themselves, to include:
 - (i) information on labour market returns, which would include information about the financial prospects of different options, to inform and motivate young people.
 - (ii) data on local labour markets to inform the teaching of Life Skills, skills for life, and careers education. (Recommendation 2) (Paragraph 371)
40. This transition framework should be owned by, and be the responsibility of, a Cabinet-level minister, who will assume ultimate responsibility for the transition from school to work for young people. (Recommendation 3) (Paragraph 372)
41. Transitions from school to work should be supported by publicly available data, compiled by the relevant Government departments. This data should be made available to researchers so that they have access to earnings data, study patterns, and different demographic patterns, brought about by legislative change if necessary. (Recommendation 4) (Paragraph 373)
42. We recommend that the responsible Cabinet Minister should report on progress annually to Parliament. (Recommendation 5) (Paragraph 374)
43. Increasingly local labour markets and skills needs are being seen as a devolved responsibility, whether it is to conurbations such as London, Manchester or Leeds, or to rural areas such as Somerset or Lincolnshire.

However, because administrative structures are so much in flux, there is often no focal point for action. The most valuable role the Government can take is to act as a facilitator, coordinating the efforts of its existing structures, and brokering collaboration between existing local bodies such as further education colleges, schools, local authorities, local enterprise partnerships and employers. (Recommendation 6) (Paragraph 375)

44. The Government should keep under constant review the degree of success of transitions into work for those in the middle. The Social Mobility and Child Poverty Commission should play a strong part in monitoring these transitions. (Recommendation 7) (Paragraph 376)
45. We therefore recommend that the Government should commission a cost benefit analysis of increasing funding for careers education in school and independent careers guidance external to the school in the context of social mobility. A report providing this analysis should be made to Parliament before the end of its 2016–17 session. (Recommendation 8) (Paragraph 377)

Overlooked and left behind: improving the transition from school to work for the majority of young people

CHAPTER 1: INTRODUCTION

“I feel like a chess piece in a game because someone is making the moves for me.”¹

Cardine, aged 22

1. The House of Lords appointed this Committee “to consider social mobility in the transition from school to work”.² Within this remit, we decided to focus on the changing youth labour market and in particular to investigate routes to work for those who do not do A-Levels or go on to higher education. We have not focused on those who are classified as not in education, employment or training (NEET).
2. We want our findings to be accessible to everyone, particularly to the young people who gave their time to help us with our inquiry. We have tried to write our report in a style which achieves this.

The focus of our inquiry

Most young people, especially those who do not follow an academic route, are ‘overlooked’

3. Recent Governments have focused on the top and bottom of the social ladder. At the top, the focus has been on improving university access and on success at GCSE and A-Level. At the bottom, the focus has been on those young people not in education, employment or training or at high risk of becoming so.
4. Not much attention has been given to the young people between these two groups.³ They have been ‘forgotten’ or ‘overlooked’ by policy-makers. Yet most young people are in the middle. For instance, most students achieve the middle academic grades at GCSE⁴ (see Figure 1 below). In fact, most

1 See note of focus group (Appendix 4)

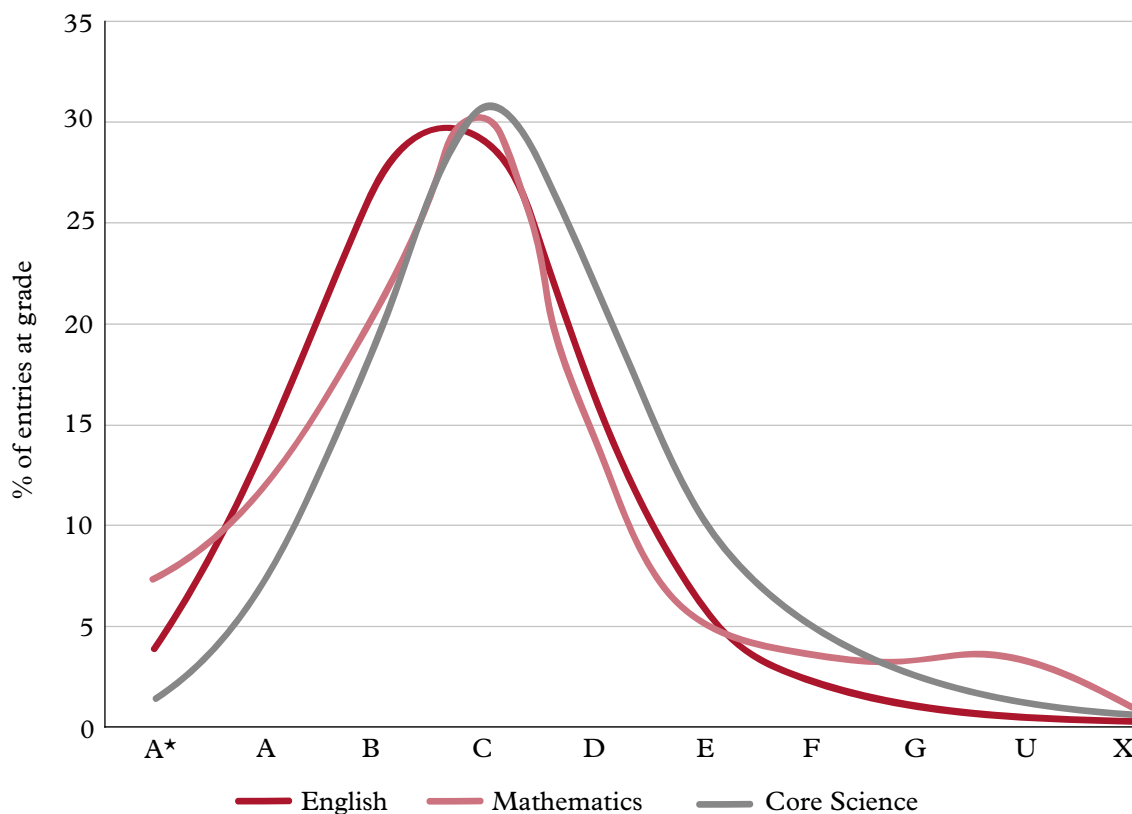
2 HL Deb, 11 June 2015, cols 893-894

3 See for instance Ken Spours, Geoff Stanton, Robert Vesey and John West, *The ‘over-looked middle’ in 14+ education and training: Becoming the new NEETs?* (March 2012): http://kenspours.org/uploads/3/6/0/5/3605791/overlooked_middle_final.pdf [accessed 22 March 2016]; Jonathan Birdwell, Matt Grist and Julia Margo, *The forgotten half. A Demos and Private Equity Foundation Report*, (2011): <http://www.demos.co.uk/publications/theforgottenhalf> [accessed 22 March 2016]; Prof Kenneth Roberts, ‘Education to Work Transitions: How the Old Middle Went Missing and Why the New Middle Remains Elusive’, *Sociological Research Online*, vol 18, (2013): <http://www.socresonline.org.uk/18/1/3.html> [accessed 22 March 2016]

4 Prof Kenneth Roberts, ‘Education to Work Transitions: How the Old Middle Went Missing and Why the New Middle Remains Elusive’, *Sociological Research Online*, vol 18, (2013): <http://www.socresonline.org.uk/18/1/3.html> [accessed 22 March 2016]

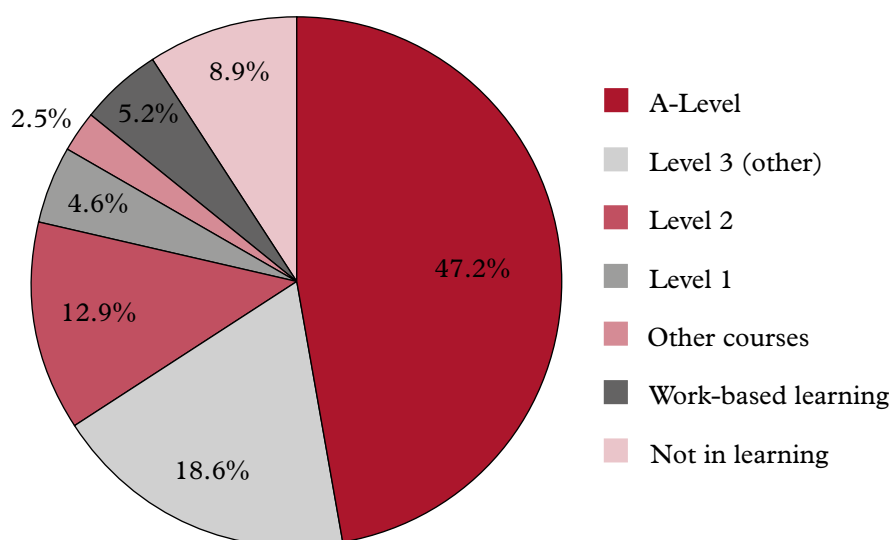
young people do not follow an academic route after age 16.⁵ Two thirds of young people in their early 20s do not have a degree.⁶ Indeed, in England in 2013/14, of a total population of 1,285,800 16 and 17 year-olds, only 47 per cent of young people (601,500 people) aged 16 and 17 started A-Levels (see Figure 2 below)⁷, whereas 53 per cent (684,300) did not do so. In 2015 only 269,942 young people entered the exam for at least one A-Level. A further 404,100 entered for at least one substantial Level 3 qualification.⁸

Figure 1: attainment at GCSE⁹



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- 5 Prof Ann Hodgson and Prof Ken Spours, 'Middle attainers and 14–19 progression in England: half-served by New Labour and now overlooked by the Coalition?', *British Educational Research Journal*, vol. 40, (2013), pp 467–482: <http://onlinelibrary.wiley.com/doi/10.1002/berj.3091/full> [accessed 22 March 2016]
- 6 Office for National Statistics, *Qualifications and Labour Market Participation in England and Wales, 2014*: <http://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/qualificationsandlabourmarketparticipationinenglandandwales/2014-06-18> [accessed 22 March 2016]
- 7 Department for Education, 'Participation in education, training and employment: 2014', SFR19/2015, Table 4: Participation of 16 to 18 year-olds in full-time education by highest qualification aim, end 2014': <https://www.gov.uk/government/statistics/participation-in-education-training-and-employment-age-16-to-18--2> [accessed 22 March 2016]
- 8 Department for Education, 'National tables: SFR03/2016, Table 1a: A Level and Level 3 results by institution type and gender, 2014/15', *National Statistics: A Level and other Level 3 results 2014 to 2015*: <https://www.gov.uk/government/statistics/a-level-and-other-level-3-results-2014-to-2015-revised> [accessed 22 March 2016]
- 9 Department for Education, (January 2015, updated March 2015), 'Subject and LA tables: SFR02/2015, Table 11: GCSE Full Course results of pupils at the end of key stage 4 in all schools, by subject and grade', *Revised GCSE and equivalent results in England: 2013 to 2014*: <https://www.gov.uk/government/statistics/revised-gcse-and-equivalent-results-in-england-2013-to-2014> [accessed 22 March 2016]

Figure 2: Post-16 participation by main qualification studied by 16 and 17 year olds (2014)



Source: Department of Education SFR 19, 2015, Table E7: Participation in education and work based learning of 16 & 17 year olds by highest qualification aim, England, 1985 onwards

5. The ‘overlooked’ group can be defined by the route they follow after age 16 and whether they complete two or more years of study. It can include those on:
- Level 3 programmes, but who fail to complete two-years of study;
 - Level 2 programmes (applied or vocational); and
 - Level 1 specialist vocational programmes.¹⁰

Transitions to work

6. The transition from school to work is vital because choices made at this point will have lifelong effects. Making a good transition into work can overcome earlier disadvantage. Making a bad transition can mean a lifetime of poverty.¹¹
7. The Government now has a chance to improve transitions. Recent changes to the ‘participation age’ in England mean thousands of school leavers have to stay in education or training until their 18th birthday.¹² This is good news if the further education (FE) system has the ability and the resources to support them into adulthood and employment. If it does not, it is time wasted.

10 Ken Spours, Geoff Stanton, Robert Vesey and John West, *The ‘over-looked middle’ in 14+ education and training: Becoming the new NEETs?* (March 2012): http://kenspours.org/uploads/3/6/0/5/3605791/overlooked_middle_final.pdf [accessed 22 March 2016]

11 Social Mobility and Child Poverty Commission, *State of the Nation 2014: Social Mobility and Child Poverty in Great Britain* (December 2014): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/367461/State_of_the_Nation_-_summary_document.pdf [accessed 22 March 2016]

12 The participation age is the age by which young people have to stay in some form of education or training. See Public Accounts Committee, *16- to 18-year-old participation in education and training* (Thirty-first Report, Session 2014–15, HC 707).

Figure 3: Qualification levels and equivalents

Level 8	Doctorate Phd	
Level 7	Master's Degree MA, MSc, MPhil	
Level 6	University Degree BA, BSc	Level 6 (Degree) apprenticeship: A new type of higher apprenticeship which can lead to a full undergraduate degree as part of the apprenticeship
Level 5		Level 4 and 5 higher apprenticeship
Level 4		
Level 3	A-Level	A2 AS
Level 3		Advanced level apprenticeship
Level 2	GCSE Grade A*-C	Intermediate level apprenticeship: equivalent to five GCSE passes
Level 1	GCSE Grade D-G	
Entry Level 3	Key Stage 3	

Source: HM Government, 'Compare different qualifications' <https://www.gov.uk/what-different-qualification-levels-mean/compare-different-qualification-levels> [accessed 22 March 2016]

Those from privileged backgrounds remain more likely to succeed

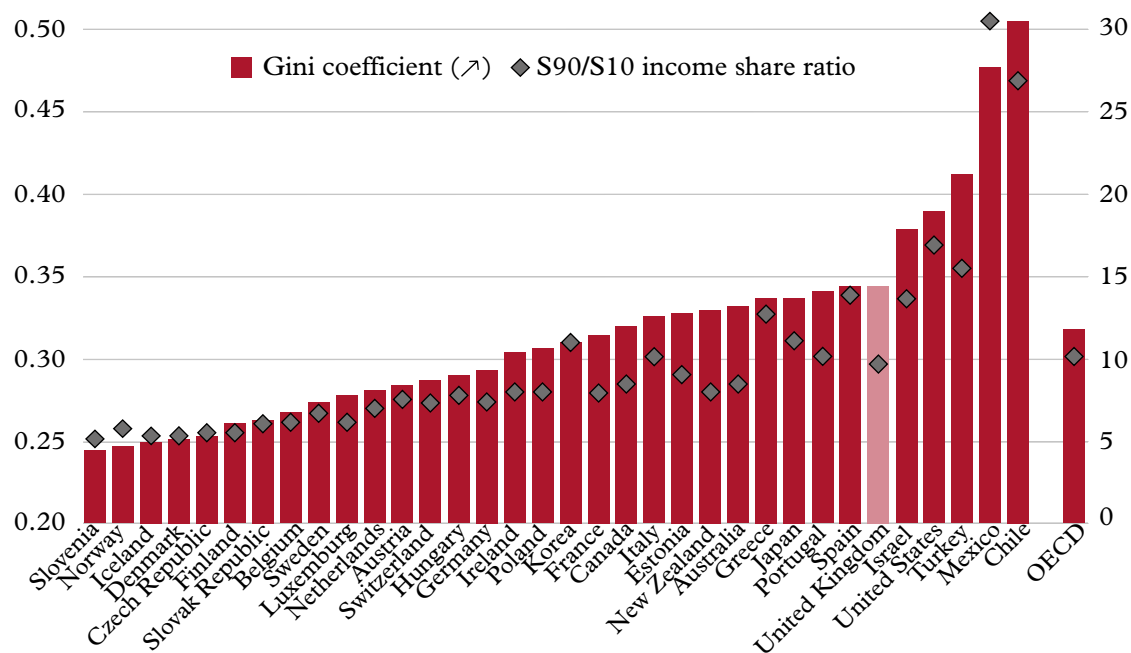
8. Increasing social mobility has been a priority for recent Governments. Yet people with privileged backgrounds are still more likely to get the best jobs and those without are more likely to be left behind.¹³ In 2016 it was found that although just seven per cent of pupils in the United Kingdom were privately educated, they accounted for half of all cabinet ministers, 13 per cent of the shadow cabinet, 48 per cent of permanent secretaries (the most senior civil servants), 74 per cent of senior judges and 32 per cent of Members of Parliament.¹⁴ This is just one illustration of the impact education can have on future opportunities.

13 Social Mobility and Child Poverty Commission, *A qualitative evaluation of non-educational barriers to the elite professions* (June 2015): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/434791/A_qualitative_evaluation_of_non-educational_barriers_to_the_elite_professions.pdf [accessed 22 March 2016]

14 The Sutton Trust, *Leading People 2016: The educational backgrounds of the UK professional elite* (February 2016): http://www.suttontrust.com/wp-content/uploads/2016/02/Leading-People_Feb16.pdf [accessed 22 March 2016]

9. Another reason for rising inequality in the United Kingdom is the big gap between people who are highly skilled and people who are less skilled.¹⁵ This is important because people who are better educated, in particular those who show aptitude in English, maths and problem solving tend to go into more highly skilled jobs and earn more.¹⁶
10. There is a growing gap in income between the richest and the poorest.¹⁷ This growing gap can compound the difficulties around access to top jobs which command high wages.¹⁸ In addition to negative impacts on individuals from disadvantaged backgrounds, OECD analysis suggests that income inequality has a negative and statistically significant impact on medium-term growth¹⁹. The OECD measures income inequality on a scale of zero to one—the ‘Gini’ measure. If a country measures zero on the scale it means everyone has the same income (there is no difference). If it measures one, this means all income goes to only one person. Income inequality has risen by three Gini points on average in the OECD over the past two decades. If this trend continues, rising inequality would drag down economic growth by 0.35 percentage points per year for 25 years: a total loss in GDP of 8.5 per cent at the end of the period. The OECD estimates that rising income inequality may have knocked off nearly nine per cent of potential growth in the UK economy.²⁰

Figure 4: Income inequality



Source: Adapted from OECD (2016), *Income inequality (indicator)*

15 The OECD Survey of Adult Skills (PIAAC): England/Northern Ireland (UK) is among the bottom three countries when comparing literacy proficiency among 16–24 year-olds.

16 Andy Green and Nicola Pensiero, *Policy Briefing: The Effects of Upper Secondary Education and Training Systems on Skills Inequality*, (March 2015). See also OECD Skills Outlook 2013: <http://skills.oecd.org/skillsoutlook.html> [accessed 22 March 2016]

17 Since the 1970s.

18 Anitha George, Hilary Metcalf, Leila Tufekci and David Wilkinson, *Understanding Age and the Labour Market* (June 2015): <http://www.jrf.org.uk/publications/understanding-age-and-labour-market> [accessed 22 March 2016]

19 Growth rate of GDP per capita (relative to the population aged 25–64).

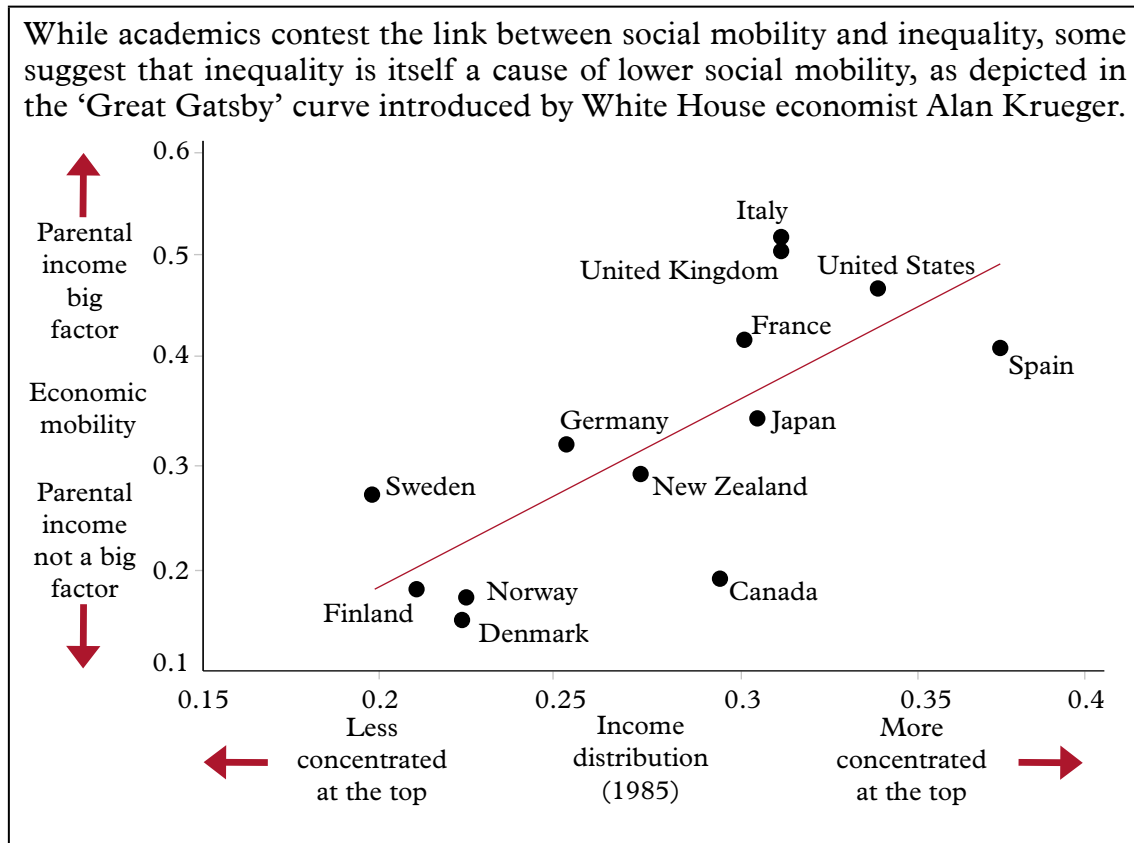
20 OECD, *Focus on Inequality and Growth* (December 2014): <http://www.oecd.org/social/Focus-Inequality-and-Growth-2014.pdf> [accessed 22 March 2016]

Andy Green, Francis Green and Nicola Pensiero, *Why are Literacy and Numeracy Skills in England so Unequal? Evidence from the OECD's Survey of Adult Skills and other International Surveys*, Centre for Learning and Life Chances in Knowledge Economies (LLAKES), Research Paper 47, (2014)

What is social mobility?

11. This section sets out some statistics which deal with the concept of social mobility. Social mobility is about where a person ends up in life compared to where they started. To put it another way it is about the movement of a person from one social class to another. It is important to distinguish social mobility from income or wealth inequality.

Box 1: ‘Great Gatsby’ curve



Source: David Vandivier, ‘What is the Great Gatsby Curve’, *The White House*, (June 2013): <https://www.whitehouse.gov/blog/2013/06/11/what-great-gatsby-curve> [accessed 22 March 2016]

Whether or not one thing causes the other, there does appear to be a strong relationship between income inequality and social mobility.

12. When politicians talk about social mobility, they are interested in whether the opportunity to move up through society is equal for everyone. This is known as ‘relative’ social mobility. It is about a person’s chances of success compared to people with different backgrounds. It shows how fair a society is and whether opportunities for people to succeed are equal.²¹ A person’s background can often affect how successful they are, for example through the kind of job they get.²² In the United Kingdom there is a strong link

21 Social Mobility and Child Poverty Commission, *State of the Nation 2013: social mobility and child poverty in Great Britain* (2013): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/292231/State_of_the_Nation_2013.pdf [accessed 22 March 2016]

22 Dr Abigail McKnight, *Downward mobility, opportunity hoarding and the ‘glass floor’* (June 2015): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/447575/Downward_mobility_opportunity_hoarding_and_the_glass_floor.pdf [accessed 22 March 2016]; Leon Feinstein, ‘Inequality in the early cognitive development of British children in the early 1970 cohort’, *Economica*, vol. 70, Issue 277, (February 2003), pp 73–97

between a person's background and where they end up.²³ There also appears to be a stronger relationship between parental background and children's future income than in many other countries.²⁴

13. Children who are exposed to certain factors in their background are more likely to have poor outcomes later in life.²⁵ Some of these problems of access are exacerbated by 'opportunity hoarding.' Parents naturally want their children to have the best chances of a successful life. For people who have been successful themselves this includes protecting their children from downwards social mobility. For example, they might pay for private tutors so that their children can get into grammar schools. They might help them get into a good school or university. For some, it will involve asking a family friend to take on their child for work experience.²⁶ This means that there is a good chance of children born higher up the social ladder staying there. This in turn can mean that there are fewer positions for children from lower down the social ladder to move into, if those higher up hold on to them.²⁷
14. One of the factors identified in the box is family background. The issues connected to a young person's family circumstances can have a fundamental impact on their life chances, including their prospects of social mobility. The issue of parenting and social mobility would merit an inquiry in its own right. Although some witnesses did mention it, the issue was not one on which we received a significant amount of evidence and our inquiry has focused on the transition from school to work. Similarly our focus on this transition has meant that we have not considered the valuable role which life-long learning can play in meeting people's educational needs and achieving positive social mobility at different stages in their lives. This is particularly important in a fast-changing world in which the demands of the workplace are constantly evolving.
15. Another type of social mobility is 'absolute' social mobility. This is about the difference between a person's position in society when they are an adult compared with when they were a child. So if there are more and better jobs for people to move up into there will be more absolute social mobility, even if everyone moves up. Absolute social mobility shows how changes in society as a whole are helping people to get on in life.²⁸ A good spread of jobs across all skills levels acts like a ladder—there are more jobs to move up into.

23 See for example Jo Blanden and Lindsey Macmillan, *Education and Intergenerational Mobility: Help or Hindrance?* (January 2014): <http://repec.ioe.ac.uk/REPEc/pdf/qsswp1401.pdf> [accessed 22 March 2016]

24 Social Mobility and Child Poverty Commission, *Elitist Britain?* (August 2014): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/347915/Elitist_Britain_-_Final.pdf [accessed 22 March 2016]

25 HM Treasury and Department for Education and Skills, *Policy review of children and young people: A discussion paper* (January 2007)

26 Dr Abigail McKnight, *Downward mobility, opportunity hoarding and the 'glass floor'* (June 2015): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/447575/Downward_mobility_opportunity_hoarding_and_the_glass_floor.pdf [accessed 22 March 2016]

27 Dr Abigail McKnight, *Downward mobility, opportunity hoarding and the 'glass floor'* (June 2015): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/447575/Downward_mobility_opportunity_hoarding_and_the_glass_floor.pdf [accessed 22 March 2016]

28 Social Mobility and Child Poverty Commission, *State of the Nation 2013: social mobility and child poverty in Great Britain* (2013): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/292231/State_of_the_Nation_2013.pdf [accessed 22 March 2016]

Box 2: factors which may affect social mobility²⁹

Some factors affect the chances of going up the social ladder later in life. Examples include:

- Low income, or coming from a poorer background. In the United Kingdom, the Government and researchers use eligibility for free school meals as the main measure of disadvantage.
- Low educational attainment. Inequalities in secondary education are likely to turn into later education inequalities and wage inequality.
- Family background, such as parenting skills, parental income and education, parental mental health, and family structure and size.
- Poor social and emotional skills. Character and resilience in particular affect a person's chances of success.
- Gender. Girls outperform boys at GCSE and all other measures at the end of secondary school.
- Ethnicity. The percentage of pupils achieving good GCSE grades varies between different ethnic groups. As do employment outcomes.
- Special educational needs and disability (SEND). Pupils with SEND have a large education attainment gap when compared to those without any identified SEND. For instance, in 2011, around 25 per cent of those reporting a basic activity difficulty had only a lower secondary education, compared with 12.4 per cent of those without difficulty.
- Health. For example, low birth weight is associated with a wide range of poor educational and health outcomes later in life.
- Geography. Different areas of England have different rates of social mobility. Living in a deprived neighbourhood also has an effect.

29 Social Mobility & Child Poverty Commission, *The Social Mobility Index* (2016), https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/496103/Social_Mobility_Index.pdf [accessed 22 March 2016]

OECD, *A Family Affair: Intergenerational Social Mobility Across OECD Countries* (2010): <http://www.oecd.org/centrodemexico/medios/44582910.pdf> [accessed 22 March 2016]

Character and Resilience Manifesto: <http://www.educationengland.org.uk/documents/pdfs/2014-appg-social-mobility.pdf> [accessed 22 March 2016]

HM Treasury and Department for Education and Skills, *Policy review of children and young people: A discussion paper* (January 2007)

HM Government, *Opening Doors, Breaking Barriers: A Strategy for Social Mobility* (April 2011) https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/61964/opening-doors-breaking-barriers.pdf [accessed 22 March 2016]

Department for Education, 'GCSE and equivalent attainment by pupil characteristics, 2013 to 2014': https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/399005/SFR06_2015_Text.pdf [accessed 22 March 2016]

Social Mobility & Child Poverty Commission, *The Social Mobility Index* (2016): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/496103/Social_Mobility_Index.pdf [accessed 22 March 2016]

Jo Blanden and Lindsey Macmillan, *Education and Intergenerational Mobility: Help or Hindrance?* (January 2014): <http://repec.ioe.ac.uk/REPEc/pdf/qsswp1401.pdf> [accessed 22 March 2016]

OECD, Income inequality data update and policies impacting income distribution: United Kingdom (February 2015): <http://www.oecd.org/unitedkingdom/OECD-Income-Inequality-UK.pdf> [accessed 22 March 2016]

16. Often when people talk about social mobility, they mean ‘upwards’ mobility. For example, in June 2015 the Prime Minister said:

“Whoever you are, wherever you live, whatever your background, whatever stage of life you are at, I believe this Government can help you fulfil your aspirations. And let me be clear, when I say whoever you are, I mean it.”³⁰

17. Upwards mobility is moving up the social structure by, for example, getting a better job or earning a bigger wage. This is seen as a good thing by most people. However, for someone to move upwards there must be a job for them to move up into, which will be easier if there are lots of better jobs available. Where there are only a few good jobs, someone might have to move down to make space for another person to move up. This is known as downward mobility.

Measuring social mobility

18. Measuring social mobility is difficult. Researchers try to measure social mobility by looking at a lot of factors—such as the income of a person’s parents averaged over a period of time; whether a person had free school meals at school; or what type of school a person went to. It must be measured over time, as people do not reach the level of job at which they will stay until (on average) their mid-thirties.³¹ This means that any policies to improve social mobility can only be examined over many years. Even then, it is difficult to say for certain whether any changes were due to a particular policy.
19. We are interested in the reasons behind insufficient social mobility. This report is aimed at making recommendations to improve opportunities for all young people when they leave school.

Labour market changes

20. The types of jobs available are very important to social mobility. Changes to the economy—such as more and better jobs with better pay and more security—can have a positive impact.³² But young people from this middle cohort are often caught in part-time, low-paid, low-skilled and temporary jobs.³³ After leaving school or college they take on jobs such as kitchen and catering assistants and serving staff in bars and restaurants, as well as roles in sales and customer service. The pathway to progressing from these roles on to something better is not clear or easily achievable.³⁴ This means these young people are at a significant disadvantage from those who have degrees. There are limited opportunities to get a good first job or to begin

30 The Rt Hon David Cameron MP, Speech on opportunity (22 June 2015): <https://www.gov.uk/government/speeches/pm-speech-on-opportunity> [accessed 22 March 2016]

31 Patrick Sturgis, University of Southampton, Southampton Statistical Research Institute, Trends in Social Mobility in the UK—Evidence Briefing (December 2015): <http://www.suttontrust.com/wp-content/uploads/2015/12/Evidence-Briefing-Trends-in-Social-Mobility-in-the-UK-Professor-Patrick-Sturgis.pdf> [accessed 22 March 2016]

32 HM Government, *Opening Doors, Breaking Barriers: A Strategy for Social Mobility* (April 2011): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/61964/opening-doors-breaking-barriers.pdf [accessed 22 March 2016]

33 Anitha George, Hilary Metcalf, Leila Tufekci and David Wilkinson, ‘Understanding Age and the Labour Market’ (June 2015): <http://www.jrf.org.uk/publications/understanding-age-and-labour-market> [accessed 22 March 2016]

34 Kenneth Roberts, ‘Education to Work Transitions: How the Old Middle Went Missing and Why the New Middle Remains Elusive’, *Sociological Research Online*, vol. 18 (2013): <http://www.socresonline.org.uk/18/1/3.html> [accessed 22 March 2016]

to go up the social ladder. The better first jobs tend to go to graduates. This is bad news for social mobility. Under these conditions, the only realistic aspiration for young people in the middle is to maintain their position.

21. Trends in social mobility will also be affected by forecast changes in the British economy. For example, technology will affect the routes into different jobs,³⁵ and new technologies will affect the types of careers available.³⁶ For instance, in 2015 another House of Lords Committee found that the digital revolution was “changing the labour market fundamentally.”³⁷

Box 3: What are low-, intermediate-, and high-skilled jobs?

According to the standard occupational classification,³⁸ jobs can be grouped into three categories:

1. Higher managerial, administrative and professional occupations
 - Higher managerial, administrative and professional occupations
 - Large employers and higher managerial and administrative occupations
 - Higher professional occupations
 - Lower managerial, administrative and professional occupations
2. Intermediate occupations³⁹
 - Intermediate occupations
 - Small employers and own account workers
3. Routine and manual occupations
 - Lower supervisory and technical occupations
 - Semi-routine occupations
 - Routine occupations

There are also those that have never worked or are long-term unemployed.

Source: Office for National Statistics, [National Statistics Socio-economic classification](#) (2010)

35 UKCES, *The Future of Work: Jobs and skills in 2030* (February 2014): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/303334/er84-the-future-of-work-evidence-report.pdf [accessed 22 March 2016]

36 For example, see Select Committee on Digital Skills, *Make or Break: The UK's Digital Future* (Report of Session 2014–15, HL Paper 111)

37 Select Committee on Digital Skills, *Make or Break: The UK's Digital Future* (Report of Session 2014–15, HL Paper 111)

38 The standard occupational classification (SOC) is a common classification of occupational information for the UK. See ONS: <https://www.ons.gov.uk/methodology/classificationsandstandards/standardoccupationalclassification> [accessed 22 March 2016]

39 Positions in clerical, sales, service and intermediate technical occupations that do not involve general planning or supervisory powers. Positions in this group are intermediate in terms of employment regulation; they combine elements of both the service relationship and the labour contract. Although positions in L7 have some features of the service relationship, they do not usually involve any exercise of authority (other than in applying standardised rules and procedures where discretion is minimal) and are subject to quite detailed bureaucratic regulation.

22. The number of high-skilled jobs, such as managerial and professional roles, has increased.⁴⁰ The number of mid-level jobs, such as those in administration and production roles, is decreasing. The number of low-skilled jobs, such as care workers and childminders, has grown.⁴¹ This has contracted the middle of the labour market. Some people say that this contraction means that the jobs market looks like an hour-glass in shape.⁴²
23. The decrease in mid-level jobs makes it more difficult to progress from lower-skilled jobs to medium-skilled jobs.⁴³ It makes it more difficult to enter the labour market in the middle. It also means there is substantially less of a ladder of employment opportunities to climb up.
24. Some of these types of low-skilled jobs have declined in number since the economic recession in 2008 and 2009.⁴⁴ The opportunities that do exist are increasingly taken up by older and more experienced workers. They have been displaced into low-skilled jobs because there have been fewer mid-level jobs available.⁴⁵ These older workers sometimes have the advantage of having already worked and having that experience. Employers tend to recruit people over the age of 25, even when a younger person could do the job, because they like employees to have had experience of working.⁴⁶ Employers said this was because young people are not “work ready”, that is that they lacked skills or experience, and sometimes both.⁴⁷

40 UKCES, *Working futures 2012–2022* (March 2014): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/298510/working-futures-2012-2022-main-report.pdf [accessed 22 March 2016]

41 See for example Ian Brinkley, ‘Do we have an hourglass labour market?’ *The Work Foundation* (21 January 2015): <http://www.theworkfoundation.com/blog/2458/Do-we-have-an-hourglass-labour-market> [accessed 19 January 2016] and Department for Business, Innovation and Skills, *Hollowing Out and the Future of the Labour Market*, (October 2013): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/250206/bis-13-1213-hollowing-out-and-future-of-the-labour-market.pdf [accessed 22 March 2016]

42 For example, UKCES, *The Future of Work: Jobs and skills in 2030* (February 2014): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/303334/er84-the-future-of-work-evidence-report.pdf [accessed 22 March 2016]

43 UKCES, *Catch 16–24* (February 2015): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/404997/15.02.18_Youth_report_V17.pdf [accessed 22 March 2016]

44 ONS, *Young People in the Labour Market* (March 2014): http://www.ons.gov.uk/ons/dcp171776_355123.pdf [accessed 22 March 2016]. See also Laura Gardiner, *Hollowing out- deeper than it sounds* 923 (March 2015): <http://www.resolutionfoundation.org/media/blog/hollowing-out-deeper-than-it-sounds/> [accessed 22 March 2016]

45 UKCES, *Precarious Futures: Youth employment in an international context* (February 2014): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/326119/14.07.02.1_Youth_Report_for_web_V3.pdf [accessed 22 March 2016]

46 Data from the OECD for Q3, 2014 shows that the employment rate for 15–24 year olds was 48.3 per cent compared to 82.2 per cent for 25–54 year olds. The employment rate for a given age group is measured as the number of employed people of a given age as a percentage of the total number of people in that same age group.

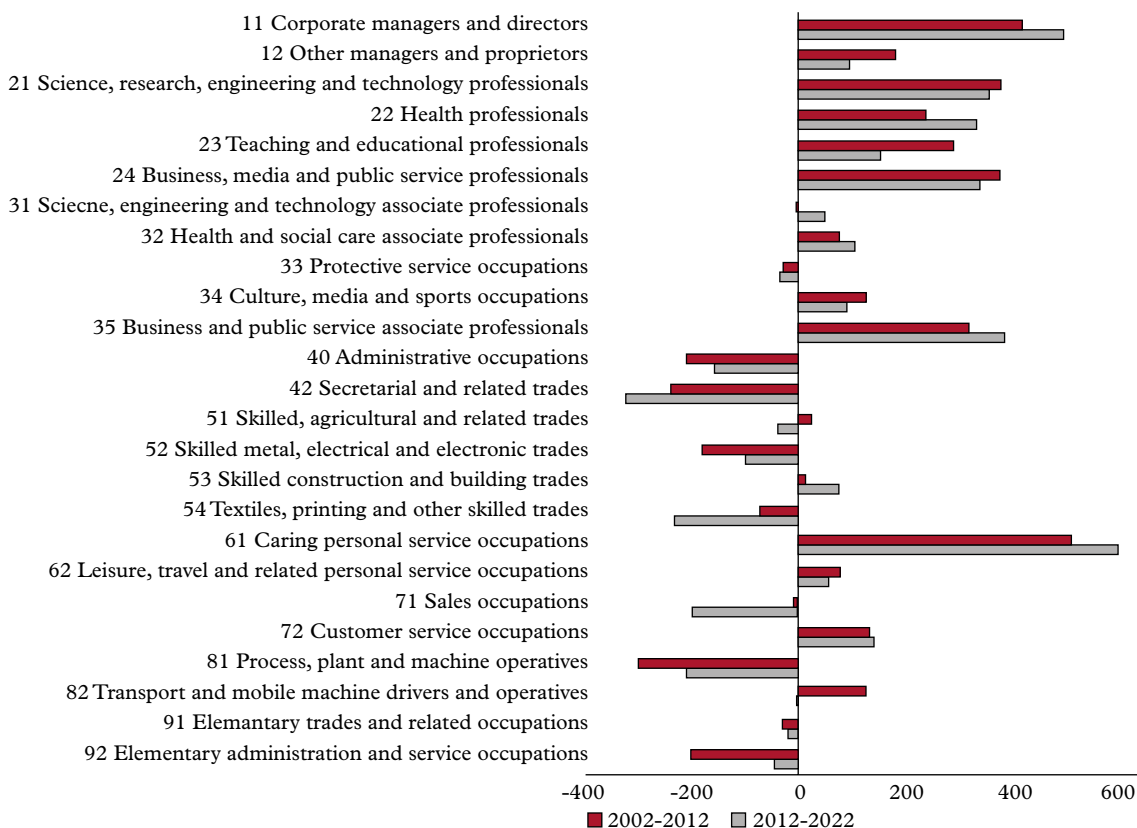
Data from the Labour Force Survey shows a UK economic activity rate of 81.7 for people aged 25–34 compared to 54.9 percent of those aged 16–24.

The Apprenticeship Grant for Employers of 16- to 24- year-olds (AGE 16 to 24) supports businesses that would not otherwise be in a position to do so, to recruit individuals aged 16 to 24 into employment through the apprenticeship programme.

47 UKCES, *UK Commission’s Employer Skills Survey 2013: UK Results* (January 2014): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/327492/evidence-report-81-ukces-employer-skills-survey-13-full-report-final.pdf [accessed 22 March 2016]

25. On top of this, university graduates are often recruited into non-graduate roles. In 2012, 47 per cent of graduates were employed in jobs which do not normally require higher education qualifications.⁴⁸

Figure 5: Detailed changes by occupation (000s)



Source: UKCES, *Working Futures 2012–2022* (March 2014): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/298510/working-futures-2012-2022-main-report.pdf [accessed 22 March 2016]

Our inquiry

26. We issued our call for evidence on 27 July 2015, and took oral evidence from 48 witnesses during 19 sessions held between July and December 2015. We received 136 pieces of written evidence. We are grateful to all who contributed. The witnesses who provided it are shown in Appendix 2. The call for evidence is shown in Appendix 3. The evidence received is published online.
27. Education and skills are policy areas devolved to Scotland, Wales and Northern Ireland. We received helpful evidence from each devolved administration. We have made it clear throughout our report where we are talking about the United Kingdom or England specifically.
28. As part of our inquiry we visited Lilian Baylis Technology School in Lambeth on 4 November 2015. We also visited Derby College, the International

48 This was up 10 per cent, from 37 per cent in 2001. ONS, *Graduates in the UK Labour Market 2013* (November 2013): http://www.ons.gov.uk/ons/dcp17776_337841.pdf [accessed 22 March 2016]. Professors Peter Elias and Kate Purcell at the University of Warwick have defined a non-graduate job as one in which the associated tasks do not normally require knowledge and skills developed through higher education to enable them to perform these tasks in a competent manner. Prof Peter Elias and Prof Kate Purcell, *Futuretrack* 'Working Paper No. 5: Classifying graduate occupations for the knowledge society', *Warwick Institute for Employment Research* (2013): http://www2.warwick.ac.uk/fac/soc/ier/futuretrack/findings/elias_purcell_soche_final.pdf [accessed 22 March 2016]

Centre for Guidance Studies and Rolls-Royce PLC on 24 November 2015. More information on these visits can be found at Appendices 5 and 6 to this report.

29. We also developed our own survey for 14–24 year-olds. This ran from 28 July 2015 until 16 October 2015. Although our survey had over 650 responses it is important to note that it was a limited exercise, albeit one that gave the Committee useful indicators. The survey asked about the support and advice that was available to young people as they made the transition from school to work, the guidance they had received and what they felt was needed to be successful. The full findings of the survey have been published separately to this report.⁴⁹
30. On 27 October 2015, we held a focus group with 19–24 year-olds. More information on this focus group can be found at Appendix 4.
31. The members of the Select Committee on Social Mobility who carried out the inquiry are listed in Appendix 1, which shows their declared interests. Throughout the course of our inquiry we have been fortunate to have had the assistance of Professor Ann-Marie Bathmaker as our specialist adviser. We are most grateful to her for her contribution to our work.
32. During the oral evidence sessions, each witness was asked to provide one idea which this Committee could recommend to the Government. We have published these suggestions alongside this report.

49 See report of survey results: <http://www.parliament.uk/documents/lords-committees/social-mobility/survey-results.pdf>

CHAPTER 2: THE LABOUR MARKET AND EMPLOYERS' EXPECTATIONS

“The interviewer... wanted me to be able to learn from the experience I was going to get. He liked my personality and said that he felt that I was hungry to learn and that my personality came across well in the interview.”⁵⁰

Balqis, a participant in our focus group on 27 October 2015

33. Getting a job is one of the most direct routes out of poverty.⁵¹ Getting a good job with prospects is essential for social mobility. As such, a focus of our inquiry was on the nature of the labour market. We looked at how employers recruit staff, and whether young people had the skills employers said they desired.

Box 4: The labour market

The labour market is where potential employers and employees meet. It is made up of the number of jobs available, and the number of people who are able to (and who want to) work. Labour markets exist at a local, national or international level.

Employers in the United Kingdom are divided into three broad categories: the public sector, the private sector and the voluntary sector.

Public sector jobs include roles in education, health, local, regional and central Government, and the military. Private sector jobs are roles in businesses run by private individuals and groups. Voluntary or third sector jobs are roles in organisations which are not looking to make a profit (such as charities).

What do employers say they need?

34. We wanted to understand what employers looked for in their employees when they recruited them.
35. From the start of our inquiry many of our witnesses told us that many employers would rather recruit people who demonstrated that they had skills to succeed over those who had academic qualifications.⁵²
36. Barclays PLC, which employs approximately 132,000 people, told us they found “academic attainment remains important in giving young people access to the widest breadth of opportunities” but there are also “numerous skills it is important for young people to demonstrate. Team-working, problem solving, confidence, presentation skills and resilience to name just a few.”⁵³

50 See note of focus group (Appendix 4).

51 ONS, ‘How effective is getting a job in helping people leave poverty’, (March 2015): <http://www.ons.gov.uk/ons/rel/household-income/poverty-and-employment-transitions-in-the-uk-and-eu/2007-2012/sty-how-effective-is-getting-a-job-in-helping-people-leave-poverty-.html> [accessed 22 March 2016]

52 Written evidence from ThinkForward (SMO0092); ASDAN (SMO0054); The Edge Foundation (SMO0024); Impetus – The Private Equity Foundation (SMO0066); National Literacy Trust (SMO0014); emfec (SMO0113); City Year UK (SMO0079); Inclusion Trust (SMO0107); Barclays PLC (SMO0115); The Prince’s Trust (SMO0040); Association of Teachers and Lecturers (SMO0084); Chartered Institute of Personnel and Development (SMO0043); ICAEW (SMO0063); OCR (SMO0060); KPMG (SMO0121); Impetus – The Private Equity Foundation (SMO0066); The Found Generation (SMO0101); PSHE Association (SMO0016)

53 Written evidence from Barclays PLC (SMO0115)

37. Neil Carberry, Director for Employment and Skills for the Confederation of British Industry, agreed: “85 per cent of CBI members identify attitudes, attributes, [and] characteristics along with basic skills in literacy and numeracy as the most important things they look for if they are hiring into the business at 18.”⁵⁴
38. Barnardo’s agreed: “as an organisation providing support to this group we know that it is important that young people are also able to learn ‘Life Skills’ while undertaking their courseAs one of our trainers explained:
- “They’re the generic elements that allow you to succeed such as self-presentation, punctuality, personal hygiene, interview techniques, working out money. Things that employers tell us they want. They want honest, reliable, punctual, well presented [young people]”.⁵⁵
- Yet the Federation of Small Businesses told us: “The skills most lacking in recruits under the age of 24 are the general attitude to work, communication, self-management, people skills, problem solving, literacy, numeracy, technical skills, teamworking, leadership and management, IT literacy and languages.”⁵⁶
39. Other witnesses cautioned that preparation for adulthood was not just about being a contributor to the economy. For instance, Professor Orr said: “I pay my taxes each month, but it is not my defining feature as an adult human being in the UK.”⁵⁷
40. The above witness statements refer to different types of skills and attributes which have been named differently in UK policy over time. They include functional skills such as communication, literacy and numeracy, and digital skills. They also include soft ‘employability’ and personal effectiveness skills such as team working, time management, resilience, flexibility, problem-solving and communication skills. Thirdly, they include personal attributes and qualities such as confidence and resilience. For convenience, in this report we have referred to this umbrella of skills and qualities as ‘Life Skills’.
41. It can be tempting in looking at the development of Life Skills, as well as the provision of advice and guidance, to think about a young person as someone to whom something is done or delivered, rather than someone who has—or should have—a level of control over their destiny. It is important that young people are not made to feel like “chess pieces”, as one of our focus group participants put it. All government policy should be geared towards empowering young people and encouraging them to own their decisions and make confident plans for their future.

Skills for work

42. Some of the skills needed for the workplace can only be gained through experience of work. For instance, the OECD⁵⁸ showed that skills such as problem solving and communication are most effectively developed in work.

54 Q 55 (Neil Carberry)

55 Written evidence from Barnardo’s (SMO0128)

56 Written evidence from Federation of Small Businesses (SMO0096)

57 Q 177 (Prof Kevin Orr)

58 OECD, ‘Learning for Jobs’, (2014): <http://www.oecd.org/education/innovation-education/learningforjobs.htm> [accessed 22 March 2016]

KPMG, which employs nearly 12,000 people in the United Kingdom,⁵⁹ told us: “experience of the workplace is essential in raising aspirations of young people and de-mystifying the workplace environment prior to interviews.”⁶⁰ However, Professor Purcell and colleagues told us that when they go into work, many young people access part-time temporary work and ‘zero hour’ contracts and so no-one is responsible for their training.⁶¹

43. Part-time employment opportunities can help to develop Life Skills. UKCES told us that “Part-time work develops those skills and capabilities which employers value”⁶² Some witnesses, however, highlighted the demise of the Saturday job⁶³, which means there are fewer opportunities for young people to develop Life Skills by working part-time around their studies.⁶⁴
44. We raised the issue of Life Skills with the Education Secretary, the Rt Hon Nicky Morgan MP. She told us that Life Skills such as “self-confidence, self-esteem and teamwork” could not be examined.⁶⁵ However Maggie Walker, Chief Executive of ASDAN, told us that prior to the 2010 Government, it had been possible to take a GCSE in Life Skills. Ms Walker said this meant “young people saw that developing these skills really counted and they were valued and measured alongside their other qualifications. Removing them, she said, “ ... was a really backward step”.⁶⁶ She also told us there is “a huge lack of personal and social development education within school nowadays.”⁶⁷ Sam Monaghan, Executive Director for Children’s Services at Barnardo’s, told us that this was because “many of the young people we work with are in an environment in schools where the focus is very much on qualifications.”⁶⁸ A group of three young people between 16 and 18 years old who used Barnardo’s services told us that school was “all about being taught how to pass exams rather than learning useful Life Skills.”⁶⁹
45. Nonetheless, schools and colleges can help to teach some of these skills that employers say they want.⁷⁰ Skills do not necessarily have to be taught as a specific subject. ThinkForward said: “Building work readiness does not require separate lessons, but it does require a focus on skills development across the curriculum.”⁷¹
46. A lack of opportunities in the workplace, together with a lack of Life Skills within schools and a lack of family-based learning, has meant the voluntary sector has had to create opportunities for young people to develop them. One way that young people are getting help to develop a wider range of

59 KPMG, ‘[UK Annual Report 2015](https://home.kpmg.com/uk/en/home/about/annual-report.html)’, (December 2015): <https://home.kpmg.com/uk/en/home/about/annual-report.html> [accessed 22 March 2016]

60 Written evidence from KPMG ([SMO0121](#))

61 Written evidence from Prof Kate Purcell, Prof Anne Green, Gaby Atfield, Dr Charoula Tzanakou, and Prof Phil Mizen ([SMO0145](#))

62 Written evidence from UKCES ([SMO0001](#))

63 See for instance Dr Gavan Conlon, Pietro Patrignani, Iris Mantovani, UKCES, *The death of the Saturday job: the decline in earning and learning amongst young people in the UK* (June 2015): <https://www.gov.uk/government/publications/the-death-of-the-saturday-job-the-decline-in-earning-and-learning-amongst-young-people-in-the-uk> [accessed 22 March 2016]

64 Written evidence from Herefordshire Council ([SMO0020](#))

65 [Q 191](#) (The Rt Hon Nicky Morgan MP)

66 [Q 77](#) (Maggie Walker)

67 [Q 76](#) (Maggie Walker)

68 [Q 76](#) (Sam Monaghan)

69 Written evidence from Barnardo’s Focus Group ([SMO0133](#))

70 [Q 75](#) (David Pollard)

71 Written evidence from ThinkForward ([SMO0092](#))

skills is through work with voluntary sector organisations. For example, the Barnardo's Phase 2 service provides advice and advocacy on the skills needed to support sustained employment.

47. Providing broader opportunities to learn Life Skills is very important, because a person's skills are closely linked to their social and family background. Research by Demos found that “large numbers of young people in the UK—particularly from disadvantaged backgrounds—do not have enough opportunity to take part in non-formal learning and are therefore at risk of not developing key skills important for success.”⁷² The Federation of Small Businesses told us that “limitations in their social networks mean that young people from disadvantaged backgrounds have fewer opportunities to develop these skills outside the school setting.”⁷³ Young people who have not had access to the same opportunities as others may therefore be at a further disadvantage when they are looking for a job.
48. Our witnesses raised concerns that employers felt that they did not have the supply of ‘work ready’ young people to employ that they needed. Evidence from Kate Purcell and colleagues showed that employers expect education to prepare young people, rather than seeing it as part of their responsibility when an employee starts work.⁷⁴ The Prince's Trust told us that, “Employers are finding it increasingly difficult to recruit prospective employees straight out of education, as although they may be technically or academically able, they lack ‘soft transferable skills’.”⁷⁵ A large number of witnesses agreed.⁷⁶ The Federation of Small Businesses found in its own research that the skills felt to be most lacking in recruits under the age of 24 are a general attitude to work, communication, self-management, and people skills.⁷⁷
49. **Employers say they look for more than just qualifications in their recruits. They want their employees to arrive with the skills to succeed in the workplace: communication, team working, resilience, and self-management. Many of these skills can only really be gained through experience of work, either through work placements, or once in employment. For young people who do not have access to work-based training, the education system can go some way towards teaching these skills. However, Life Skills are not embedded in an effective way alongside or within the curriculum, and young people leave the education system insufficiently prepared for adulthood and the world of work.**

Recruitment practices

50. The way people are recruited affects the potential social mobility of young people. Recruitment practices can inhibit people from accessing work and developing careers in fields to which they would be suited. This is because

72 Demos, ‘Learning by Doing’, (June 2015): <http://www.demos.co.uk/project/learning-by-doing/> [accessed 22 March 2016]

73 Written evidence from the Federation of Small Businesses (SMO0096)

74 See written evidence from Prof Kate Purcell, Prof Anne Green, Gaby Atfield, Dr Charoula Tzanakou, and Prof Phil Mizen (SMO0145)

75 Written evidence from The Prince's Trust (SMO0040)

76 See written evidence from The Big Academy (SMO0116); The Edge Foundation (SMO0024); Prof Alison Fuller and Prof Lorna Unwin (SMO0010); Careers South West (SMO0095); Leeds City Region Enterprise Partnership (SMO0049); Prospects Services (SMO0091); Department for Employment and Learning, Northern Ireland Executive (SMO0034); Federation of Small Businesses (SMO0096); Telford and Wrekin Council (SMO0009)

77 Written evidence from the Federation of Small Businesses (SMO0096)

these recruitment practices may favour people from higher social classes to be recruited and to gain employment. As such, we sought to understand the approach taken to the recruitment of young people.

Box 5: Formal and informal recruitment

There are two broad types of recruitment: formal and informal.

Formal recruitment is the practice of advertising a position in a business widely. This is typically followed by a sift of candidates, and a formal interview of the candidates who best meet the requirements of the position.

Informal recruitment is often known as word-of-mouth recruitment, and relies upon networks of contacts through colleagues, family and friends.

Formal recruitment

51. Our evidence showed that the application and interview process does not reflect what employers say when it comes to valuing skills over qualifications. Telford and Wrekin Council said:

“Employers say they want young people with ‘sparkle’ and [a] bit of initiative, and very often they advise they are prepared to train them to give them the skills they need to do the job. However, the recruitment process does not measure enthusiasm, and starts with qualifications and experience, which many of this group do not have.”⁷⁸

Other witnesses shared this concern, and we agree that it is a fundamental difficulty with recruitment.⁷⁹ Employers are faced with large numbers of applicants. Their use of qualifications to screen potential employees is one easy way to get application numbers down to a manageable level. However, if employers want employees with a broad range of skills, reliance on academic attainment will not lead to the most diverse and most skilled young people getting jobs.

52. Pret A Manger, which has 289 shops in the United Kingdom, said “sadly there is a perception that employing young people will be time consuming and stressful” due to employers’ concerns that young people are not learning the skills at school they will need in the workplace.⁸⁰ This is a barrier to social mobility. If employers think it is more difficult and costly to employ young people, they will not employ them.
53. Several witnesses suggested that employers do not understand the relationship between many qualifications and the skills the candidate has acquired.⁸¹ Others also told us that employers are more familiar with some qualifications, such as A-Levels, than others.⁸² This familiarity could create a bias towards those with academic qualifications. Less understood qualifications, such as vocational qualifications, may therefore have relatively less value. We discuss bias in more detail in Chapter 4.

78 Written evidence from Telford and Wrekin Council ([SMO0009](#))

79 See written evidence from Capp ([SMO0069](#)) and ICAEW ([SMO0063](#))

80 Written evidence from Pret A Manger ([SMO0041](#))

81 Written evidence from New Economy (on behalf of Greater Manchester Combined Authority) ([SMO0088](#)); Northamptonshire Enterprise Partnership ([SMO0094](#)); The Science Council ([SMO0120](#)); Capp ([SMO0069](#)); Barclays PLC ([SMO0115](#))

82 See written evidence from Prospects Services ([SMO0091](#)); ASDAN ([SMO0054](#)); Federation of Small Businesses ([SMO0096](#))

Informal recruitment

54. The use of word-of-mouth recruitment presents a barrier to social mobility. Young people whose families do not have these valuable networks and contacts are at a disadvantage.⁸³ It narrows the jobs available to those who have the “right” networks and social connections. The reliance on networks excludes a large number of young people who do not have the contacts that others do. Moira McKerracher, Deputy Director of the UK Commission for Employment and Skills, told us that word-of-mouth recruitment is the most popular type of recruitment for young people in the UK. She told us that this type of recruitment depends on social networks.⁸⁴ The UKCES report ‘Catch 16–24’ showed that 23 per cent of employers of young people had used word-of-mouth recruitment or a personal recommendation in 2014. Other popular methods of recruitment were the employer’s own website (14 per cent), the job centre (12 per cent) and local media (nine per cent).⁸⁵
55. Some employers have recognised, and begun to address, these problems. For example, Deloitte consider academic qualifications alongside a range of other background factors. This means that a candidate will be recognised if they gained three Bs rather than three As at A-Level if their school’s average was three Ds. Deloitte has also removed the names of educational institutions from applications, and their recruitment process involves games which test entrepreneurship and freedom of thought.⁸⁶ Marks and Spencer considers the barriers young people may have had in gaining qualifications and focuses on “personality, culture fit and things such as communication, motivation, behaviours and values” in their recruitment.⁸⁷ Some of the UK’s largest employers therefore clearly already recognise the value of non-academic skills and attributes and are adapting their recruitment processes accordingly. However, research by the Social Mobility and Child Poverty Commission⁸⁸ shows that such alternative measures are less readily learned by those from lower economic or social backgrounds.⁸⁹ This is opportunity hoarding as discussed at paragraph 13.
56. It is very important that large employers address the barriers faced by young people. This also applies to public sector employers, including the Houses of Parliament. But doing likewise remains a challenge for smaller businesses. Ninety-nine per cent of the UK’s businesses in 2015 were SMEs. This equates to 5.4 million businesses, 5.1 million of which were micro-businesses.⁹⁰ Some of these will be businesses which have the capacity simply to copy the changes in recruitment practices that larger businesses have made. But smaller businesses will have much less flexibility over the numbers of staff they can employ, meaning the consequences are much greater if they take on someone who is not able to do the role properly. They also have less money to spend on developing more creative recruitment processes or to be able to

83 [Q 13](#) (Moira McKerracher)

84 *Ibid.*

85 UKCES, *Catch 16-24* (February 2015): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/404997/15.02.18_Youth_report_V17.pdf [accessed 22 March 2016]

86 [Q 55](#) (Emma Codd)

87 [Q 55](#) (Tanith Dodge)

88 The Enterprise Bill currently before Parliament (see Box 8) will change the name of the Commission to the Social Mobility Commission.

89 Social Mobility and Child Poverty Commission, *Elitist Britain?* (28 August 2014): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/347915/Elitist_Britain_-_Final.pdf [accessed 22 March 2016]

90 House of Commons Library, Business Statistics, Briefing Paper, [Number 06152](#), 7 December 2015

support more vacancies because they take longer recruiting people. These constraints dictate the use of more familiar recruitment practices. They also increase small businesses' reliance on personal recommendations through networks of family and friends.

Box 6: large, medium and small employers

A large employer is one which employs over 250 people. Medium and small employers are often referred to as small and medium sized enterprises (or SMEs). A business is normally considered to be an SME if it employs between 10 and 249 staff. Businesses which employ 0–9 people are called micro-businesses.

57. We raised the problems small businesses can find in being more inclusive in their recruitment practices with witnesses. Andrew Hodgson, Vice-Chair of the North East Local Enterprise Partnership Board, said that “it is difficult to get a strategy [to make recruitment more inclusive] embedded through the SME community because clearly business people want to know what is in it for them.”⁹¹ The Forum of Private Businesses told us that their members felt that “not enough is being done to support them in recruiting the right people and in particular de-risking⁹² the recruitment process so that micro businesses ... can be confident to recruit potentially high risk employees (young people, or the long-term unemployed).”⁹³ For recruitment practices across the labour market to become genuinely more inclusive, a way will need to be found to help SMEs to appreciate the potential value of recruiting young people from a wider pool of talent than those who have recognisable qualifications, or who have been personally recommended to them. There would be real value to everyone involved in doing so. As well as increasing the opportunities for social mobility, it would strengthen SMEs' workforce by ensuring they are getting those people with the skills they need from the widest possible pool of candidates.
58. **Employer recruitment practices disadvantage those in the middle and at the bottom end of the labour market. Small and medium-sized businesses in particular rely on informal means of recruitment, such as word-of-mouth. Using this sort of recruitment means that applicants' existing social connections and networks are important and lead to their success. Not all young people will have these connections. We welcome the fact that some employers are already changing their recruitment practices to address these problems. We note however that these changes are not widespread, are limited to the largest employers and will not go far enough on their own to achieve real progress.**

91 [Q 120](#) (Andrew Hodgson)

92 In this instance, the risk would be of spending money recruiting and training someone who ultimately could not perform the role well. A candidate is thought to be 'high risk' if they may need more investment in development to do the job than is acceptable.

93 Written evidence from the Forum of Private Businesses ([SMO0048](#))

CHAPTER 3: THE TRANSITION FROM SCHOOL TO WORK

“I went straight from school into 6th form as this was seen what you needed to do, the school aim was to get people into further education. I left three months before the end of my A-Levels due to stress, pressure and anxiety of me wrongly choosing the career stream ... I was not prepared for any other options, I did not know about apprenticeships or prepared properly for the jobs market.”⁹⁴

A female respondent to our survey, aged between 19–24, who attended a sixth form

59. The transition from school to work is a significant life event. It can have a long-lasting effect on where a person ends up in life. As we have noted, the majority of young people do not follow an academic route into work. For them, knowing what to do and finding a worthwhile route into work is not straightforward.

Routes into work

“If I am 16, I can choose a number of routes. I can go into an apprenticeship or, if I am not quite ready for that, a traineeship or I can stay on in college or school. If I am staying on in college or school, I will move on to a study programme and that programme will be either the A-Level route, as you describe, or else it will be a vocational route.”⁹⁵

Juliet Chua, Director of Post-16 and Disadvantaged Groups, Department for Education

60. Juliet Chua stressed the choices available to young people when they leave school.⁹⁶ The concept of “choice”, however, is alien to many young people who do not get the grades at GCSE to take ALevels.⁹⁷ The young people we heard from told us:

“I left school without the academic level needed to be offered the full range of choices. My only option was to stay at school or go to college to study at Level 1.”⁹⁸

“... with the grades I received at GCSE the only thing it seemed I could do was go to college (only one accepted my application) and do an entry level and resit my GCSE’s.”⁹⁹

94 Report of survey results: <http://www.parliament.uk/documents/lords-committees/social-mobility/survey-results.pdf>

95 Q 2 (Juliet Chua)

96 *Ibid.*

97 Written evidence from OFSTED (SMO0047); Hertfordshire County Council (SMO0026); London Councils (SMO0057); Telford and Wrekin Council (SMO0009); ASDAN (SMO0054), Aspire Group (SMO0007), Carers Trust (SMO0033), Inclusion Trust (SMO0107), Learning Revolution Trust (SMO0022); Prospects Services (SMO0091); Pupils2Parliament (SMO0132), STEMNET (SMO0109); The Who Cares? Trust (SMO0050); Association of Teachers and Lecturers (SMO0084); Careers England (SMO0044); Emfec (SMO0113); The Royal British Legion (SMO0072)

98 White British female, aged 19–24 with disabilities and SEN, who attended a non-selective state school in London. See report of survey results: <http://www.parliament.uk/documents/lords-committees/social-mobility/survey-results.pdf>

99 White British female, aged 19–24 who had been in local authority care, who attended a non-selective state school in Preston. See report of survey results: <http://www.parliament.uk/documents/lords-committees/social-mobility/survey-results.pdf>

“People I was at school with had completely different options than the ones I could do, and their choices and what they could do was so different.”¹⁰⁰

61. Other young people felt pushed down an academic route, did not know what else to do, or dropped out of education altogether:

“I dropped out of school halfway through the first year of A-Levels. I had always been told that I had to do A-Levels and then go to university. I decided that that wasn’t what I wanted to do, but had no idea what to do when I left school. I fulfilled the big cliché and got a part time job at McDonald’s. I had no information of other routes so I fell straight into employment. I now work full time in a supermarket and am planning to climb the ladder into management within the company.”¹⁰¹

62. A small proportion of young people who get good enough grades to take A-levels choose to take a vocational route instead.¹⁰² We saw evidence of this when we visited the Rolls Royce apprenticeship scheme in Derby (see Appendix 6).

Young people in the middle

63. We know that more than half of young people do not follow a GCSE/A-Level/University academic route, whether by choice or otherwise. The majority of them will be middle-attainers, meaning they will not get a Level 3 qualification by the age of 18 (see paragraphs 4–5).¹⁰³ Professors Hodgson and Spours told us that: “This group of ‘middle attainers’ constituted more than 50 per cent of the 16+ cohort in 2014. Initially identified at age 11 through Key Stage 2 SATs scores (about 40 per cent of the 11-year-old cohort), they are a diverse group comprising those currently in full-time education at 16+ and who [do not follow or get ‘good’ A-Levels]”¹⁰⁴.¹⁰⁵
64. Young people from disadvantaged backgrounds are over-represented in this middle group.

100 Cardine, a participant in our focus group on 27 October (see Appendix 4)

101 White British Female, aged 16–18, who attended a select state school in Cardiff. See report of survey results: <http://www.parliament.uk/documents/lords-committees/social-mobility/survey-results.pdf>

102 Social Mobility and Child Poverty Commission, *State of the Nation 2015: Social Mobility and Child Poverty in Great Britain* (December 2015): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/485926/State_of_the_nation_2015_social_mobility_and_child_poverty_in_Great_Britain.pdf [accessed 22 March 2016]

103 The proportion of economically active young people in low-paid occupations has risen since 1993 – from 39 to 52 per cent. Anitha George, Hilary Metcalf, Leila Tufekci and David Wilkinson, *Understanding Age and the Labour Market* (June 2015): <http://www.jrf.org.uk/publications/understanding-age-and-labour-market> [accessed 22 March 2016]

104 Those on the margins of full A-Level participation—failing AS, dropping out of AS, reducing the number of A-Level subjects taken to two in Year 13; attaining low A-Level grades or taking a mixed general and vocational programmes (estimated to be about 20 per cent of the 16+ cohort); those following Level 3 NVQ or equivalent such as BTEC National Diplomas (recorded as 15 per cent); those following Level 2 NVQ or equivalent such as BTEC First Diplomas (recorded as 13 per cent); those following Level 1 NVQ or equivalent such as Foundation Learning (recorded as six per cent).

105 Written evidence from Prof Ann Hodgson and Prof Ken Spours ([SMO0012](#))

65. Some of the young people we heard from told us how their backgrounds had affected them:

“When I left School I wasn’t able to complete college courses as there was no fixed home address.”¹⁰⁶

“Due to staying at home to help my mum on occasion, I was stripped of my bursary and so unable to travel to college. It was the only college to offer the course I was on. I wasn’t allowed to sit the end of unit assessments and as such, unable to progress to the next level course. I am now in the situation where I cannot get ... funding due to studying a different course. As my options of education have now run out I have been forced to apply for universal credit. I have been doing unpaid work experience for the past 3 and a half weeks while waiting the 35 days before I receive any payment. Growing up in a poor family anyway, it has been very difficult to find the means to travel to and from the job centre, so I already owe a lot of money to family members.”¹⁰⁷

Recent policy focus and the effects on the labour market

66. Government efforts to increase social mobility have tended to focus on higher-level routes—especially ones that lead to university—or apprenticeships.¹⁰⁸ Across the UK, successive governments have tried to make sure a university education is open to people from all backgrounds.
67. For example, at the end of 2015 the Government consulted on plans to widen participation in higher education.¹⁰⁹ The 2010 Coalition Government wanted more university places for young people from disadvantaged backgrounds.¹¹⁰ In 2007 the then Prime Minister, the Rt Hon Gordon Brown MP, stressed the Government’s policy to widen access to higher education.¹¹¹ In 1999, the then Prime Minister, the Rt Hon Tony Blair MP, set the target that 50 per cent of all young people under 30 should have taken part in higher education.¹¹²

106 See report of survey results: <http://www.parliament.uk/documents/lords-committees/social-mobility/survey-results.pdf>

107 *Ibid.*

108 Written evidence from Prof Ann Hodgson and Prof Ken Spours (SMO0012)

109 Department for Business, Innovation and Skills, ‘Higher education: teaching excellence, social mobility and student choice’ (November 2015): <https://www.gov.uk/government/consultations/higher-education-teaching-excellence-social-mobility-and-student-choice> [accessed 22 March 2016]

110 For instance the 2010–2015 Government policy: higher education participation (updated May 2015): <https://www.gov.uk/government/publications/2010-to-2015-government-policy-higher-education-participation/2010-to-2015-government-policy-higher-education-participation> [accessed 22 March 2016]

111 Gordon Brown’s speech at the University of Greenwich, 31 October 2007, as reported in the House of Lords Library Note, Debate on 26 June: Higher Education, (June 2008): <http://www.parliament.uk/documents/upload/highereducation.pdf> [accessed 22 March 2016]

112 The Rt Hon Tony Blair, Prime Minister, addressing a meeting concerned with post-16 Education and Training, 11 February 1999. Referenced in Department for Education, National Statistics Quarterly Review Series, Review of the initial Entry Rate into Higher Education (2003)

68. Since 2000 Scotland has offered free university tuition for students from Scotland.¹¹³ The Welsh Government will pay fee costs above £3,465 a year for Welsh students studying at any UK university.¹¹⁴ The higher education widening participation strategy in Northern Ireland includes an increase in local FE and HE provision and a premium for students from disadvantaged backgrounds.¹¹⁵ Within the European Union, 47 countries make up the European Higher Education Area. These “countries have committed to the goal the student body should reflect the diversity of the populations and that the background of students should not have an impact on their participation in and attainment of higher education.”¹¹⁶ The implementation report notes some progress, but says: “ ... the goal of providing equal opportunities to quality higher education is far from being reached.”¹¹⁷
69. In spite of the substantial increase in tuition fees in 2012 in England, there are more graduates than ever before. In 2014/15 there were 1,727,895 undergraduate students¹¹⁸ in the United Kingdom, approximately 500,000 more than the equivalent number in 1994/5 (1,231,988).¹¹⁹ A total of 532,300 people entered higher education in the United Kingdom in 2015, the highest number ever recorded, meaning more graduates in the future.¹²⁰
70. Some of our witnesses told us that the increase in the number of graduates had changed the jobs available to non-graduates. For instance, Professor Roberts said since the A-Level and university route had grown, most management and professional employment jobs had been taken by university graduates.

113 Eligible Scottish domiciled students studying full-time in Scotland are not required to pay tuition fees if studying for a first degree or equivalent. Students may also be eligible to apply for an income assessed bursary and student loan to help with living costs from the Student Awards Agency for Scotland (SAAS). The Scottish Government, ‘Financial help for students’: <http://www.gov.scot/Topics/Education/UniversitiesColleges/16640/financial-help> [accessed 22 March 2016]

Information on student numbers is set out in the Scottish Funding Council outcome agreements – these are the contractual agreements that are made with individual higher education institutions in Scotland on the number of funded places that they should aim to allocate in any given academic year. For 2015–16 the total number of agreed funded places, for Scottish domiciled and EU students, that the Scottish Government will fund tuition fees for are: Non- controlled student places funded by the Scottish Funding Council = 107,201.3; Controlled student places funded by the Scottish Funding Council = 8,002.4; Controlled student places funded by the Scottish Government = 9,068.3. The total of all these combined is = 124,274 student places. The above relates to student taking degree or equivalent level study at higher education institutions only. Scottish Funding Council, ‘University Outcome Agreements 2015–16 Sector Summary Information’: <http://www.sfc.ac.uk/funding/OutcomeAgreements/2015-16/UniversityOA15-16SectorInformation.aspx> [accessed 22 March 2016]

114 Higher Education Funding Council for Wales, *Access to High Education in Wales* (September 2015): http://wiserd.ac.uk/files/4014/4257/0990/WISERD_-_Access_to_Higher_Education_F1.pdf [accessed 22 March 2016]

115 Department for Employment and Learning Northern Ireland, ‘Higher education widening participation’: <https://www.delni.gov.uk/articles/higher-education-widening-participation> [accessed 22 March 2016]

116 European Commission, *The European Higher Education Area in 2015: Bologna Process: Implementation report* (May 2015): http://bookshop.europa.eu/is-bin/INTERSHOP.enfinity/WFS/EU-Bookshop-Site/en_GB/-/EUR/ViewPublication-Start?PublicationKey=EC0215185 [accessed 22 March 2016]

117 European Commission, *The European Higher Education Area in 2015: Bologna Process: Implementation report* (May 2015): http://bookshop.europa.eu/is-bin/INTERSHOP.enfinity/WFS/EU-Bookshop-Site/en_GB/-/EUR/ViewPublication-Start?PublicationKey=EC0215185 [accessed 22 March 2016]

118 Full time and part time, UK domicile and non-UK domicile.

119 Higher Education Statistics Agency, ‘Students, Qualifiers and Staff data tables’: <https://www.hesa.ac.uk/content/view/1973/239/> [accessed 22 March 2016] and https://www.hesa.ac.uk/dox/pubs_archive/student_1994-95_table_9a.pdf [accessed 22 March 2016]

120 UCAS, ‘2015 Undergraduate End of Cycle Report’ (16 December 2015): <https://www.ucas.com/corporate/news-and-key-documents/news/record-numbers-students-accepted-uk-universities-and-colleges> [accessed 22 March 2016]

He warned that this was also happening to intermediate office, technical and sales jobs. The number of jobs available to non-graduates in manufacturing and the associated craft apprenticeships has also shrunk.¹²¹ CASCAiD Ltd told us that employers are missing potentially valuable recruits by having A-Levels or a degree as minimum requirements for jobs, when the roles do not require it.¹²² The Rt Hon Alan Milburn, Chair of the Social Mobility and Child Poverty Commission, told us that the general requirement to have a degree had limited the number of intermediate roles available in the public sector.¹²³

71. Traditionally, work-based learning and apprenticeships were one of the main routes to work for young people not going to university. This has changed too. Professor Keep told us: "... both employers and Government over the last 20 to 25 years have looked to fill quite a lot of intermediate skill demand not through the traditional apprenticeship route but through expanding higher education." This means that these jobs are now largely inaccessible without a degree.¹²⁴
72. All of this means it is more difficult for those without degrees to get mid-level jobs. The UK Commission for Employment and Skills (UKCES) told us that the United Kingdom's "poor record in apprenticeships and the disappearance of work-based pathways from the 1980s" had "most likely contributed to low levels of upwards social mobility."¹²⁵ There are therefore fewer ways for non-graduates to move into work.
73. The most recent UK labour market survey found that "Jobs with intermediate skills demands tend to have high shares of skills shortages. These include skilled trades' roles in manufacturing, construction, wholesale and retail, and hotels and restaurants. This partly reflects longstanding shortages of skilled construction trades workers such as plumbers, electricians and carpenters, and skilled chefs within the hotel and catering industries."¹²⁶
74. The Government aims to improve routes to work for all young people. Juliet Chua, Director, Post-16 and Disadvantage Group, at the Department for Education, told us "... the Government are clear that what we want to see is young people being able to progress up to higher skill levels and that the qualifications and the skills and experience they receive set them up well for future employability". She added that "we know that it is critical to have clear routes through [to work] for all young people."¹²⁷
75. Despite the Government's laudable aims, the evidence from many of our witnesses showed that transitions from school to work remain complex,

121 Written evidence from Prof Ken Roberts ([SMO0002](#))

122 Written evidence from CASCAiD Ltd ([SMO0061](#))

123 [Q 160](#) (The Rt Hon Alan Milburn)

124 [Q 46](#) (Prof Ewart Keep)

125 Written evidence from UKCES ([SMO0001](#))

126 UKCES, *The Labour Market Story: The State of UK Skills* (2014): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/344440/The_Labour_Market_Story- The_State_of_UK_Skills.pdf [accessed 22 March 2016]

127 [Q 3](#) (Juliet Chua)

confusing and incoherent for people who do not go on to higher education.¹²⁸ We say more about this in paragraphs 81–85.

What do young people in the middle study?

76. If young people do not follow an academic route to work, it is impossible to tell from publicly available central Government data how many of them take what qualification, whether they take a vocational or other qualification, and, if they do take a vocational qualification, which one they take. We say more about this in Chapter 7. We have nevertheless been able to identify some general trends which arose from our evidence.
77. The Welsh Government, for example, told that for “16–24 year olds in FE [further education]; only 10 per cent of activities were ‘academic’ (A/AS Levels, GCSEs and Access to FE/HE), whilst over a quarter were vocational qualifications including QCF awards, certificates and diplomas, and NVQs. The vast majority of full-time learners are studying essential skills including literacy, numeracy and digital literacy as part of their programme.”¹²⁹
78. We heard that in Hertfordshire “the majority of young people in employment, education or training (excluding A-Levels) follow vocational programmes post-16.”¹³⁰
79. Ofsted said:
- “Those who do not progress to A-Levels or vocational courses at Level 3 are generally those who complete Key Stage 4 without achieving five GCSEs, including English and mathematics at grade C or above. In 2013/14, this cohort accounted for approximately 242,300 young people. The most common destination for these learners was to progress to 16 to 19 study programmes at Level 2 or below at further education colleges, independent learning providers or charitable organisations.”¹³¹
80. In 2011 Professor Baroness Wolf of Dulwich found that “post-16 the majority follow courses which are largely or entirely vocational.”¹³²

Non-academic routes to work

“... a youngster who is leaving school and thinking of pursuing a non-university route is confronted by a spaghetti junction of acronyms, schemes, qualifications and institutions.”¹³³

The Rt Hon Nick Clegg MP

128 Written evidence from Pinetree Enterprises Ltd ([SMO0015](#)); Careers South West ([SMO0095](#)); Capp ([SMO0069](#)), Prospects Services ([SMO0091](#)); MiddletonMurray ([SMO0013](#)); Impetus – The Private Equity Foundation ([SMO0066](#)); National Institute of Adult Continuing Education (NIACE) and Centre for Economic and Social Inclusion (Inclusion) ([SMO0078](#)); Nacro ([SMO0123](#)); Careers England ([SMO0044](#)); Prof Ann Hodgson and Prof Ken Spours ([SMO0012](#)); Fair Train ([SMO0067](#)); Prof Alison Fuller and Prof Lorna Unwin ([SMO0010](#)); YMCA Training ([SMO0077](#))

129 Written evidence from the Welsh Government ([SMO0021](#))

130 Written evidence from Hertfordshire County Council, Hertfordshire Local Enterprise Partnership, and Youth Connexions Hertfordshire ([SMO0026](#))

131 Written evidence OFSTED ([SMO0047](#))

132 See for instance Prof Baroness Wolf, *Review of Vocational Education – The Wolf Report* (March 2011): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/180504/DFE-00031-2011.pdf [accessed 22 March 2016]

133 [Q 21](#) (The Rt Hon Nick Clegg MP)

83. It is important that young people take qualifications that lead to good quality jobs. But our evidence showed vocational routes to work are especially confusing. They lack consistency and inhibit social mobility.¹³⁵ For example, there are 19,000 regulated adult vocational qualifications in England.¹³⁶ Government reforms following the Wolf Review of vocational education reduced the number of vocational qualifications and focussed specifically on reducing the number of low quality courses.¹³⁷ However, our witnesses told us the range of qualifications is unclear, making it difficult to pick between them.¹³⁸

84. The Rt Hon Alan Milburn spoke about the complexity of the non-university route:

“This is not system; it is a jungle. Interestingly, it is not a jungle if you are in higher education. If you are on the higher education track, you have total clarity and a portal of entry, but you do not have that on the vocational education track.”¹³⁹

85. Many of our witnesses shared similar views.¹⁴⁰ Dr Crawford told us that “a whole host of vocational qualifications” offered “very different returns.”¹⁴¹ Professor Roberts told us it was “no longer possible to say, ‘If you get this qualification, that will qualify you to do that job’. Whether it does or not you just do not know.”¹⁴² Many of our witnesses agreed.¹⁴³

What do employers make of qualifications?

86. Part of the problem is that employers do not understand the link between qualifications and skills. A qualification has no value if an employers does not understand it. Recent and repeated change is one reason for this.¹⁴⁴ Box 7 shows the number of reviews and changes which have taken place in the last five years (since 2011) alone. Future planned changes and reviews may cause further confusion.¹⁴⁵

135 Written evidence from Prof Alison Fuller and Prof Lorna Unwin ([SMO0010](#)); Nacro ([SMO0123](#))

136 UKCES, *Review of Adult Vocational Qualifications in England* (November 2013): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/303906/review-of-adult-vocational-qualifications-in-england-final.pdf [accessed 22 March 2016]

137 See for instance, HM Government, *Getting the job done: the government’s reform plan for vocational qualifications* (March 2014): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/286749/bis-14-577-vocational-qualification-reform-plan.pdf [accessed 22 March 2016]

138 Written evidence from The Gatsby Charitable Foundation ([SMO0037](#)); Prof Alison Fuller and Prof Lorna Unwin ([SMO0010](#)); Careers South West ([SMO0095](#)), University Alliance ([SMO0027](#))

139 [Q 163](#) (The Rt Hon Alan Milburn)

140 Written evidence from Pinetree Enterprises Ltd ([SMO0015](#)); Careers South West ([SMO0095](#)); Capp ([SMO0069](#)), Prospects Services ([SMO0091](#)); MiddletonMurray ([SMO0013](#)); Impetus – The Private Equity Foundation ([SMO0066](#)); National Institute of Adult Continuing Education (NIACE) and Centre for Economic and Social Inclusion (Inclusion) ([SMO0078](#)); Nacro ([SMO0123](#)); Careers England ([SMO0044](#)); Prof Ann Hodgson and Prof Ken Spours ([SMO0012](#)); Cascaid ([SMO0061](#))

141 [Q 17](#) (Dr Claire Crawford)

142 [Q 30](#) (Prof Kenneth Roberts)

143 Written evidence from The Gatsby Charitable Foundation ([SMO0037](#)); Prof Alison Fuller and Prof Lorna Unwin ([SMO0010](#)); Careers South West ([SMO0095](#)), University Alliance ([SMO0027](#))

144 Written evidence from New Economy (on behalf of Greater Manchester Combined Authority) ([SMO0088](#)); Northamptonshire Enterprise Partnership ([SMO0094](#)); The Science Council ([SMO0120](#)); Capp ([SMO0069](#)); Barclays PLC ([SMO0115](#))

145 Written evidence from Telford and Wrekin Council ([SMO0009](#)); Capp ([SMO0069](#)); Prospects Services ([SMO0091](#)); Dr Simon Reddy ([SMO0006](#)), City & Guilds ([SMO0073](#))

Box 7: Changes to upper secondary and adult qualifications

Previous reports and reviews

The Wolf Review of vocational education (2011)¹⁴⁶ suggested a major shakeup of qualifications taken by young people on the vocational route in schools, FE and apprenticeships.

The Richard Review of Apprenticeships (2013) made a number of detailed recommendations about the need for change in the way learning within apprenticeships was assessed and certified.

The Whitehead Review of Adult Vocational Qualifications in England (November 2013)¹⁴⁷ suggested further reforms. There are now several parts to this area of work.

Current or future programmes

Technical level qualifications (tech levels) are new qualifications for 16-year-olds. They are vocational and aim to equip students with the specialist knowledge they need to for a specific recognised occupation, such as engineering, computing, accounting or hospitality. To be recognised as a tech level a qualification must be a Level 3 qualification, lead to a recognised occupation, have public support from professional bodies or from 5 employers registered with Companies House.¹⁴⁸

National Occupational Standards (NOS) are statements of the standards of performance individuals must achieve when carrying out functions in the workplace, together with specifications of the underpinning knowledge and understanding. The Government is undertaking reform of the National Occupational Standards (NOS) via the UKCES's Standards and Frameworks programme.¹⁴⁹

The Government's Apprenticeship reform programme takes forward the work of the Richard Review. It aims to make sure apprenticeships in England become more rigorous.¹⁵⁰ (The Government says this is currently being piloted by the Apprenticeship Trailblazer sectors and sub-sectors).

What does this mean for young people?

87. Young people sometimes end up taking qualifications or find themselves in jobs which do not match their aspirations,¹⁵¹ or have little value in the labour market.¹⁵² A qualification has no economic value if an employer does not understand it. For example, a young person who completed our survey said:

146 Prof Baroness Wolf, *Review of Vocational Education: The Wolf Report* (March 2011): : https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/180504/DFE-00031-2011.pdf [accessed 22 March 2016]

147 UKCES, *Review of Adult Vocational Qualifications in England* (November 2013): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/303906/review-of-adult-vocational-qualifications-in-england-final.pdf [accessed 22 March 2016]

148 HM Government, *2010 to 2015 government policy: further education and training* (May 2015): <https://www.gov.uk/government/publications/2010-to-2015-government-policy-further-education-and-training/2010-to-2015-government-policy-further-education-and-training> [accessed 22 March 2016]

149 UKCES, *Standards and frameworks: an overview* (June 2014): <https://www.gov.uk/government/publications/standards-and-frameworks-an-overview> [accessed 22 March 2016]

150 HM Government, *The future of apprenticeships in England* (March 2014): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/302235/bis-14-597-future-of-apprenticeships-in-england-funding-reform-technical-consultation.pdf [accessed 22 March 2016]

151 Written evidence from Access To The Professions (SMO0124)

152 Q 17 (Dr Claire Crawford)

“When I was 16 and completed my GCSEs, I found myself in a position where no A-Level courses felt suited to me and I was very unaware of how many options there were to do in college at the time. School was too busy pressuring me into staying on to do A-Levels when I did not want to, rather than helping me explore other options. The only thing I knew I wanted when I was 16 was that I wanted to leave school. Nobody had fully explained apprenticeships to me and this made them seem unappealing. I ended up securing a part time job in retail.”¹⁵³

Review of technical and professional education

88. In its evidence to us, the Government outlined plans to simplify the number of qualifications and routes available to young people in order to help them to gain high level skills. The submission did not explain how the Government intended to achieve this¹⁵⁴ but, in December 2015, the Government subsequently announced a review of technical and professional education. Launching the review, the Government set out its terms in a published briefing document:

“The panel¹⁵⁵ will focus on defining the form and structure of the routes e.g. ensuring clear TPE [Technical and Professional Education] pathways to those occupations which typically require qualifications at Levels 2 to 5 ... Particular attention will be given to lower attaining students who may not be ready to embark on TPE [technical and professional education] at the age of 16 ...”¹⁵⁶

89. The Government hopes to simplify “the currently over-complex technical and professional education system into clear routes, working in direct partnership with employers” to include “having a small number of clearly-identified progression routes ... to ensure the new system provides the skills most needed for the 21st-century economy.”¹⁵⁷ This has been tried before.
90. The 2004 Tomlinson Review of the curriculum for 14–19 year olds attempted to create a high quality, joined, technical and vocational route that was integrated into an overall framework.¹⁵⁸ Professor Ann Hodgson explained:

“He [Tomlinson] called it a diploma ... The importance of that was that all young people received a core of learning that was felt to be important for 21st century life. It goes back to the question that was asked earlier about what is the purpose of education. It also meant that it was simpler because you could understand that if it is all one qualification, but there are different pathways within it, at least everyone can be asked, “Are you

153 White British male, aged 19-24, who attended a non-selective school in Wirral, Merseyside. See report of survey results: <http://www.parliament.uk/documents/lords-committees/social-mobility/survey-results.pdf>

154 Written evidence from HM Government ([SMO0055](#))

155 The review panel will be chaired by Lord Sainsbury of Turville, the former Minister of Science and Innovation. He will be joined by Bev Robinson, the Principal and Chief Executive of Blackpool & The Fylde College, Prof Baroness Wolf, author of the Wolf Review of Vocational Education, Simon Blagden, the Non-Executive Co-Chairman of Fujitsu and Steve West, Vice-Chancellor of the University of the West of England.

156 HM Government, *Implementing the Further Education and Skills Reform Programme* (December 2015): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/482936/BIS-Nick-Boles-ministers-termly-letter-policy-annex-December-2015.pdf [accessed 22 March 2016]

157 *Ibid.*

158 Working Group on 14–19 Reform, *14–19 Curriculum and Qualifications Reform: Final Report of the Working Group on 14–19 Reform*, (October 2004): <http://www.educationengland.org.uk/documents/pdfs/2004-tomlinson-report.pdf> [accessed 22 March 2016]

on your bacc or are you are on your diploma? Which part of it are you doing?” It is a way of making sure that everyone gets a certain core of learning, and that is not the case currently.”¹⁵⁹

91. The recommendations for an overarching diploma system were not implemented in 2004.
92. Some witnesses told us that the recommendations from the Tomlinson report should have been implemented.¹⁶⁰ Other witnesses agreed that non-academic routes to work need to have a mixture of core learning and vocational learning.¹⁶¹ We agree with the principles behind the Tomlinson report.
93. **The expansion of higher education has served some groups well. It has, however, disadvantaged those already underserved by the education system and inhibited upwards social mobility for those in the middle.**
94. **Non-academic routes to employment are complex, confusing and incoherent. The qualifications system is similarly confused and has been subjected to continual change.**
95. **These options do not guarantee routes into good quality employment. The qualifications themselves are often poorly understood by employers. Employers cannot be expected to understand what skills unfamiliar qualifications represent and cannot be expected to have knowledge and faith in their quality.**
96. **These structural issues are deep-seated. They further disadvantage those already underserved by the system, who then become at risk of ending up in low-skilled and insecure employment or of becoming NEET.**
97. **The UK needs a structure which offers better routes to those who do not follow an academic route. Such routes need to make sense, be purposeful and be of a high quality.**
98. **We welcome the ‘Sainsbury’ review of technical and professional education and hope it will provide greater clarity for young people about their routes into work. We also welcome the review’s focus on progression for lower attaining students and hope the review improves the situation of middle attainers.**

Apprenticeships

99. The Government has committed to creating three million apprenticeships by 2020. Our witnesses welcomed the clear pathway into work and careers that a high-quality apprenticeship can offer.¹⁶² Sir Michael Wilshaw said that those apprenticeships had to be “of high quality and recognised to be so by the public and employers.”¹⁶³

159 [Q 179](#) (Prof Ann Hodgson)

160 [Q 33](#) (Prof Ken Roberts)

161 Written evidence from Ofsted ([SMO0047](#)) and Baker Dearing Educational Trust ([SMO0136](#))

162 See written evidence from KPMG ([SMO0121](#)); Chartered Institute of Personnel and Development ([SMO0043](#)); National Union of Students ([SMO0080](#)); and Matteo Calogiuri ([SMO0008](#))

163 [Q 115](#) (Sir Michael Wilshaw)

Higher apprenticeships

100. High-level apprentices can go on to earn more than some university graduates. City and Guilds told us: “Apprenticeships are an excellent way of improving social mobility. The earning potential of apprentices ... was found to compare favourably with the same £150,000 lifetime earnings advantage that a representative graduate would earn compared to a non-graduate.”¹⁶⁴ Moira McKerracher told us that an overhead cable engineer “three years after an apprenticeship ... can command £70,000 to £80,000.”¹⁶⁵ The returns on an apprenticeship should not be discounted as high wages can be gained quickly and without the debt that can be accumulated whilst studying for a degree. This means there appears to be no economic disadvantage from doing an apprenticeship compared to doing a degree.
101. The earning potential of apprenticeships has to be considered in context. Dr Liz Atkins told us “only a very small number of apprenticeships are at Level 3—a majority are at lower levels and do not provide the progression to the labour market implied by Level 3.”¹⁶⁶ There is fierce competition for Level 3 apprenticeships. Professor Baroness Wolf told us that “it is harder to get onto a RollsRoyce apprenticeship scheme than it is to get into Oxford or Cambridge”.¹⁶⁷ This competition means that these apprenticeships go to the highest achievers, not to middle attainers. This means that the majority of young people are unlikely to realise the significant financial returns that a high-level apprenticeship can offer.

Apprenticeship target and standards

102. Some of our witnesses were concerned that the focus on creating three million apprenticeships was dangerous. Professor Baroness Wolf said “the target is a big mistake” and there was a risk “where almost every young person in the country became an apprentice, and that is not what the labour market needs, and not what we can afford either.”¹⁶⁸ A number of our witnesses agreed and were concerned the quality of apprenticeships might be compromised by increasing the number of apprenticeships.¹⁶⁹
103. Professor Orr warned that sub-standard apprenticeships, for instance those not linked to a profession, risked “demeaning the brand of apprenticeship”.¹⁷⁰ The Government is working to strengthen the standards of apprenticeships through measures in the Enterprise Bill (see Box 8 below).

164 Written evidence from City & Guilds ([SMO0073](#))

165 [Q 17](#) (Moira McKerracher)

166 Written evidence from Dr Liz Atkins ([SMO0018](#))

167 [Q 131](#) (Prof Baroness Wolf of Dulwich)

168 [Q 133](#) (Prof Baroness Wolf of Dulwich)

169 Written evidence from Joseph Rowntree Foundation ([SMO0023](#)); CET ([SMO0059](#)); The Sutton Trust ([SMO0111](#)); City & Guilds ([SMO0073](#)); NHS Employers ([SMO0105](#)); Recruitment and Employment Confederation ([SMO0075](#)); Association of Teachers and Lecturers ([SMO0084](#)); London Councils ([SMO0057](#)); Trades Union Congress ([SMO0104](#)); Social Policy and Research Centre, Middlesex University ([SMO0036](#)); The Edge Foundation ([SMO0024](#)); British Chambers of Commerce ([SMO0103](#))

170 [Q 181](#) (Prof Kevin Orr)

Box 8: The Enterprise Bill¹⁷¹

The Enterprise Bill includes measures to increase the number of apprenticeships in the public sector, and to prevent the term ‘apprenticeship’ from being misused.

It provides a power for the Secretary of State to set targets for public sector bodies in relation to the number of apprentices they employ in England. It requires public bodies to report annually on progress against meeting the targets. This is designed to help the Government meet its commitment to deliver 3 million apprenticeships by 2020.

The Bill looks to make it an offence for a person to provide or offer a course or training as an apprenticeship if it is not a statutory apprenticeship, that is, an apprenticeship which does not meet Government standards. It also looks to strengthen and protect the reputation of the apprenticeship brand for training providers, employers and apprentices. It hopes to do this by maintaining standards and ensuring that statutory apprenticeships are not confused with lower quality training.

In order to meet the Government’s minimum standards, apprenticeships already have to be a minimum length of 12 months; include 280 hours of guided learning and employ apprentices for 30 hours a week.

104. **Apprenticeships have a strong tradition of providing robust training in a number of professions, and have been well regarded for a long time. The existing quality of apprenticeships must not be compromised for the sake of greater quantity. If it is, employers may often overlook apprentices for the ‘safer’ academic option. There is also a risk that the ‘brand’ of apprenticeships is damaged—alienating employers and young people from participation. The Government has placed substantial emphasis on quantity and, more recently, on standards. The results of this policy emphasis remain to be seen.**

Apprenticeships are not suitable for all

105. The Prime Minister, the Rt Hon David Cameron MP, said in November 2015 that the aspirations of school-leavers should be “ ... either apprenticeships or university for almost everyone.”¹⁷² Yet, despite Government efforts, only six per cent of 16–19 year olds started an apprenticeship in 2014/5 as compared to the 35 per cent of 18 year olds who apply for university.¹⁷³ Amongst other things this is due to the reluctance of employers to take on younger apprenticeships (see Chapter 2).¹⁷⁴
106. Higher education will not be suitable for everyone. Neither will apprenticeships. We received evidence that such an emphasis on those going on to higher education or apprenticeships could limit social mobility for a significant number of young people in England.

171 At the time of writing, the Bill is before Parliament having been subject to its third reading in the House of Lords on 9 March 2016. It is expected the Bill will be enacted sometime in 2016.

172 The Rt Hon David Cameron MP, *CBI Annual Conference 2015 Prime Minister’s speech*, (9 November 2015): <https://www.gov.uk/government/speeches/cbi-annual-conference-2015-prime-ministers-speech> [accessed 22 March 2016]

173 Universities UK, ‘UK Higher Education in Facts and Figures 2015’, (September 2015): http://www.universitiesuk.ac.uk/highereducation/Pages/Highereducationinfactsandfigures2015.aspx#_VvFEY9KLS1s [accessed 22 March 2016]

174 Education Committee, *Apprenticeships and traineeships for 16 to 19 year-olds* (Sixth Report, Session 2014–15, HC 597)

107. For instance, the Learning Revolution Trust warned us of the “danger that the current political emphasis on expanding apprenticeship provision will be used as a cover for a major reduction in choices and opportunities for young people.”¹⁷⁵
108. The requirements of an apprenticeship are in place in order to maintain the quality of provision. But these requirements can make apprenticeships unsuitable for a significant number of young people.
109. Apprentices aged 16–18, or aged 19 or over and in their first year of an apprenticeship, have to be paid a minimum of £2.73 an hour. The national minimum wage for non-apprentices is £6.70 an hour. The TUC told us: “the effects of low apprenticeship pay will be most keenly felt by the poorest students and their families” and that “some families will lose their child benefit payment and child tax credit when their son or daughter starts an apprenticeship.”¹⁷⁶ Other witnesses shared similar concerns.¹⁷⁷ The Young Women’s Trust conducted a poll which showed that female apprentices earn less than male apprentices (on average £1.03 less an hour); that young women would be more likely to be unemployed than men at the end of an apprenticeship; and were more likely not to receive training than men whilst completing an apprenticeship.¹⁷⁸ The low rate of pay is a barrier to those lower down the social ladder.
110. Access to apprenticeships is not equal. For instance, only nine per cent of apprentices come from a black, Asian or other minority ethnic background (BAME) versus 16 per cent of the population.¹⁷⁹ Ethnic minorities are also under-represented in some apprenticeship sectors—the proportion that apply for one is higher than the proportion that start one: 25 per cent of applicants are BAME versus 10 per cent of starters.¹⁸⁰
111. Only 46.8 per cent of apprenticeship starters were female,¹⁸¹ versus 50.7 per cent of the UK’s overall population.¹⁸²

175 Written evidence from the Learning Revolution Trust ([SMO0022](#))

176 Written evidence from Trades Union Congress ([SMO0104](#))

177 See written evidence from Barnardo’s Participation Service ([SMO0112](#)); Barnardo’s Focus Groups ([SMO0138](#)); The Big Academy ([SMO0116](#)); Middlesex University London ([SMO0136](#)); and High Peak Borough Council and Staffordshire Moorlands District Council ([SMO0068](#))

178 Written evidence from the Young Women’s Trust ([SMO0046](#))

179 Written evidence from National Institute of Adult Continuing Education (NIACE) and Centre for Economic and Social Inclusion (Inclusion) ([SMO0078](#)). Skills Funding Agency and Department for Business, Innovation & Skills, ‘Statistical data set (England): Apprenticeship geography, equality & diversity and sector subject are: starts 2002/03 and 2015/16 reported to date’: <https://www.gov.uk/government/statistical-data-sets/fe-data-library-apprenticeships> [accessed 22 March 2016]

180 Written evidence from Trades Union Congress ([SMO0104](#))

181 Skills Funding Agency and Department for Business, Innovation & Skills, ‘Statistical data set (England): Apprenticeship geography, equality & diversity and sector subject are: starts 2002/03 and 2015/16 reported to date’: <https://www.gov.uk/government/statistical-data-sets/fe-data-library-apprenticeships> [accessed 22 March 2016]

182 The World Bank, *Population, female (per cent of total), 2011–2015*: <http://data.worldbank.org/indicator/SP.POP.TOTL.FE.ZS> [accessed 22 March 2016]

112. Only 10.2 per cent of apprentices have a disability and/or learning difficulty¹⁸³ compared to approximately 14 per cent of the working-age population.¹⁸⁴
113. **Apprenticeships are a good way of upskilling people for the future economy and meeting economic need and we welcome the recent focus on them. Apprenticeships are not, however, the only answer. The current emphasis on them risks creating a system where there are only two options for transition into work: an apprenticeship or higher education. There must be scope in the system for those who are not ready to undertake either route to be prepared and supported for the transition into the workplace.**

183 Skills Funding Agency and Department for Business, Innovation & Skills, 'Statistical data set (England): Apprenticeship geography, equality & diversity and sector subject are: starts 2002/03 and 2015/16 reported to date': <https://www.gov.uk/government/statistical-data-sets/fe-data-library-apprenticeships> [accessed 22 March 2016]

184 The Annual Population Survey (APS) 2012 found that 14.4 per cent of people in employment aged 16 to 64 declared themselves as disabled. This illustrates the complexity of defining and measuring disability through statistics.

CHAPTER 4: INEQUALITY BETWEEN ACADEMIC AND VOCATIONAL ROUTES TO WORK

“It is not only a national scandal but a moral outrage that we have allowed the education system to systematically fail the poorest children in the country.”¹⁸⁵

The Rt Hon Alan Milburn, Chair of the Social Mobility and Child Poverty Commission

114. We already have discussed the recent focus on increasing university participation. This has in many ways been positive. It has given some young people the opportunity to attend university when previously it would have been out of their reach. However, it has also made worse a significant inequality in how vocational and academic routes are compared to one another.

Cultural inequality

“During my time at secondary school ... The message was “do your A-Levels, then progress onto University”, as though that was the only route!”¹⁸⁶

115. Technical and vocational qualifications can improve job outcomes for young people.¹⁸⁷ Not least because they can provide substantial experience of the workplace.¹⁸⁸ Our evidence showed that they are also vital for economic growth. For instance, Nacro¹⁸⁹ said: “Quality provision that provides choice, realistic job opportunities and career development enables local economies to grow and individuals to progress.”¹⁹⁰ Research for the Government in 2011¹⁹¹ calculated that a positive financial return was estimated for most qualifications, with particularly high returns associated with Level 3 qualifications.¹⁹² The net value of benefits for vocational qualification at Level 3 was between £21,000 and £49,000 for City and Guilds. Government research in 2013 suggested that below Level 2 learning which began in 2005/06 made a total return of around £638 million to public budgets over

185 Q 162 (The Rt Hon Alan Milburn)

186 See report of survey results: <http://www.parliament.uk/documents/lords-committees/social-mobility/survey-results.pdf>

187 Written evidence from The Edge Foundation (SMO0024); Nacro (SMO0123); The Sutton Trust (SMO0111); YMCA England (SMO0085); UKCES (SMO0001); Aspire Group (SMO0007); Future Advice Skills Employment Ltd (SMO0028); Federation of Small Businesses (SMO0096)

188 See, for example, written evidence from Hertfordshire County Council (SMO0020): “Work experience forms a key component of a Study Programme or the main learning aim for students who are not taking substantial qualifications at Level 2 or 3.”

189 Nacro campaigns for social justice, focusing on crime prevention and reduction, and works with vulnerable people to address social exclusion, inequality of opportunity and deprivation.

190 Written evidence from Nacro (SMO0123)

191 Department for Business, Innovation and Skills, *A Disaggregated Analysis of the Long Run Impact of Vocational Qualifications*, BIS Research Paper Number 106 (2013): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/259302/bis-13-637-a-disaggregated-analysis-of-the-long-run-impact-of-vocational-qualifications.pdf [accessed 22 March 2016]

192 Based on the up-front costs of supporting qualification attainment and the change in tax revenues associated with qualification attainment.

the four years 2007/08 to 2010/11. We note that below Level 2 learning is not all vocational.¹⁹³

116. Many of our witnesses said, however, that there is an overemphasis on academic routes, and other routes are seen as second-rate.¹⁹⁴ For instance, the National Foundation for Educational Research (NFER) suggests: “... attitudes to vocational education have not kept up with the pace of structural change, it remains the poor relation of academic attainment”¹⁹⁵ The Chartered Institute of Personnel Development agreed, and said this is in part due to “... employers’ attitudes towards vocational education”.¹⁹⁶ It is also due to a more widespread attitude and culture which includes students, parents, teachers and society as a whole.
117. This preference to take routes other than vocational education was shown by our visit to a secondary school in London. Most students in years 10 and 11 spoke about going to university. Almost none spoke about studying vocational courses or taking an apprenticeship.¹⁹⁷ Our online survey also showed most respondents connected the notion of courses to going to university.¹⁹⁸
118. This is not a new issue. Mr Clegg said “there is the perennial British problem of this almost unspoken snobbery in favour of academic qualifications rather than vocational qualifications.”¹⁹⁹

International examples

119. Our witnesses pointed to examples of good practice in other countries. Systems elsewhere fall under two broad methods: a dual approach or a mainstream approach.
120. A dual system is one where a decision is taken early on by a young person to follow either a vocational or an academic route. A mainstream system is one where there is a core curriculum followed with no division between academic and vocational education. It is important to recognise here that in

193 Department for Business, Innovation and Skills, *Evaluation of the Impact of Learning Below Level 2*, BIS Research Paper Number 150, (October 2013): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/253585/bis-13-1261-evaluation-of-the-impact-of-learning-below-level-2.pdf [accessed 22 March 2016]

194 Written evidence from the Welsh Government (SMO0021); Telford and Wrekin Council (SMO0009); AoC (SMO0087); Telford and Wrekin Council (SMO0009); Pret A Manger (SMO0041); Future Advice Skills Employment Ltd (SMO0028); Develop (SMO0003); Prof Alison Fuller and Prof Lorna Unwin (SMO0009); Young Women’s Trust (SMO0046); Careers South West (SMO0095); Ofsted (SMO0047); Leeds City Region Enterprise Partnership (SMO0049); ThinkForward (SMO0092); Aspire Group (SMO0007); Capp (SMO0069); CET (SMO0059); The Sutton Trust (SMO0111); City Year UK (SMO0079); Inclusion Trust (SMO0107); MiddletonMurray (SMO0013); City & Guilds (SMO0073); Cascaid (SMO0061); The Big Academy (SMO0116); The Edge Foundation (SMO0024); National Foundation for Educational Research (SMO0082); Nacro (SMO0123); Association of Teachers and Lecturers (SMO0084); Chartered Institute of Personnel and Development (SMO0043); National Union of Students (SMO0080); Trades Union Congress (SMO0104); Federation of Small Businesses (SMO0096); ICAEW (SMO0063); The Chartered Insurance Institute (SMO0106); Institution of Mechanical Engineers (SMO0070); Prof Ann Hodgson and Prof Ken Spours (SMO0012); Social Policy and Research Centre, Middlesex University (SMO0036); Matteo Calogiuri (SMO0008); Fair Train (SMO0067); EY Foundation (SMO0134)

195 Written evidence from the National Foundation for Educational Research (SMO0082)

196 Written evidence from CIPD (SMO0043)

197 See Appendix 5.

198 See report of survey results: <http://www.parliament.uk/documents/lords-committees/social-mobility/survey-results.pdf>

199 Q 21 (The Rt Hon Nick Clegg MP)

both systems all students will complete general ‘core’ education as well as the vocational parts.

Box 9: A dual system of vocational and academic routes to work

Switzerland is an example of a country with a dual system. The academic and vocational routes are well-understood by students, teachers, employers and parents. At the age of 15/16, students will either apply for an apprenticeship or sit an exam for entry into a general education school. To inform this decision, careers guidance begins in the early years of secondary education.

The vocational route consists of work-based learning in a company with one or two days per week spent at a local vocational college (a dual-track apprenticeship). A full apprenticeship lasts three or four years (depending on the complexity of the occupation) and leads to a federal diploma. Employers’ associations (who actually take the lead in defining the content of each apprenticeship framework) are very active in the system. Education providers define the education part of the framework.

Nearly two-thirds of students leaving compulsory education in Switzerland opt for an apprenticeship in one of approximately 230 professions in vocational and educational training.²⁰⁰

Germany is another example of a dual system. Roughly 60 per cent of young people take vocational programmes at upper secondary level, representing 90 per cent of those without a higher education entrance qualification.

Post-secondary vocational education and training (VET) is designed for those seeking to achieve state recognised higher vocational qualifications above upper-secondary (16-18) level.

First, there are advanced vocational examinations regulated by the federal Vocational Training Act²⁰¹ and in some cases also by the individual chamber regulations of the chambers of crafts and trades and of the chambers of industry and commerce.²⁰² Second, there are trade and technical schools.²⁰³

Box 10: A mainstream system of vocational and academic learning

The Edge Foundation highlighted the mainstream system in Nashville, Tennessee. An initial year of work experience and careers education is followed up by participation in a programme of lessons alongside the core curriculum in a chosen industry. The students will have industry placements (“externships”), and teachers and employers work together to prepare work-related projects for them. There is a city-wide business partnership (the Pencil Foundation) which brokers the relationship between schools and businesses, and the success of the programmes is assessed by the District Superintendent and the Nashville Chamber of Commerce. Yet in general the USA has the same problems as England.²⁰⁴

200 Written evidence from State Secretariat for Education, Research and Innovation, Swiss Confederation (SMO0117)

201 This is known as Fortbildungsgänge nach dem Berufsbildungsgesetz.

202 This is known as Fortbildungsgänge nach Ordnung der Handwerksund Industrie- und Handelskammern.

203 This is known as Fachschulen.

204 See for example Mary Alice McCarthy, ‘Flipping the Paradigm: Training-based Pathways to Bachelor’s Degrees and Beyond’ (November 2015) : <http://www.edcentral.org/flippingtheparadigm/> [accessed 22 March 2016]

121. Professor Green talked about the successes of countries with a dual system: “They get higher graduation rates at upper-secondary: they have people staying on longer than we do and they get more people getting a proper Level 3 qualification, which is really the necessary passport into the labour market now.”²⁰⁵
122. Many of our witnesses suggested that, within the UK, best practice was to be found in Scotland.²⁰⁶ Professor Ewart Keep said “A model of how you might proceed is what Scotland is doing currently. Scotland had a major inquiry under Sir Ian Wood ... looking at young people and how they enter the workforce and how the young workforce might be better developed.”²⁰⁷ (See Box 11 below)

Box 11: The 2013 Wood Commission

The 2013 Wood Commission led to the publication of a Youth Employment Strategy and a seven year implementation programme designed to deliver the recommendations. There was a commitment of £12 million for 2014–15 and £16.6 million in the 2015–16 draft budget to support implementation.²⁰⁸ The measures designed to tackle youth unemployment are based on the principles of early intervention and cross-sector collaboration.²⁰⁹ There is a transition planning process for 16-year-olds moving on from compulsory education, and for 16–19 year-old NEETs.

The process is thorough, and involves early assessment of need; a rationale for the route being taken; that there is labour market demand for the learning; and that the learning is accredited. Colleges prioritise 16–19 year-olds, and students are tracked and monitored through thorough data collection and sharing; all involved are compliant with legislation. There is also a recognition for tailored advice and longer timescales if needed by the young person.²¹⁰

123. The Sutton Trust warned that it would be almost impossible to change England’s culture [of preference for academic routes].²¹¹ But suggested “We may not be able to impose this culture overnight, but we can learn from what other countries do right.” Professor Gregg agreed.²¹²
124. A number of witnesses identified similarities between countries where strong vocational routes were in place. For instance, Professor Green said that successful countries:
- “have fairly standardised systems ... have relatively intensive provision: three years in which about 30 hours a week on average are spent in classroom instruction, compared with the 15 hours or so which a typical full-time student in FE in Britain gets. They have relatively simple, slim-lined and transparent qualification systems—not nearly as many and as complex a system of qualifications as we have—and the qualifications tend to be better understood.”²¹³

205 [Q 32](#) (Prof Andy Green)

206 See, for example, [Q 14](#) (Moira McKerracher); [Q 47](#) (Prof Ewart Keep); [Q 72](#) (Anne Spackman)

207 [Q 47](#) (Prof Ewart Keep)

208 Written evidence from the Scottish Government ([SMO0042](#))

209 *Ibid.*

210 *Ibid.*

211 Written evidence from the Sutton Trust ([SMO0111](#))

212 [Q 30](#) (Prof Paul Gregg)

213 [Q 32](#) (Prof Andy Green)

125. We note that even in countries marked as successful, vocational education often does not have equal status to academic education.²¹⁴

Incentives for schools and colleges

126. The degree of participation in vocational education versus higher education is lower in the United Kingdom than in many other countries. Claire Keane, an economist at the Organisation for Economic Co-operation and Development (OECD) told us that “across the OECD, on average around 50 per cent of students take the vocational route. In the UK it is only 30 per cent. The UK has one of the lowest rates across the OECD of those engaged in vocational training. In Germany, it is closer to 75 per cent.”²¹⁵
127. We therefore wanted to understand whether Government policies incentivise schools and colleges to promote all types of routes to work as equal. We also wanted to look at whether any Government policies make people less willing to promote certain routes. We discuss incentives for employers in Chapter 8.

Performance tables

128. In England, parents and those with parental responsibility can say which schools they would prefer their children and those in their care to go to.²¹⁶ In order to be able to choose, information is published on schools’ performance. Data is published about pupils’ performance in GCSEs (and equivalent exams) at age 16 and A-Levels (and equivalents) at age 18. This data is used to create league tables. The tables are easy to understand, and although they are not the only measure of a school’s success, are widely discussed in the media and believed to show how good a school is. League tables of this sort are no longer published in Scotland, Northern Ireland or Wales.
129. This data and a school’s Ofsted rating (more on which in Chapter 5) play an important role in a parent or carer’s decision on which school they would like their children to go to. As a result, they are critically important to a school’s popularity and so affect schools’ behaviour.
130. From 2015 onwards, only a pupil’s first attempt at a qualification is included in the tables.²¹⁷ The list of qualifications has been reduced and the number of non-GCSE qualifications is limited to two.

214 See for instance, Prof Baroness Wolf, Review of Vocational Education - the Wolf Report, (2011): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/180504/DFE-00031-2011.pdf [accessed 22 March 2016] “Not all qualifications, can be seen as completely identical in prestige, or content: that is true among academic qualifications just as it true among vocational ones. And every country on earth has a status hierarchy for school and university level options. But there is no reason why vocational awards for 14-19 year olds should not figure among the sub-set which enjoy high esteem.”

215 *Q 153* (Claire Keane)

216 The system of school choice favours parents who are higher up the social ladder. This is because of the informational advantage gained by social networks and their own experiences. It gives them three advantages. First, they can make a better judgement of school quality. Second, they know of more schools to select from. Third, they can estimate the chance of acceptance among different schools. See Allen, R; Burgess, S; McKenna, L, School performance and parental choice of school: secondary data analysis, January 2014 (produced for the Department for Education).

217 This includes the English Baccalaureate and the Technical Baccalaureate.

A-C at GCSE*

131. Oxford, Cambridge and RSA Examinations (OCR) told us that the current performance tables incentivise schools to focus on academic results, especially A*-C at GCSE.²¹⁸ A number of our witnesses said this meant that performance tables particularly disadvantage middle attainers.²¹⁹ Telford and Wrekin Council explained the problem:
- “As a result of the performance measures, schools have been under increasing pressure to focus on outcomes and results. There appears to have been a focus on the ‘high achievers’ to maximise on their outcomes, and if a student is ‘borderline’ C at GCSE, a focus here to support to achieve the C.”²²⁰
132. Ofsted told us this focus affects social mobility for those in the middle: “... for those who do not achieve five good GCSEs including English and mathematics, the education and learning paths available to them are less clear. This makes it difficult for them to transition into meaningful and valued employment.”²²¹
133. This focus on a specific type of academic performance can dishearten young people. Professor Roberts told us “it is demotivating from age 12 to age 16 to be aiming for a D. It means that you have failed. If you allow so many young people to be in that situation, they will be demotivated and they just will not learn.”²²² The 2004 Tomlinson report (see paragraphs 90–92) found that many 14 year olds were de-motivated by the overly academic curriculum of current GCSEs and wanted subjects where they could ‘learn by doing’.²²³
134. In addition, the Joseph Rowntree Foundation told us that attainment at school on its own is not enough to achieve social mobility. They said this is illustrated by the situation of young people across a range of ethnic minority groups.²²⁴ (see Box 12 below)

218 Written evidence from OCR ([SMO0060](#))

219 See written evidence from London Councils ([SMO0057](#)); MiddletonMurray ([SMO0013](#)); Pret A Manger ([SMO0041](#))

220 Written evidence from Telford and Wrekin Council ([SMO0009](#))

221 Written evidence from Ofsted ([SMO0047](#))

222 [Q 30](#) (Prof Ken Roberts)

223 14–19 Curriculum and Qualifications Reform: Final Report of the Working Group on 14–19 Reform (October 2004): <http://www.educationengland.org.uk/documents/pdfs/2004-tomlinson-report.pdf> [accessed 22 March 2016]

224 Written evidence from the Joseph Rowntree Foundation ([SMO0023](#))

Box 12: Extract from the evidence by the Joseph Rowntree Foundation²²⁵

“Young people from many ethnic minority groups have achieved greatly improved educational outcomes over the last few years. For example, in 2005/06 only 33.6 per cent of Black pupils in England achieved five or more A*-Cs (including English and Maths) at GCSE; in 2012/13 this had improved to 58.1 per cent. Over the same period, the proportion of Bangladeshi pupils receiving five or more A*-Cs (including English and Maths) rose from 39 per cent to 64 per cent.

“Children from the Indian and Chinese groups have outperformed those from other ethnicities for the last decade. In higher education, all ethnic minority groups other than Black Caribbean people are on average more likely to have degrees than White groups (Brynin and Longhi, 2015).

However, these improvements in education have not been followed by a similar change in employment outcomes. In 2014, the unemployment rate for ethnic minority young people (aged 16–24) was 28.6 per cent, compared to 15.5 per cent for majority White young people. This gap has barely changed since 2009. Unemployment rates are particularly high for young Pakistani and Bangladeshi (31.4 per cent) and Black people (36 per cent). When ethnic minority young people are in work they are more likely to be paid below the voluntary Living Wage.”

*New Initiatives to Promote Balanced Curricula**Progress 8*

135. From 2016, the Government will introduce new ‘Progress 8’ and ‘Attainment 8’ measures. Progress 8 data shows the progress a pupil makes across eight subjects in Key Stages 3 and 4 (school years 7–11). It also compares students who start at the same level. Attainment 8 data shows a pupil’s average attainment across the eight subjects. A pupil’s predicted Attainment 8 grades will be compared with their actual results. The difference is calculated, and that is their Progress 8 score, that is actual as distinct from predicted progress. The scores for all pupils will be brought together to show a school’s average performance and will measure the degree to which the school over the five years of Key Stages 3 and 4 (age 11–14 and 14–16) has succeeded in improving performance for those young people more than expected. This will replace measuring a school’s performance based on the achievement of five A*-C grades. The Government hopes that this will incentivise schools “to offer a broad and balanced curriculum”.²²⁶
136. From 2017, the Progress 8 performance measure will allow for up to three non-GCSE qualifications that develop technical and practical skills, which would not otherwise be gained in general education. The recognition of technical subjects in school performance measures has varied since the 1980s. When they contributed to meeting targets set for schools, this provided an incentive to include the provision of such subjects, but the Wolf Report criticised the quality of what was offered. When they did not contribute to meeting targets, schools were not incentivised to focus on the provision of such subjects. The new performance measure’s impact on the behaviour of schools remains to be seen but it could be a positive step for a wider, more diverse curriculum.

²²⁵ *Ibid.*

²²⁶ Written evidence from HM Government ([SMO0055](#))

E-Baccalaureate

137. The English Baccalaureate (EBacc) is another school performance measure. “It allows people to see how many pupils get a grade C or above in the core academic subjects at Key Stage 4 in any government-funded school.”²²⁷ New Economy warned that “the E-Baccalaureate will undermine any strength the Wolf recommendations had” as it becomes harder for young people to move into vocational education as vocational qualifications will be measured differently under Progress 8.²²⁸ Julia Maunder, the headteacher of Thomas Keble School²²⁹ also warned that the E-Baccalaureate is not suitable for preparing the very weak for post-16 pathways.²³⁰ Other witnesses told us that the E-Baccalaureate has led to the decline in the take up of practical subjects, and in vocational topics.²³¹

Funding incentives for schools and colleges

138. The way schools and colleges are funded is also a significant influence on how they behave, and how they advise their pupils.
139. Schools, and colleges, in England are funded on a per-pupil basis. This means that a state-funded secondary school receives around £4,500 per annum for each pupil aged 14–16 (see Table 2).²³² There is therefore a financial incentive for schools to retain their own pupils. The British Chambers of Commerce told us: “the per pupil school funding system favours encouraging pupils down the A-Level route as it is a source of funding for the school, if it has a sixth form”.²³³

Funding*Further education funding*

140. We wanted to find out whether the existing funding structure supports academic and non-academic routes equally. In particular, we tried to find out whether the funding structure promotes opportunities for those in the middle.

227 Department for Education, *Policy paper: English Baccalaureate (EBacc)*, (12 February 2016): <https://www.gov.uk/government/publications/english-baccalaureate-ebacc/english-baccalaureate-ebacc> [accessed 22 March 2016]

228 Written evidence from New Economy (on behalf of Greater Manchester Combined Authority) ([SMO0088](#))

229 A coeducational secondary school with academy status, located in Eastcombe, Gloucestershire.

230 Written evidence from Julia Maunder, Headteacher of Thomas Keble School (an annex to evidence from ASDAN) ([SMO0054](#))

231 Written evidence from The Edge Foundation ([SMO0024](#)); Association of Teachers and Lecturers ([SMO0084](#)); Prof Ann Hodgson and Prof Ken Spours ([SMO0012](#))

232 £4,502 for each pupil in Key Stage 4 for the year 2015/16. Department for Education and Education Funding Agency, *Fairer schools funding: arrangements for 2015 to 2016*, (July 2014): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/332652/Fairer_schools_funding_arrangements_for_2015_to_2016.pdf [accessed 22 March 2016]. The current funding formula varies from local authority to local authority and is based on spending levels of that authority in year. To remedy this the coalition Government allocated an additional £350m to the least fairly funded areas by setting minimum funding levels that every local area should attract for its pupils and schools in 2015–16. Department for Education, *Fairer schools funding, Arrangement for 2015 to 2015* (July 2014): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/332652/Fairer_schools_funding_arrangements_for_2015_to_2016.pdf [accessed 22 March 2016]

233 Written evidence from British Chambers of Commerce ([SMO0103](#))

141. More young people aged 16–18 study at further education colleges than any other type of provider (see Box 13 below).²³⁴

Box 13: Schools, sixth form colleges and further education colleges

Many schools offer further education post-16 qualifications such as A-Levels, the International Baccalaureate or Scottish Highers (for students aged 16–18), and vocational qualifications such as NVQs and SVQs.

Sixth form colleges mainly cater for students aged 16–18 and specialise in academic courses to prepare students for higher education.

Further education colleges offer courses and qualifications in a wide range of vocational and academic subjects at many levels. Some specialise in particular industry sectors such as art and design, catering, engineering or finance. Further education colleges often have links with companies, so that students studying vocational courses can combine classroom learning with work experience.

Provisional figures for 2014 (as of 15 January 2015) show that there were 1,389,500 full-time learners and 82,400 part-time learners aged 16–18.²³⁵ Of these:

- 30 per cent attended state funded schools. Of which:
 - 9.3 per cent attended Local Authority Maintained schools
 - 3.8 per cent attended Sponsor Academies and City Technology Colleges
 - 16.5 per cent attended Converter Academies
 - 0.5 per cent attended Free Schools
- one per cent attended Special schools²³⁶
- six per cent attended Independent schools²³⁷
- 10.8 per cent attended sixth form colleges
- 39 per cent attended General FE, tertiary and specialist colleges²³⁸
- 12.9 per cent attended Higher education institutions.

Schools funding vs post-16 funding

142. Part of the problem is inequality of funding. Schools and colleges receive £500 less per year for students aged 16 and 17, than for students aged 14–16.²³⁹ (See Table 2 below). They receive £1,200 less for students aged 18–19. This has been a gradual change, with a significant effect. The coalition

234 HM Government, ‘Table B13: Participation in education of 16-18 year-olds by institution type, England, 1985 onwards’: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/436529/Additional_tables_numbers_SFR19_2015.xls [accessed 22 March 2016]

235 HM Government, ‘Table B13: Participation in education of 16-18 year-olds by institution type, England, 1985 onwards’: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/436529/Additional_tables_numbers_SFR19_2015.xls [accessed 22 March 2016]

236 Excludes independent special schools.

237 Includes all pupils in independent schools - assumed to live in the same LA as the school.

238 Also includes some other further education delivered through commercial, charitable, and local authority providers.

239 Written evidence from AoC ([SMO0087](#))

Government reduced the 16–19 year-old budget by 13.6 per cent in real terms between 2010–11 and 2014–15.²⁴⁰

143. The Department for Education funds the education of children aged 3–16 and young people aged 16–19. The Education Funding Agency (EFA) manages the money.

Learners aged 18

144. Funding for pupils aged over 18 is now a further £700 less than for those aged 16 and 17.²⁴¹ When this change came into effect, the Government said: “Ministers have decided to make the savings required in 2014/15 by reducing the participation requirements for full-time 18-year-olds, as defined by their age at the start of the academic year ... This means the funding rate for full-time 18-year-old students in 2014/15 will be 17.5 per cent below the rate for full-time 16- and 17-year-olds.”²⁴²
145. The reason given for this was that “Most 18-year-olds will already have benefited from two years of post-16 education and will not therefore need as much non-qualification provision within their study programmes as 16- and 17-year-olds. Fewer than one in five of 16- to 18- year-olds funded by the EFA are aged 18 at the start of the academic year, although clearly this will vary by institution.”²⁴³
146. We know that two years is not enough time for some young people to acquire the necessary qualifications (see paragraphs 251 and 257). This reduction in funding at age 18 impacts the provision of courses for those who need the most help—young people who leave school with limited qualifications and who may need more time to catch up.²⁴⁴ Malcolm Trobe explained:
- “A lot of those youngsters are on what I would call a standard three-year programme from 16 through to 19. For example, they might do a Level 2 BTEC following on from their GCSEs but then move on to a Level 3 BTEC, which will take them a further two years.”²⁴⁵
147. As we discuss in paragraphs 260–265, it is crucial, for those young people who can, to achieve a Level 3 qualification that commands some recognition and respect as preparation for skilled work. They need the time and financial support in the system to be able to do so.

240 Luke Sibieta, Institute for Fiscal Studies, *Schools Spending* (March 2015): <http://www.ifs.org.uk/uploads/publications/bns/BN168.pdf> [accessed 22 March 2016]

241 Since 2014 funding for learners aged 18 is £700 per year lower than for those aged 16 and 17.

242 Education Funding Agency, *Letter 10 December 2013*: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/264707/Peter_Mucklow_Letter_to_sector_December_13.pdf [accessed 22 March 2016]

243 “Ministers have decided that their policy priorities for this budget are to support the increased participation age for 16- and 17-year-olds, maintain additional funding for disadvantaged students, and as far as possible, maintain the national funding rate per student...the funding rate for full-time 18-year-old students in 2014/15 will be 17.5 per cent below the rate for full-time 16- and 17-year-olds.” Education Funding Agency, *Funding for academic year 2014 to 2015 for students aged 16 to 19 and high needs students aged 16 to 25* (December 2013): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/264707/Peter_Mucklow_Letter_to_sector_December_13.pdf [accessed 22 March 2016]

244 Written evidence from Learning Revolution Trust (SMO0022)

245 Q 95 (Malcolm Trobe)

University funding vs further education funding

148. Some young people will go to university at the age of 18. Most will remain at further education colleges. Yet there is a big difference in funding between colleges and universities. The funding system is complex, and difficult to navigate.
149. The Department for Business, Industry and Skills funds people from age 19 through the Skills Funding Agency (SFA). This ‘adult skills budget’ includes funding for all learners aged 19 and over in England, who do not study at a university.²⁴⁶ Those under 19 pay no fees towards any courses. Students over age 24 who start a Level 3 or 4 course are eligible for an Advanced Learning Loan.²⁴⁷ Students who start a Level 3 course over the age of 19 currently have to pay 50 per cent. The Autumn Statement announced that they will now be eligible for a loan.²⁴⁸
150. Universities are funded by direct payments from Government for teaching and through student loans—which the Government supports and subsidises.²⁴⁹
151. Universities get more money per student than further education colleges get per student from the adult skills budget, whether the student is studying at higher education level or not.²⁵⁰ Professor Baroness Wolf previously analysed the adult skills budget and learner numbers from 2012. She explained that since 2012, no clear data is available from which to calculate the number of full-time equivalent students. She estimated: “funding per full-time college student [was] about £2,150 a year in 2012. In contrast, the teaching of ‘home’ university undergraduates is currently funded at about £8,400 per student”.²⁵¹ This is about £6,000 difference per person each year between those who study higher education courses at university, and those who study further education courses at colleges. The adult skills budget has reduced significantly since 2009/2010 when compared with other education budgets.
152. Funding for young people aged over 19 is calculated by the type of course studied.

246 Or at a prison.

247 HM Government, ‘24+ Advanced Learning Loans’: <https://www.gov.uk/advanced-learning-loans/overview> [accessed 22 March 2016]

248 HM Treasury, *Spending Review and Autumn Statement 2015*: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/479749/52229_Blue_Book_PU1865_Web_Accessible.pdf [accessed 22 March 2016]

249 Prof Baroness Wolf, Kings College London, *Heading for the precipice, Can further and higher education funding policies be sustained?* (June 2015): <https://www.kcl.ac.uk/sspp/policy-institute/publications/Issuesandideas-alison-wolf-digital.pdf> [accessed 22 March 2016]

250 Most universities provide non-higher education courses such as foundation degrees.

251 “Not including HEFCE funds for research, but including teaching grant for lab-based subjects, or at £6,000 for alternative providers” Prof Baroness Wolf, Kings College London, *Heading for the precipice: Can further and higher education funding policies be sustained?* (June 2015): <https://www.kcl.ac.uk/sspp/policy-institute/publications/Issuesandideas-alison-wolf-digital.pdf> [accessed 22 March 2016]

Table 2: National funding rate per full-time student (who are not high needs) 2015 to 16²⁵²

Age	Further education	University
14–16	£4,502	£8,400 ²⁵³
16 and 17	£4,000	
18–19	£3,300	
19–24	Calculated to be £2,150 per full time student in 2012. ²⁵⁴	

153. Universities and further education colleges all offer higher education courses. In England, universities can charge home students up to £9,000 a year. Around three quarters of all universities charged the full amount in 2015–16. The average fee was £8,844 per year.²⁵⁵ Further education colleges charged less—on average £6,561 for each year. So further education colleges have less money to work with for higher education courses than universities.
154. The Learning Revolution Trust highlighted the different budgets for colleges and universities: “In 2013/14 2.9 million people attended further education colleges compared to 1.9 million at UK universities, but colleges were run on an annual budget of £4 billion, less than a seventh of universities annual budget of £30 billion.”²⁵⁶
155. In February 2015 the previous Government announced adult skills funding for 2015–16 would be 11 per cent lower than the previous year. The Skills Funding Agency explained this meant: “the total skills budget that we have available for allocation for the 2015–2016 funding year will be around 17 per cent less than in 2014 to 2015”.²⁵⁷ The Government made apprenticeship funding a priority. The Skills Funding Agency said this meant funding for other types of adult skills courses “could reduce by around 24 per cent.”²⁵⁸ Although the adult skills budget was protected in the Autumn statement,

252 Department for Education, *Fairer schools funding, Arrangements for 2015 to 2015* (July 2014): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/332652/Fairer_schools_funding_arrangements_for_2015_to_2016.pdf [accessed 22 March 2016]. Education Funding Agency, *Funding guidance for young people Academic Year 2015 to 16* (June 2015): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/433655/Funding_rates_and_formula_201516_v1.1_3_.pdf [accessed 22 March 2016]

253 On average.

254 Prof Baroness Wolf said: “since 2012, no clear data is available from which to calculate full-time and part-time numbers, as opposed to totals, let alone calculate the number of full-time equivalent (FTE) students...There is no evidence from which to conclude whether there has, or has not, been a major change in the pattern of part-timers’ participation, nor do we know whether the part-time/full-time balance has shifted in recent years. However, the trend needs to be interpreted with care: total learner numbers may, or may not, stand in a constant relationship to total ‘learning time’...This would imply funding per full-time college student of about £2,150 a year in 2012”

255 Office for Fair Access, *Access agreements 2016–17*: <https://www.offa.org.uk/wp-content/uploads/2015/07/Access-agreements-for-2016-17-key-statistics-and-analysis.pdf> [accessed 23 March 2016]

256 Written evidence from Learning Revolution Trust (SMO0022)

257 Department for Business, Innovation and Skills and Skills Funding Agency (SFA), *Priorities and Funding for the 2015 to 2016 financial year*, (February 2015): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/406881/Vince_Cable_and_Nick_Boles_to_Peter_Lauener_-_Skills_Funding_Agency.pdf [accessed 22 March 2016]

258 Skills Funding Agency, *Allocations for the Funding Year 2015 to 2016*, (February 2015): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/407468/Allocations_for_the_Funding_Year_2015_to_2016.pdf [accessed 22 March 2016]

this was for funding over the 5 years from 2016–17 and the cuts for 2015–16 still went through.

156. In July 2015 the Government announced another reduction. Non-apprenticeship funding was reduced by a further 3.9 per cent for the 2015 to 2016 year.²⁵⁹

Funding for people who turn 19 during their course

157. Some young people will start a two year qualification at age 17. They may do a one year Level 2 course for a year post-16 because of low GCSE grades) then do a 2 year Level 3 course. Or they may start A-Levels and then either drop out or fail after one year, and start again on a vocational course for two years. This means, because of their age, they will be dealt with by two different Government departments and their agencies.
158. We tried to find out who would be responsible for funding these courses for their duration.
159. We asked our witnesses about where third year funding comes from. They said: “If they [the young person] have started and they are 19, it is SFA and they have to pay 50 per cent.”²⁶⁰ They also told us that “if they do one year at school and then do two years at college, if they start below the age of 18, it is EFA funding.”²⁶¹ Finally we were also told that “it depends on the course. If they are on a year’s course and they are 18, fine, but if it is the second year and they are 19, they have to pay ... That comes out of adult education and they have to pay 50 per cent of the fees.”²⁶² But our witnesses were not certain of the rules.²⁶³ Under the changes introduced in the Autumn statement, 19 to 23 year olds studying at Levels 3 and 4 will be able to get tuition fee loans, as will those aged over 19 at Levels 5 and 6.
160. The Funding Rules²⁶⁴ say:
- “Learners previously funded by the EFA [Education Funding Agency], who we become responsible for funding if they continue their learning aim or programme in the next funding year after their 19th birthday, will be eligible for funding from us for those continued learning aims. Where this applies we will use the EFA’s funding method, but the funding will be paid from the adult skills budget.
- “We will only fund a continuing learner at a provider with whom we have a funding agreement in place.”²⁶⁵
161. We are concerned that these rules do not provide clarity.

259 Skills Funding Agency, *Funding Allocations 2015 to 2016*: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/446922/Funding_Allocations_2015_to_2016.pdf [accessed 22 March 2016]

260 Q 95 (Pat Brennan-Barrett)

261 Q 95 (Malcolm Trobe)

262 Q 95 (Pat Brennan-Barrett)

263 See footnote to Q 95 (Malcolm Trobe)

264 Skills Funding Agency, *SFA Funding Rules: 2015 to 2016*, (February 2015): <https://www.gov.uk/government/publications/sfa-funding-rules-2015-to-2016> [accessed 22 March 2016]

265 Skills Funding Agency, *SFA Funding Rules: 2015 to 2016*, (February 2015), paragraphs 83 and 84: <https://www.gov.uk/government/publications/sfa-funding-rules-2015-to-2016> [accessed 22 March 2016]

The impact of funding reductions on further education colleges

162. Those from lower down the social ladder²⁶⁶ are much more likely to go to further education colleges than other in their age group.²⁶⁷ Those in further education colleges are more likely to study vocational courses. Further education colleges are therefore in a prime position to drive social mobility. As Professor Orr explained:
- “The Government should ensure that in every town and city there is an institution which is well established, focused on vocational education and training, and has a remit for social mobility. Fortunately for government, these institutions exist and they are called further education colleges.”²⁶⁸
163. In addition, there are now more young people who stay in education and training after 16.²⁶⁹ This is in large part because of the Government’s changes to the participation age (as well as there being an increase before that). From September 2013, young people had to stay in full-time education or training for a full academic year after Year 11. From 2015, they have to continue learning until their 18th birthday.²⁷⁰ There is a huge opportunity for the Government to make “those two extra years ...count.”²⁷¹
164. The Social Mobility and Child Poverty Commission warned in 2015, however, that “... as currently constituted, FE all too often leads to a lower occupational status and lower-paying jobs.”²⁷² Research in 2015 found that the post-16 system in England and Northern Ireland actually increased skills inequalities.²⁷³ Ensuring young people have the right support and encouragement—and helping their families to provide this where possible—will be essential if previous failure is not to be repeated.
165. Our own witnesses concluded that differences in funding meant further education colleges were expected to provide courses to more people with

266 Office for National Statistics, *NS-SEC 5-7 on the National Statistics Socio-economic classification, where 1 is high and 8 is low*: <http://www.ons.gov.uk/ons/guide-method/classifications/current-standard-classifications/soc2010/soc2010-volume-3-ns-sec--rebased-on-soc2010--user-manual/index.html> [accessed 22 March 2016]

267 Social Mobility and Child Poverty Commission, *State of the Nation 2015: Social Mobility and Child Poverty in Great Britain*, (December 2015): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/485926/State_of_the_nation_2015_social_mobility_and_child_poverty_in_Great_Britain.pdf [accessed 22 March 2016]; The Sutton Trust, *Background to Success* (November 2015): <http://www.suttontrust.com/researcharchive/background-to-success/> [accessed 22 March 2016]

268 **Q 183** (Prof Kevin Orr)

269 FE and skills adult participation by level.

National Audit Office, *16- to 18-year-old participation in education and training* (September 2014): <https://www.nao.org.uk/wp-content/uploads/2014/09/16-to-18-year-old-participation-in-education-and-training.pdf> [accessed 22 March 2016]

270 “The UK is still behind many developed countries in the proportion staying in education and training. The UK’s participation rate at age 17 (87 per cent) was below the average participation rate of 34 OECD countries (90 per cent) in 2012. In contrast, 100 per cent of 17-year-olds are enrolled in secondary or tertiary education in Belgium and participation is almost universal in Hungary, Sweden, the Netherlands and Greece. Although the UK rates are much higher than countries such as Mexico (53 per cent) and Turkey (61 per cent), our participation rate places us joint 26th out of the 34 OECD countries.” Written evidence from HM Government (**SMO0055**)

271 **Q 17** (Moirra McKerracher)

272 Social Mobility and Child Poverty Commission: *State of the Nation 2015: Social Mobility and Child Poverty in Great Britain* (December 2015): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/485926/State_of_the_nation_2015_social_mobility_and_child_poverty_in_Great_Britain.pdf [accessed 22 March 2016]

273 Andy Green and Nicola Pensiero, *Policy Briefing: the effects of upper secondary education and training systems on skills inequality*, (LLAKES, UCL Institute of Education, March 2015) p. 7

less money.²⁷⁴ They said the recent changes affected the quality of further education provision. Reduced funding meant insufficient skills and resource (such as enough teachers) to deliver courses.²⁷⁵ Spencer Thompson told us: “Because of the difficult funding environment at the moment for 16–19 education, we may see some rationalisation and specialisation in the sector.”²⁷⁶ This means that colleges will begin to limit what qualifications they offer. This will limit the opportunities available to young people.

166. Pat Brennan-Barrett, Principal of Northampton College, told us young people study the same study programmes in the same class despite the amount of funding received “because in colleges you do not go up by age, you go up by ability.”²⁷⁷
167. This means that reduced funding for one age group impacts the provision for all students. Ms Brennan-Barrett explained:
- “Generally if you have a cut, whether it is the SFA [Skills Funding Agency] or the EFA [Education Funding Agency], it does not really matter, because the college still has to have an estates programme, catering provision, lighting and an HR department. They are just getting smaller and smaller, or you share them with other colleges. The overall impact is that you have a reduced budget and it is much harder to make ends meet, so you are thinking constantly ... ‘Can we afford that? Can we not afford it?’”²⁷⁸
168. Funding reductions affect further education colleges and sixth form colleges more than schools who offer 11–16 as well as post-16 education. They have only the lower rate of post-16 funding. Professor Baroness Wolf explained: “If you are way less well-funded than other parts of the system, and you do not have 11 to 16 money to send across to your 16 to 19 provision, the risk is that you get caught in this downward spiral”.²⁷⁹

Funding of independent training providers

169. As it stands, there is a complex market of training providers. Schools, sixth form colleges and further education colleges can sub-contract some services to independent training providers. Apprenticeship funding in particular is often paid to sub-contractors. Because this is a commercial arrangement it is unknown how much adult skills funding goes to non-college providers. It could be as much as 30 per cent of the available budget.²⁸⁰
170. The whole system is about to change radically. Current contracts with independent training providers expire at the end of 2016/17. From 2017/18 FE Colleges and independent training providers (ITPs) will have to compete for Skills Funding Agency (SFA) contracts. This is due to changes to European

274 Written evidence from ASDAN ([SMO0054](#)); AoC ([SMO0087](#)); Learning Revolution Trust ([SMO0022](#)); National Union of Students ([SMO0080](#))

275 Written evidence from ASDAN ([SMO0054](#)); Association of Teachers and Lecturers ([SMO0084](#)); Hertfordshire County Council, Hertfordshire Local Enterprise Partnership, and Youth Connexions Hertfordshire ([SMO0026](#))

276 [Q 43](#) (Spencer Thompson)

277 [Q 95](#) (Pat Brennan-Barrett)

278 [Q 95](#) (Pat Brennan-Barrett)

279 [Q 133](#) (Prof Baroness Wolf of Dulwich)

280 Prof Baroness Wolf, Kings College London, Heading for the precipice, Can further and higher education funding policies be sustained? (June 2015): <https://www.kcl.ac.uk/sspp/policy-institute/publications/Issuesandideas-alison-wolf-digital.pdf> [accessed 22 March 2016]

Union law. The change is not expected to apply to apprenticeships, as the Government plans to introduce the levy on large employers from April 2017. The Government says “It will be for employers to choose their own provider of apprenticeship training when we move into the levy system.”²⁸¹

The apprenticeship levy

171. Baroness Professor Wolf of Dulwich proposed a levy²⁸² in 2015 for all employers which she proposed would be a “fund, with its own trustees, supported by a small, hypothecated payroll tax”.²⁸³ Her proposal was based on the idea that employers are in a better position to reflect the needs of the labour market and that a fund would allow for increased spending on apprenticeships to ensure that they are of sufficient quality.
172. On 8 July 2015, the Rt Hon George Osborne MP, Chancellor of the Exchequer, announced that an apprenticeship levy would be introduced.²⁸⁴ The Government proposed that large employers which offer apprenticeships will pay into a fund, which would be controlled by employers in order to support the Government’s target of creating three million more apprenticeships by 2020. Employers will be able to offset their own expenditure on apprenticeships against the levy, allowing them to “get back more than they put in.”²⁸⁵
173. On 25 November 2015, the Chancellor of the Exchequer gave more details on the operation of the levy when he made his Autumn Statement.²⁸⁶ From April 2017, employers will have to pay 0.5 per cent of their pay roll costs towards the levy. Employers will have a £15,000 allowance to offset this against, which means only employers with a £3 million annual payroll will be subject to the levy. It is estimated that 98 per cent of employers in the United Kingdom will not therefore be affected by the levy. It is also estimated that the levy will raise £3 billion annually, which the Chancellor has indicated will be invested in seeking to achieve the three million apprenticeship starts target.
174. The proposed system is that the money paid to the Government via the levy will be paid back in vouchers of an equivalent worth to the employer. The employer can then use the vouchers to pay training providers, who can exchange the vouchers for money from the Government. The underlying logic is that the quality of apprenticeships will be improved by giving employers control of the training they purchase.
175. It is not clear how the levy will work and in particular whether it will be collected centrally and then paid back to employers to cover the apprenticeships they provide. But what is clear is that colleges and independent training providers will have to market themselves to employers as potential providers of training.

281 Nick Boles MP, Department for Business, Innovation and Skills, ‘Skills Funding Agency (SFA) priorities and funding for the 2016 to 2017 financial year’, (15 December 2015): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/485969/BIS-15-615-skills-funding-letter-2016-to-2017.pdf [accessed 22 March 2016]

282 A levy is a way of collecting money.

283 Prof Baroness Wolf of Dulwich for the Social Market Foundation, Fixing a Broken Training System: The case for an apprenticeship levy, (2 July 2015): <http://www.smf.co.uk/publications/fixing-a-broken-training-system-the-case-for-an-apprenticeship-levy/> [accessed 22 March 2016]

284 HC Deb, 8 July 2015, [cols 321–339](#)

285 Department for Business, Innovation & Skills, *Apprenticeship Levy, Employer owned apprenticeships training* (August 2015): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/455101/bis-15-477-apprenticeships-levy-consultation.pdf [accessed 22 March 2016]

286 HC Deb, 25 November 2015, [cols 1357–1374](#)

176. We welcome and appreciate the logic underpinning the levy. However, we share the concerns of our witnesses. In evidence to us, Professor Baroness Wolf said:

“I think they made a mistake. I do not understand why it is being paid only by larger employers. That is not normal. If you look at other countries which have apprenticeship taxes, it is a proportion of payroll and applies to everyone. If only the larger employers are paying, the larger employers will definitely be the ones who want to get the benefits.”²⁸⁷

Professor Keep said:

“I fear that the likely outcome, particularly because the levy is tied to the 3 million apprenticeship starts by 2020 target—it is the only way it could be funded—is that quality will get traded for quantity.”²⁸⁸

Political will

177. Claire Crawford and Andrew Battarbee told us money for further education colleges and apprenticeships funding is vulnerable to political change.²⁸⁹ For instance, the Government protected adult skills funding in cash terms in the 2015 autumn spending review.²⁹⁰ But there is no guarantee it will be protected in future.
178. In Scotland, reduced funding for the further education sector has seen the number of full-time equivalent students at Scotland’s colleges decrease by one per cent between 2011–12 and 2012–13 (from 133,199 to 131,421).²⁹¹
179. We asked the Skills Minister, Nick Boles MP, about this. He agreed that it was a matter of priority:
- “If you have constrained resources, on which bit of a life of education would you focus those resources? As a Government, indeed in combination with the Liberal Democrats in the coalition, we took the painful decision, backed up by a lot of academic evidence, that the most impact is had earlier. Of course you are right that the institutions are often trying to make up for a lot of the failures of before. Our responsibility is to fix the stuff that is happening before so that those institutions are not having to pick up so many failures.”²⁹²
180. Because alternatives to academic education are not funded equally to academic routes, providers have to do more with less. Quality is compromised, and further education courses are seen as less effective than other parts of the education system. They are then not seen as a priority by the Government and are not funded equally to other routes. Mr Clegg agreed: “what does

287 [Q 132](#) (Prof Baroness Wolf of Dulwich)

288 [Q 50](#) (Prof Ewart Keep)

289 [Q 17](#) (Dr Claire Crawford); [Q 4](#) (Andrew Battarbee)

290 HM Treasury and the Rt Hon Chancellor George Osborne MP, *Chancellor George Osborne’s Spending Review and Autumn Statement 2015 speech*, (25 November 2015): <https://www.gov.uk/government/speeches/chancellor-george-osbornes-spending-review-and-autumn-statement-2015-speech> [accessed 22 March 2016]

291 The Scottish Government, ‘High Level Summary of Statistics Trend Last update: March 2014, Further and Higher Education Students at Scotland’s Colleges’: <http://www.gov.scot/Topics/Statistics/Browse/Lifelong-learning/TrendFEStudents> [accessed 22 March 2016]

292 [Q 189](#) (Nick Boles MP)

make a massive difference is a centrally driven, clearly expressed ambition from the top ... ”²⁹³

181. Mr Boles said that, if further education colleges and schools were to be funded equally, that would mean reducing the funding for schools. Other witnesses suggested that this was not necessarily the case. A number of ways might be found that would increase the budget for further education colleges, but would not cost more for the public purse.
182. For instance, apprenticeship training could be provided by further education colleges.²⁹⁴ Professor Baroness Wolf suggested that “colleges should very clearly be the places where apprenticeship training takes place ... I would stop all these hundreds and thousands of small providers coming in and coming out. It does not work. It does not have the stability and you cannot control quality that way. It would make much clearer what one of the major purposes of FE colleges was.”²⁹⁵
183. Reducing the competition between providers would increase incentives for good quality career education, information, advice and guidance.²⁹⁶ This would lead to less inappropriate advice and less drop-out. This might go some way towards reducing the cost of post-16 learning aims which are not completed. Several of our witnesses said that sixth form colleges, further education colleges, and independent training providers all compete for the same young people.²⁹⁷ A young person who completed our survey said:
- “I think that other providers of qualifications and training should have been allowed to come into school to tell us about alternatives, e.g. apprenticeships, but the school see them as competition - trying to take away their best pupils at 16!”²⁹⁸
184. Professors Fuller and Unwin, and the LGA, told us this competition causes confusion about the status and content of qualifications.²⁹⁹ This can mean that learners are misinformed.³⁰⁰ In fact, those who study further education courses are 12 times less likely to complete their course than those who study A-Levels.³⁰¹ This leads to waste and is bad for the economy and society.³⁰² For example, the cost of post-16 learning courses which were not completed was about £814 million in 2012/13. This represented around 12 per cent of the funding allocated to provision for 16–18 year-olds.³⁰³ This is a significant amount of money. It could potentially be better spent elsewhere.

293 [Q 23](#) (The Rt Hon Nick Clegg MP)

294 [Q 135](#) (Prof Baroness Wolf of Dulwich)

295 [Q 133](#) (Prof Baroness Wolf of Dulwich)

296 [Q 84](#) (Maggie Walker); [Q 90](#) (Malcolm Trobe); [Q 91](#) (Pat Brennan-Barrett); [Q 123](#) (Yolande Burgess); [Q 135](#) (Prof Baroness Wolf of Dulwich)

297 Written evidence from the LGA ([SMO0011](#)); AoC ([SMO0087](#)); Prof Alison Fuller and Prof Lorna Unwin ([SMO0010](#))

298 White British male, 19–24, attended non-selective state school in Leicester. See report of survey results: <http://www.parliament.uk/documents/lords-committees/social-mobility/survey-results.pdf>

299 Written evidence from Prof Alison Fuller and Prof Lorna Unwin ([SMO0010](#)); LGA ([SMO0011](#))

300 Written evidence from emfec ([SMO0113](#))

301 Social Mobility and Child Poverty Commission, *State of the Nation 2015: Social Mobility and Child Poverty in Great Britain*: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/485928/State_of_the_nation_2015_foreword_and_summary.pdf [accessed 22 March 2016]

302 Written evidence from Prof Alison Fuller and Prof Lorna Unwin ([SMO0010](#))

303 Centre for Economic and Social Inclusion and The Local Government Association, *Achievement and retention in post 16 education* (February 2015): <http://www.local.gov.uk/documents/10180/11431/Achievement+and+retention+in+post-16+education,%20February+2015/746a1fb2-2a89-49e9-a53b-f5339288d4b1> [accessed 22 March 2016]

Area reviews of further education provision

185. In the summer of 2015 the Government announced a series of reviews of both further education and sixth form Colleges (but not significantly of sixth forms in schools and academies)³⁰⁴. Matthew Coffey told us there was “a real opportunity with the area reviews.”³⁰⁵ There is an opportunity to define the major purposes of further education colleges as one of the main drivers of social mobility, as stated by Professor Baroness Wolf and Professor Kevin Orr above.
186. Our witnesses from the Association of Colleges and the Association of Teachers and Lecturers agreed with this assessment. Pat Brennan-Barrett, the Principal of Northampton College said the review “needs a broader mission. It needs to look at the social needs and the demands for learning.”³⁰⁶ Matthew Trobe said the reviews “should be focused on what the function is of further education and, therefore, you need the vision to drive this.”³⁰⁷
187. But as pointed out by Mr Trobe, the outcome of the reviews is almost predetermined.³⁰⁸ When it announced the reviews, the Government said: “We will need to move towards fewer, often larger, more resilient and efficient providers.” By July 2015 five further education and sixth form colleges facing “significant financial challenges” announced that they were “actively considering” collaboration plans.³⁰⁹
188. Ms Brennan-Barrett warned that collaboration could mean learners would have to travel further to get to college. She suggested this would disadvantage lower and middle attaining students as “Level 1 and 2 students will not travel... They may not have the money to travel.”³¹⁰ Sam Monaghan told us: “We need to look at the financial support to those young people to equip them and to enable them to engage but also to sustain that placement and that work ... When you have none, it becomes another deterrent to engaging or becomes another reason for saying, “Why bother?””³¹¹
189. In addition, the reviews emphasise how they will improve higher level provision. Broad provision for post-16 will just be maintained:
- “We expect this to enable greater specialisation, creating institutions that are genuine centres of expertise, able to support progression up to a high level in professional and technical disciplines, while also supporting institutions that achieve excellence in teaching essential basic skills—such as English and maths. This will need to be done while maintaining broad universal access to high quality education and training from

304 House of Commons Committee of Public Accounts, *Overseeing financial sustainability in the further education sector* (Thirteenth Report, Session 2015–16, HC 414)

305 [Q 133](#) (Matthew Coffey)

306 [Q 94](#) (Pat Brennan-Barrett)

307 [Q 94](#) (Malcolm Trobe)

308 *Ibid.*

309 Five colleges announce ‘collaboration’ plans after pioneering area review, *FE Week* (21 July 2015): <http://feweek.co.uk/2015/07/21/five-colleges-announce-collaboration-plans-after-pioneering-area-review/> [accessed 22 March 2016]

310 [Q 94](#) (Pat Brennan-Barrett)

311 [Q 79](#) (Sam Monaghan)

age 16 upwards for students of all abilities including those with special educational needs and disabilities.”³¹²

190. Social mobility and life chances is one of the Government’s main priorities, yet it seems largely ignored in the context of the reviews. Our concern was shared by Pat Brennan-Barrett who told us there was “a danger, particularly as we are now looking at social mobility within this forum, we are going to throw the baby out with the bath water with Level 1 and Level 2.”³¹³ Level 1 and Level 2 qualifications cannot be dismissed. If Level 3 qualifications were the only ones available, many young people would be significantly disadvantaged. Nacro³¹⁴ explained: “Low level vocational education provides important entry into qualifications and can reconnect young learners to education and training.”³¹⁵
191. In addition, the reviews are only looking at further education colleges and sixth form colleges, not sixth form provision in schools or independent providers. This seems to be an error given the issues outlined above.
192. **As they stand the area reviews of post-16 education and training institutions move away from Kevin Orr’s vision of further education colleges as engines of social mobility. The idea behind the reviews is that a group of colleges covering a given area share facilities and specialisations. This could pose problems for young people who live in more rural areas where distances between colleges are more substantial and travelling to college is therefore more difficult and costly.**
193. **There is a culture of inequality between vocational and academic routes to work. The culture pervades the system and the incentives to everyone involved. In England, the education system focuses on academic achievement of a particular kind. That is five GCSEs at grade A*-C and then A-Level. Such a focus means only the half of young people who attain this high level are served by the system.**
194. **Government policies, funding, and incentives all support this focus on academic achievement. Current funding for schools and performance tables incentivise the promotion of academic routes that help meet targets. As a result, few young people see vocational routes as a positive option.**
195. **Investment in all young people has significant long-term economic value. Recent Government policy has protected schools and university funding but the same is not true for post-16 institutions who provide for the majority of young people who do not go into higher education. Intermediate routes to employment for middle attainers—who are already underserved—are restricted further by this discrimination. Lack of investment increases the risk of these young people becoming NEET (not in education, employment or training) or of moving into**

312 HM Government, *Reviewing post-16 Education and Training Institutions*: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/446516/BIS-15-433-reviewing-post-16-education-policy.pdf [accessed 22 March 2016]

313 **Q 94** (Pat Brennan-Barrett)

314 Nacro has been repositioning itself as a champion of social justice which continues to put crime prevention and reduction at its core.

315 Written evidence from Nacro (**SMO0123**)

low level jobs with little or no opportunities for progression. There is a need for greater clarity on how funding works.

196. **Schools and colleges receive between £500 and £1,200 less per year for students aged 16 and over, than for students aged 16 and under. Schools and sixth form colleges only cater to students up to age 18, and further education colleges to students over 18. Therefore these stark funding differences underpin a system of inequality.**
197. **The inequality between vocational and academic education has had a significant impact on the overlooked majority of young people on whom our inquiry has focused. It is a long-standing and deep-rooted issue that will not be overcome easily or soon. Clarity and understanding, and promotion of alternatives to higher education, could however begin to destigmatise vocational education and training. Therefore independent, impartial and robust information, careers advice and guidance are vital.**

CHAPTER 5: INFORMING AND ADVISING YOUNG PEOPLE

“Advice I was given was not helpful and often not relevant to my situation.”³¹⁶

198. We wanted to know whether young people were given good advice about routes to work - academic and otherwise. This included looking at careers education and guidance in England and how young people learnt about the world of work. The Secretary of State for Education, Mrs Morgan, told us: “the honest truth ... is there has never been a golden age of careers advice.” Government after government has sought to address the problems with the provision of information and guidance to young people. None has managed to find the solution. This is failing young people greatly. Every young person should have access to independent, impartial careers advice.

Careers education and careers guidance

199. Careers education and guidance are important for social mobility. This is because knowing about the options available, and the skills needed to navigate those options, are a key part of a successful transition to work.³¹⁷ It is important to understand the difference between the two as outlined in Box 15 below.

Box 15: Careers education and careers guidance

Careers education is learning about the world of work. It is meant to help you learn about the opportunities available to you for future jobs. It teaches and enables you to make a decision. Schools have traditionally been responsible for careers education.

Careers guidance is linked to career education. It is more personalised advice on how to best use your skills to develop the career you want.

The Education Act 2011

200. The Education Act 2011 made schools responsible for providing independent and impartial careers advice and guidance.³¹⁸ Before that change, local authorities were required to provide a careers service which would provide such guidance. The Act also removed the statutory duty for schools to provide careers education.³¹⁹ Lord Hill of Oareford, then an Education Minister, said changes would “improve the quality and professionalism of services” related to careers advice.³²⁰

316 A female respondent to our survey, from Cambridge, aged 19–24, who attended a state-run non-selective school: <http://www.parliament.uk/documents/lords-committees/social-mobility/survey-results.pdf>

317 See written evidence from Local Government Association (SMO0011); Scottish Government (SMO0042); Centre for Vocational Education Research (SMO0081); National Foundation for Education Research (SMO0082); Prof Saul Becker and Dr Joe Sempik (SMO0137)

318 Section 29 of the Education Act 2011. Independent is defined as if it is provided other than by a teacher employed or engaged at the school, or any other person employed at the school. Impartial is defined as showing no bias towards any education or work option.

319 A statutory duty is an obligation set out in law that must be completed.

320 HL Deb, 14 June 2011, [col 665](#)

201. Independent and impartial careers advice is important.³²¹ The 2011 Act defined ‘independent’ as advice that was external to the school, i.e. provided by someone not employed by the school. It defined ‘impartial’ as showing no bias towards any education or work option.³²² These principles are welcome. We have already discussed, however, how the funding and performance table system does not incentivise schools to give independent careers advice.
202. Some of our witnesses told us that the Education Act 2011 had not improved the quality of careers education and guidance. Careers England said it was a “downward step change in careers preparation” and “the biggest change in careers support for young people in almost 40 years.”³²³ The Prince’s Trust told us, as a result of the Act, that “schools have become increasingly focused on preparing for exams and less focused on preparing young people for the world of work.”³²⁴ Many of our witnesses told us that current provision was poor.³²⁵

Careers and Enterprise Company and the National Careers Service

203. Since the Education Act 2011, the Government has established the National Careers Service and the Careers and Enterprise Company (see Box 15). The Local Government Association said: “National Careers Service (NCS) provision to young people is weak and adds further fragmentation and confusion. In its first year the NCS had just 27,500 contacts from 16- to 18-year-olds, equivalent to just 1.4 per cent of the age group.”³²⁶

321 See written evidence from the Welsh Government (SMO0021); Ofsted (SMO0047), LGA (SMO0011); AoC (SMO0087); Leeds City Region Enterprise Partnership (SMO0049); London Councils (SMO0057); Aspire Group (SMO0007); Brokerage Citylink (SMO0035); Prospects Services (SMO0091); Northamptonshire Enterprise Partnership (SMO0094); STEMNET (SMO0109); YMCA England (SMO0085); emfec (SMO0113); Dr Michelle Stewart (SMO0005); Inclusion Trust (SMO0107); ASDAN (SMO0054); City & Guilds (SMO0073); Cascaid (SMO0061); The Sutton Trust (SMO0111); Prof Alison Fuller and Prof Lorna Unwin (SMO0010); BAE Systems (SMO0114); The Edge Foundation (SMO0024); YMCA Training (SMO0077); National Foundation for Educational Research (SMO0082); NHS Employers (SMO0105); Recruitment and Employment Confederation (SMO0075); KPMG (SMO0121); The Prince’s Trust (SMO0040); Nacro (SMO0123); Young Enterprise (SMO0122); Association of Teachers and Lecturers (SMO0084); Careers England (SMO0084); Chartered Institute of Personnel and Development (SMO0043); Trades Union Congress (SMO0104); ICAEW (SMO0063); The Chartered Insurance Institute (SMO0106); Social Policy and Research Centre, Middlesex University (SMO0036); OCR (SMO0060); Matteo Calogiuri (SMO0008); Scottish Government (SMO0042)

322 Education Act 2011, [section 29](#)

323 Written evidence from Careers England (SMO0044)

324 Written evidence from The Prince’s Trust (SMO0040)

325 Written evidence from the Welsh Government (SMO0021); Ofsted (SMO0047), LGA (SMO0011); AoC (SMO0087); Leeds City Region Enterprise Partnership (SMO0049); London Councils (SMO0057); Aspire Group (SMO0007); Brokerage Citylink (SMO0035); Prospects Services (SMO0091); Northamptonshire Enterprise Partnership (SMO0094); STEMNET (SMO0109); YMCA England (SMO0085); emfec (SMO0113); Dr Michelle Stewart (SMO0005); Inclusion Trust (SMO0107); ASDAN (SMO0054); City & Guilds (SMO0073); Cascaid (SMO0061); The Sutton Trust (SMO0011); Prof Alison Fuller and Prof Lorna Unwin (SMO0010); BAE Systems (SMO0114); The Edge Foundation (SMO0024); YMCA Training (SMO0077); National Foundation for Educational Research (SMO0082); NHS Employers (SMO0105); Recruitment and Employment Confederation (SMO0075); KPMG (SMO0121); The Prince’s Trust (SMO0040); Nacro (SMO0123); Young Enterprise (SMO0122); Association of Teachers and Lecturers (SMO0084); Careers England (SMO0044); Chartered Institute of Personnel and Development (SMO0043); Trades Union Congress (SMO0104); ICAEW (SMO0063); The Chartered Insurance Institute (SMO0106); Social Policy and Research Centre, Middlesex University (SMO0036); OCR (SMO0060); Matteo Calogiuri (SMO0008); Scottish Government (SMO0042)

326 Written evidence from Local Government Association (SMO0011)

Box 14: The Careers and Enterprise Company and the National Careers Service

The National Careers Service was launched in April 2012. It provides information on learning and work options, and has professional advisors who can give advice on what two years choices to make. Its online and telephone help service can be accessed by anyone over 13 but face-to-face advice is available for adults aged 19 or over, or those aged 18 and over and in receipt of Jobseekers allowance

The Careers and Enterprise Company has been established to “inspire young people and help them to prepare for and take control of their futures.”³²⁷ It hopes to achieve this by helping young people link their education to their future careers, and to develop skills. The Company wants to increase employer engagement with schools.

It is based in London, and was funded with £20 million from the Department for Education for the first year of its existence. The Company is independent of Government, but works closely with the relevant Departments to inform policy. The company will deliver its objectives through the following programme of work: On-the-ground support and brokerage programme: setting up a network of enterprise advisers to broker strong and extensive links at local level between schools and colleges and employers, focusing on areas where provision will have the most impact;

- Investment fund: using a minimum of £5 million to fund activities that directly result in more and higher quality careers, enterprise and employer engagement activity;
- Enterprise passport: developing and piloting a passport that will record young people’s achievements beyond the curriculum, helping them to develop their enterprise skills, boost their appeal to employers and incentivise them to participate in a wide range of extra-curricular activities; and
- Research: mapping and reporting on employer engagement in schools and colleges; development and dissemination of a fact base around ‘what works’ to help schools and employers prioritise activity and maximise impact.

The Careers and Enterprise Company

204. The Careers and Enterprise Company already has a remit to increase education-employer partnerships. Although it is recently established, our witnesses were hopeful that it may address some of the key challenges which we discussed earlier in this report.³²⁸
205. However, the British Chambers of Commerce warned us that “it is unclear whether the Careers and Enterprise Company will have enough political and spending clout to bring about the transformative change that is needed.”³²⁹ Neil Carberry told us that, given what it has to achieve, “the investment in the Careers and Enterprise Company is small beer”.³³⁰ Jack Feintuck, of the

327 The Careers and Enterprise Company, ‘About us’: <https://www.careersandenterprise.co.uk/about-us/> [accessed 22 March 2016]

328 See written evidence from National Literacy Trust (SMO0014); Chartered Institute of Personnel Development (SMO0043); ICAEW (SMO0063); Federation of Small Businesses (SMO0096); Young Enterprise (SMO0122). See also Q 72 (Jack Feintuck)

329 Written evidence from the British Chambers of Commerce (SMO0103)

330 Q 62 (Neil Carberry)

Social Mobility and Child Poverty Commission, suggested that the remit of the CEC was perhaps too wide:

“The Government set up their Careers and Enterprise Company, which will try to fill some of these gaps [in links between businesses and schools]. The Commission has written about the potential for this and has made some suggestions about how it could focus slightly more narrowly on a few elements. For example, it could make sure that it is targeting less advantaged areas and pupils, that the board represents expertise in advice and guidance in the education sector and applies some regional consideration, because the requirement is going to be different between different places, and that the impact of it is evaluated as well, because there is quite a big investment here. There is a challenge regarding business engagement, but there is the potential to do something about it as well.”³³¹

206. We note that the Careers and Enterprise Company is a new development, and it is too soon to assess its impact. We asked for, but did not receive, evidence from the CEC. Even so, we consider that the existence of the CEC provides a good starting point for the development of a more coherent single structure with the potential to be effective in improving the transition from school to work. To develop into this sort of effective body, it would have to be given the funding, political support and co-operation from all national and local stakeholders to realise its potential.

The value of careers education and guidance for young people from disadvantaged backgrounds

207. OCR told us that poor careers guidance has the greatest impact on young people not doing A-Levels or going onto university.³³² This is because a lot of careers guidance for young people comes from their teachers. Teachers often have only experienced the A-Level/university route themselves and do not have much personal experience of other routes into work. Our witnesses who commented on the responsibility of schools for providing advice all shared this concern.³³³ It is a concern shared by teachers themselves. 80 per cent of teachers surveyed in 2013 felt they did not have the knowledge to give careers advice, and half felt they had given poor advice.³³⁴ Some respondents to our online survey said their support tended to push them towards academic routes: “... most support was determined for me to go the route everyone does 6th form or college then university and I didn’t really learn about everything else out there, I had to research myself”.³³⁵
208. Careers guidance in schools provides advice and information which people from disadvantaged backgrounds may not have access to elsewhere.³³⁶ 82 per cent of the young people who answered our survey said their parents were their biggest source of advice. Some parents will have contacts and positive experiences of the transition into work that they can share. Given that not

331 [Q 167](#) (Jack Feintuck)

332 Written evidence from OCR ([SMO0060](#))

333 See written evidence from Access To The Professions ([SMO0124](#)); Hertfordshire County Council, Hertfordshire Local Enterprise Partnership, and Youth Connexions Hertfordshire ([SMO0026](#)); TQ Training ([SMO0004](#)); Young Enterprise ([SMO0122](#))

334 Written evidence from the National Foundation for Education Research ([SMO0082](#))

335 See report of survey results: <http://www.parliament.uk/documents/lords-committees/social-mobility/survey-results.pdf>

336 See Appendix 6 (Committee visit to Derby)

all young people will be able to draw on parents' advice, it is important that all can learn about routes into work at school either to supplement what they are able to glean from their own networks and contacts or to ensure those without this support are not at a disadvantage.³³⁷ We note that parenting can take many forms and is about the people who act in a parenting capacity towards a young person, whether that be family members, or members of the community.

209. As discussed in Chapter 4, the provision of independent advice to young people is placed at risk by the funding mechanism and an emphasis on academic performance. OCR—a UK awarding body—told us that “... schools want to keep the more academic students to benefit their performance tables, regardless of what is in the best interests of the young person.”³³⁸

210. This can result in schools giving advice to pupils which focuses more on what the school offers than what suits those who would prefer vocational education and training routes. For example, a young person who completed our survey said:

“During my time at secondary school, it was drummed into me that I should continue onto the school’s sixth form, which I did not want to do ... I did my own research and attended college open days off my own back, which is why I went to college and studied for a BTEC National Diploma.”³³⁹

211. ThinkForward told us that the focus on academic subjects results in poor advice on vocational qualifications. This means “many young people either make inappropriate choices between vocational or academic pathways, or those who opt for vocational routes start their training at a level below where they could be studying, therefore slowing their potential career trajectory.”³⁴⁰ Our witnesses overwhelmingly identified this as a problem.³⁴¹ High Peak Borough Council and Staffordshire Moorlands District Council told us that “this is resulting in high drop-out rates from A-Level routes at age 17 which is both costly to the public purse, and to the individual young people (who

337 See for example written evidence from School-Home Support (SMO0148)

338 Written evidence from OCR (SMO0060)

339 See report of survey results: <http://www.parliament.uk/documents/lords-committees/social-mobility/survey-results.pdf>

340 Written evidence from ThinkForward (SMO0092)

341 See written evidence from the Welsh Government (SMO0021); Telford and Wrekin Council (SMO0009); AoC (SMO0087); Pret A Manger (SMO0041); Future Advice Skills Employment Ltd (SMO0028); Develop (SMO0003); Prof Alison Fuller and Prof Lorna Unwin (SMO0009); Young Women’s Trust (SMO0046); Careers South West (SMO0095); Ofsted (SMO0047); Leeds City Region Enterprise Partnership (SMO0049); ThinkForward (SMO0092); Aspire Group (SMO0007); Capp (SMO0069); CET (SMO0059); The Sutton Trust (SMO0111); City Year UK (SMO0079); Inclusion Trust (SMO0107); MiddletonMurray (SMO0013); City & Guilds (SMO0073); Cascaid (SMO0061); The Big Academy (SMO0116); The Edge Foundation (SMO0024); National Foundation for Educational Research (SMO0082); Nacro (SMO0123); Association of Teachers and Lecturers (SMO0084); Chartered Institute of Personnel and Development (SMO0043); National Union of Students (SMO0080); Trades Union Congress (SMO0104); Federation of Small Businesses (SMO0096); ICAEW (SMO0063); The Chartered Insurance Institute (SMO0106); Institution of Mechanical Engineers (SMO0070); Prof Ann Hodgson and Prof Ken Spours (SMO0012); Social Policy and Research Centre, Middlesex University (SMO0036); Matteo Calogiuri (SMO0008); emfec (SMO0113); ASDAN (SMO0054); High Peak borough Council and Staffordshire Moorlands District Council (SMO0068); BAE Systems (SMO0114); Hertfordshire County Council, Hertfordshire Local Enterprise Partnership, and Youth Connexions Hertfordshire (SMO0026); Pearson Education (SMO0089); National Institute of Adult Continuing Education (NIACE) and Centre for Economic and Social Inclusion (Inclusion) (SMO0078); Young Enterprise (SMO0122)

waste their time and perhaps become discouraged from continuing training education).”

212. The range of options available to young people to transition from school into work is complex (see paragraphs 81–98). This makes it difficult for young people to know which courses and training options will lead to the best careers. The respondents to our survey told us there was limited guidance available to them aside from A-Levels and staying on at the same school or college. One respondent said: “they glorified going to college and then university afterwards rather than informing you of all your choices.”³⁴² Alan Milburn told us: “There is something quite fundamental in the way the system is designed. It is designed almost to induce more complexity and the wrong choices.”³⁴³ The qualifications “jungle” is difficult to navigate when relevant and personalised information and advice is not available.

213. There have been a number of influential reports which have looked into the quality of careers advice and guidance in great detail. Of particular note are reports in 2013 by the House of Commons Education Committee and by Ofsted. The Education Committee concluded that:

“Our inquiry has highlighted grave shortcomings in the implementation of the Government’s policy of transferring responsibility for careers guidance to schools, not least the inadequacy of the means by which schools can be held accountable for their fulfilment of this duty. These issues must be addressed as a matter of urgency ... Young people deserve better than the service they are likely to receive under current arrangements.”³⁴⁴

214. Meanwhile Ofsted concluded that:

“Too few schools are providing careers guidance that meets the needs of all their students. It is, nevertheless, possible for schools to provide good-quality independent and impartial careers guidance to young people.”³⁴⁵

215. These reports focused on the changes made to the provision of careers education and guidance as a result of the 2011 Act. Both reports highlight some of the problems that have arisen in the wake of the Act. We hope that the group of young people not doing A-Levels or going to university can be recognised as those most at risk of suffering as a result of these problems.³⁴⁶

216. A number of our witnesses identified the features of good careers education and guidance and suggested changes to the current system. Malcom Trobe, Deputy General Secretary of the Association of School and College Leaders, was critical of the reliance on online media in providing guidance: “There is too much, ‘They’ll be able to get it off the internet’. I am sorry, but some of these youngsters do not have access to the internet and when they do, they are not accessing the type of thing we want them to be looking at. They need

342 White British male, aged 19–24, with SEN and who attended a non-selective state school in Cambridge.

343 [Q 163](#) (The Rt Hon Alan Milburn)

344 Education Committee, *Careers guidance for young people: The impact of the new duty on schools* (Seventh Report, Session 2012–13, HC 632-I)

345 Ofsted, *Going in the right direction? Careers guidance in schools from September 2012*, (September 2013): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/413171/Going_in_the_right_direction.pdf [accessed 22 March 2016]

346 We note that Prof Baroness Wolf and Ofsted have both drawn attention to the fact that it does mean many young people going to university might have been better off doing a vocational apprenticeship/training.

one-to-one advice.”³⁴⁷ Many young people we spoke to said that they had been directed to websites. This is not good enough. Our witnesses agreed that face-to-face guidance was needed to help young people understand the range of options available to them.³⁴⁸

217. Our witnesses agreed that careers education and guidance should start at an earlier age than it currently does.³⁴⁹ Nick Chambers, Director of the charity Education and Employers Taskforce, told us that “young people’s perceptions ... are formed at an early age, even at primary, and they rule out all sorts of routes. It is really important that young people have a wide experience of the world of work.”³⁵⁰ This is what happens in a number of other countries. In Switzerland careers guidance begins in the early years of secondary education.³⁵¹ In Denmark, guidance begins in primary school and a specialist careers guidance officer gives advice on the routes (both vocational and academic) open to students.³⁵² Education and job classes are attended by all primary school children, and in secondary education (and upon completion of secondary education) young people receive guidance on careers and further education in centres located around the country.
218. Some of our witnesses told us that careers education should be linked to the local labour market. New Economy told us that this would “enable young people to better understand the supply of jobs in a local area and to make more well-informed decisions about the pathways they take.”³⁵³ It is important to know about the nature of jobs close to home as a move away from support networks or dependents is not a realistic opportunity for many young people. It is equally important that aspirations are not narrowed only to those which can be met locally.
219. It is clear that there are serious concerns about the poor quality of careers information, advice and guidance being given to young people, and that these must be addressed. It is not however, the only issue. Professor Ann Hodgson told us that addressing careers guidance “is seen as a sticking plaster over something that is incredibly complex” and that “a much clearer set of route ways and pathways through the system for young people” is required alongside improved guidance and experience of work.³⁵⁴
220. During our inquiry, we visited the International Centre for Guidance Studies at the University of Derby. We were struck by the quality of evidence from the staff there. In particular, the Centre corroborated our written and oral evidence on a number of issues. Specifically staff at the Centre told us

347 [Q 91](#) (Malcolm Trobe)

348 See evidence from the Prince’s Trust ([SMO0040](#)); Herefordshire Council ([SMO0020](#)); Hertfordshire County Council, Hertfordshire Local Enterprise Partnership, and Youth Connexions Hertfordshire ([SMO0026](#)); The Found Generation ([SMO0101](#)); ThinkForward ([SMO0092](#)); NHS Employers ([SMO0105](#)); Appendix 6 (Committee Visit to Derby)

349 Written evidence from Pret A Manger ([SMO0041](#)); London Councils ([SMO0057](#)); MiddletonMurray ([SMO0013](#)); National Literacy Trust ([SMO0014](#)); Nacro ([SMO0123](#)); Young Enterprise ([SMO0122](#)); ASDAN ([SMO0054](#)); Natspec ([SMO0093](#)); The Big Academy ([SMO0116](#)); Pinetree Enterprises Ltd ([SMO0015](#)); Capp ([SMO0069](#)); Barclays PLC ([SMO0115](#)); The Science Council ([SMO0120](#)); Scottish Government ([SMO0042](#))

350 [Q 47](#) (Nick Chambers)

351 Written evidence from State Secretariat for Education, Research and Innovation, Swiss Confederation ([SMO0117](#))

352 Written evidence from the Royal Danish Embassy ([SMO0108](#))

353 Written evidence from New Economy (on behalf of Greater Manchester Combined Authority) ([SMO0088](#))

354 [Q 178](#) (Prof Ann Hodgson)

that, ideally, there should be two levels to good careers guidance: something outside of schools that brokered links with employers and the local labour market, and something inside schools and colleges so that pupils were learning about work at the same time as studying.³⁵⁵

Mentoring

“I left school at 16 and the options were not great for me. I did not have anyone who could sit down with me and go through the options available to me. If I had had the help, I might have been able to make a decision. In that time, I was in my shell. Maybe I could have asked for help, but I was insecure and didn’t feel able to ask.”

Khiry, a participant in our focus group on 27 October 2015³⁵⁶

221. Many of our witnesses told us “the current transition system does not provide enough support to young people who do not follow the A-Level and higher education route”.³⁵⁷ Prospects Services, Cascaid, Nacro and ASDAN said the complexity of young people’s needs is not understood and there is limited individual support.³⁵⁸ By support we include individual face-to-face interactions with a named person, such as a mentor.
222. Our witnesses told us there is some support for those not in education, employment or training (NEET) or with special educational needs or disability (SEND). However, they said, there is little focus on other groups including care leavers or those with mental health conditions.³⁵⁹ The support offered is towards a first employment outcome,³⁶⁰ rather than a career. This narrow focus does not raise aspirations, and so limits social mobility.³⁶¹
223. For young people with no support at home, the picture can be bleak. Dr McKnight told us:
- “That is where I think children from disadvantaged families can miss out ... if the child does not have that support at home, involving the family and allowing the family to play a key role in the success of the children disadvantages those children who do not have access to that.”³⁶²
224. The young people we heard from overwhelmingly talked about what it meant to have little or no support. Sonic, a young adult carer, told us if he “didn’t plough everything into work I’d end up crumbling because there wasn’t any sort of support there for me, personally. I wish there was someone ... it doesn’t have to be often, but there was no one there who could pick up on anything.”³⁶³

355 See Appendix 6 (Committee visit to Derby)

356 See note of focus group (Appendix 4)

357 Written evidence from The Found Generation ([SMO0101](#)); ThinkForward ([SMO0092](#)); New Meaning Ltd ([SMO0031](#)); ASDAN ([SMO0054](#))

358 Written evidence from Prospects Services ([SMO0091](#)); Cascaid ([SMO0061](#)); Nacro ([SMO0123](#)); ASDAN ([SMO0054](#))

359 Written evidence from Careers South West ([SMO0095](#)); YMCA England ([SMO0085](#)); Carers Trust ([SMO0033](#))

360 A first employment outcome is the first job gained after leaving school.

361 Written evidence from Careers South West ([SMO0095](#))

362 [Q 11](#) (Dr Abigail McKnight)

363 See note of focus group, 27 October 2015 (Appendix 4)

225. Analysis of the results from our online survey suggested careers education and advice should cover a much broader range and the different options that are available and realistic in terms of where different options can take you. The results showed support should not focus just on careers but also include more ‘holistic’ pastoral support that can assist people with difficult or challenging circumstances.³⁶⁴ It is important, however, to make the distinction between pastoral support and careers education and advice and guidance.
226. When we visited Lilian Baylis Technology School, students told us about a mentoring scheme which helped them. Individual employers mentor year 11 and sixth form students. One young person told us her mentor was a CEO of a law firm and had connections to people in the industry that she otherwise wouldn’t have had access to.³⁶⁵

A single entry point for non-academic progression routes

227. There is a clear process for applying to go to university. It is all done through the University and Colleges Admissions System (UCAS). UCAS is an independent charity whose main role is to operate the application process for British universities and colleges which offer higher education. The courses available are clear. The qualifications needed to get onto them are published. There is an online system of managing the application process.
228. The process is well-known and well-understood. Hertfordshire County Council et al told us that there “is great comfort in the formalised, safe and trusted process of UCAS. There are set dates to respond and long-established traditions on how to get through the system. Teachers themselves have most likely followed that route and it is seen by parents as the ‘grown-up’ option.”³⁶⁶ There is information and guidance available on how the application process works. There is no such process for the majority of other routes into further education, training or work.
229. Some of our witnesses told us that there would be value in a UCAS-style system for other progression routes.³⁶⁷ Professor Gregg told us that a UCAS-style system would tell young people “‘This is the range of qualifications and places. This is how you apply for them’—something that works along the lines of what UCAS does successfully for the graduate routes, available locally.”³⁶⁸
230. The Challenge told us that “the absence of a UCAS-style direct channel linking schools and employers, and facilitating the take-up of traineeships and apprenticeships by young people” causes “miscommunication and information gaps.”³⁶⁹ Without information about alternatives, it stands to reason that young people are guided towards higher education as it is a transition with a clear process underpinning it.

364 See report of survey results: <http://www.parliament.uk/documents/lords-committees/social-mobility/survey-results.pdf>

365 See Appendix 5

366 Written evidence from Hertfordshire County Council, Hertfordshire Local Enterprise Partnership, and Youth Connexions Hertfordshire (SMO0026) See also written evidence from Career Ready (SMO0074).

367 See Q 42 (Alex Burghart); Q 114 (Sir Michael Wilshaw); Q 166 (The Rt Hon Alan Milburn); written evidence from Career Ready (SMO0074); ThinkForward (SMO0092)

368 Q 35 (Prof Paul Gregg)

369 Written evidence from The Challenge (SMO0098)

231. In part, this problem has been recognised by the Government. Mr Boles told us that the Government was in “conversation with UCAS about the possibility of including higher-level courses in FE colleges but also apprenticeships in their system.”³⁷⁰ We welcome the recognition that the process for applying for non-university routes needs to be clearer than it is and as accessible as possible. Apprenticeships and high-level courses cannot be the only ones included. It is important to help as many young people as possible navigate the system. For this to be the case, information on how to apply for all courses post-16 needs to be equally available.

Experience of work

232. Many of our witnesses were clear that experience of the workplace and of employers was vital for young people to get a job and to become socially mobile.³⁷¹ The Secretary of State for Education said: “work experience is very valuable but it has to be high-quality work experience.”³⁷² Ralph Scott highlighted research which showed, “young adults who could recall high levels of employer contacts throughout their education experience were 20 per cent less likely to be NEETs at the end of school and 18 per cent more likely to earn more.”³⁷³ But experience also needs to be locally available. We explained in paragraph 190 that 16 and 17 year olds do not travel and even those 18 and over cannot be expected to travel unless they have access to travel money or maintenance money.

233. There are not, however, enough opportunities to experience work available for young people. Professor Paul Gregg said that “the level of work experience that kids have by the time they are 18 is vanishing before our eyes.”³⁷⁴ Moira McKerracher told us that “two-thirds [of employers] say that work experience is a critical or significant factor when they are recruiting, yet under one-third offer some form of work placement or experience to unemployed people, schoolchildren or college students.”³⁷⁵ In Chapter 2, we discussed what skills employers felt school leavers did not have. If they want to recruit people ready for the workplace, employers need to proactively offer experiences of work to school students to help them to develop these skills.

234. In 2012 the Government removed the requirement for compulsory work experience placements at Key Stage 4 in response to the Wolf Report. In 2013 the Government added a requirement that all 16–19 year-olds do work experience as part of their programme of study. A number of our witnesses thought the removal of the legal obligation on schools to provide work

370 [Q 197](#) (Nick Boles MP)

371 Written evidence from UKCES ([SMO0001](#)) (See UKCES Stats); Develop ([SMO0003](#)); Leeds City Region Enterprise Partnership ([SMO0049](#)); London Councils ([SMO0057](#)); Brokerage Citylink ([SMO0035](#)); CET ([SMO0059](#)); HM Government ([SMO0055](#)); Inclusion Trust ([SMO0107](#)); ASDAN ([SMO0054](#)); Hertfordshire County Council, Hertfordshire Local Enterprise Partnership, and Youth Connexions Hertfordshire ([SMO0026](#)); BAE Systems ([SMO0114](#)); The Big Academy ([SMO0116](#)); YMCA Training ([SMO0077](#)); British Chambers of Commerce ([SMO0103](#)); KPMG ([SMO0121](#)); Barclays PLC ([SMO0115](#)); The Prince’s Trust ([SMO0040](#)); Association of Teachers and Lecturers ([SMO0084](#)); Chartered Institute of Personnel and Development ([SMO0043](#)); New Economy (on behalf of Greater Manchester Combined Authority) ([SMO0088](#)); The Found Generation ([SMO0101](#)); Nacro ([SMO0123](#)); The Edge Foundation ([SMO0024](#))

372 [Q 198](#) (The Rt Hon Nicky Morgan MP)

373 [Q 39](#) (Ralph Scott)

374 [Q 34](#) (Prof Paul Gregg)

375 [Q 12](#) (Moira McKerracher)

experience for under 16s was a mistake.³⁷⁶ They felt it had led to unreliable provision of work experience opportunities. Many suggested the obligation for schools to arrange work experience be reintroduced.

235. Our evidence was clear that for work experience to have value, it could not be just one or two weeks spent in a business.³⁷⁷ David Nicoll, Director of the Studio Schools Trust, said: “For work experience to be really effective it has to be regular and frequent”.³⁷⁸ Neil Carberry, Director for Employment and Skills at the CBI, said that “if you had a process of saying to schools that everyone in year 10 does a week in June of work experience, that will not add value” and that “a number of interactions with businesses in schools and in the workplace over a number of years” would be more meaningful.³⁷⁹
236. Witnesses also suggested that social action or volunteering by young people should be encouraged to build employability skills.³⁸⁰ Demos stated in a 2014 report that “a large body of evidence shows that the types of skills developed through youth social action offers a range of benefits to young people, in improving educational outcomes and access to jobs.”³⁸¹ Organisations such as the National Citizen Service provide such an opportunity.³⁸²

Box 15: The National Citizen Service

The National Citizen Service is a Government-funded programme for 16- and 17- year-olds in England and Northern Ireland. It was piloted in 2011, and gives young people the opportunity take part in residential activities and community work.

The Service brings together young people from different backgrounds and helps them build skills and to develop socially and personally. Approximately 48,000 people participated in 2014/15. The Chancellor of the Exchequer announced in the Autumn Statement that by 2020 300,000 places would be available each year.

237. **Careers education and careers guidance are two different ways for young people to learn about the world of work. Each is important and closely linked to the other. There is a pressing need for young people to be clearer about the decisions they face at an early age and the future employment options available to them as a result. Without more clarity, this overlooked majority of young people are at great risk of drifting into work and being trapped in employment at the bottom end of the labour market.**

376 See written evidence from Association of Teachers and Lecturers (SMO0084); Careers England (SMO044); ICAEW (SMO0063); TQ Training (SMO0004); The Big Academy (SMO0116); Careers South West (SMO0095); YMCA England (SMO0085); Inclusion Trust (SMO0107); British Chambers of Commerce (SMO0103); Ofsted (SMO0047); Hertfordshire County Council, Hertfordshire Local Enterprise Partnership, and Youth Connexions Hertfordshire (SMO0026)

377 See written evidence from Hertfordshire County Council, Hertfordshire Local Enterprise Partnership, and Youth Connexions Hertfordshire (SMO0026); Ofsted (SMO0047); Barnardo’s Focus Group (SMO0138)

378 Q 105 (David Nicoll)

379 Q 56 (Neil Carberry)

380 Written evidence from Step Up To Serve (SMO0029); Develop (SMO0003); The Found Generation (SMO0101); City Year UK (SMO0079); Barclays PLC (SMO0115); Chartered Institute of Personnel and Development (SMO0043)

381 Demos, *Scouting for Skills*, May 2014: http://demos.co.uk/files/Scouting_for_skills_-_web.pdf?1400681381 [accessed 22 March 2016]

382 In 2015, 16 and 17 year-olds participated. In the Autumn Statement, the Chancellor announced that 300,000 more young people would participate in the NCS.

238. **Young people need careers education in schools which is embedded into and fits alongside the curriculum and is informed by labour market information. At the appropriate time, they will also need professional careers guidance that is independent of schools or colleges, delivered face-to-face, helping them to choose their individual routes forward. Both forms of support are vital in preparing young people for work but they are markedly different.**
239. **Work experience is essential. It helps young people to develop the attributes they need to succeed in the workplace. Yet not much is available at age 14–16, and even less is available in rural areas or for students studying at lower levels. Young people are often expected to arrange their own placement, and tend to get any work experience through their informal networks. Their experience is therefore limited to what is available through those networks. This means that within the current system aspirations remain fixed. Upwards social mobility is limited.**
240. **We echo and endorse the findings of Ofsted and the House of Commons Education Committee. Careers advice and guidance as it stands perpetuates the inequality between academic and non-academic routes. However, good quality careers education and guidance alone will not solve the structural issues in the system.**

Inspection of careers education and guidance by Ofsted

241. Ofsted is the Office for Standards in Education, Children’s Services and Skills. It inspects services that care for children and young people, and services providing education and skills for learners of all ages. Inspectors will assess a school or college, and grade it on the quality of teaching, learning and assessment. The four grades are outstanding, good, requires improvement, and inadequate. Ofsted is independent and reports directly to Parliament.
242. The results of the inspections are public. A number of our witnesses agreed that Ofsted has a significant role in driving the behaviour of schools.³⁸³ Ralph Scott told us “really what schools are most concerned about is achieving results and passing Ofsted inspections. That is the real threat to them.”³⁸⁴ As well as wanting the best teachers, schools may try to attract the best pupils in order to achieve good results in inspection and league tables. This is more difficult with a poor Ofsted rating.
243. Ofsted considers the preparation of students for the world of work in their inspections under its new common inspection framework.³⁸⁵ However London Councils told us that “although monitored by Ofsted the emphasis they place on it is not great enough and therefore, it allows schools to deliver minimal [careers] information, advice and guidance.”³⁸⁶ Other witnesses agreed that Ofsted should place more emphasis on the quality of advice given in schools and colleges.³⁸⁷

383 See written evidence from Pret A Manger ([SMO0041](#)); Career Ready ([SMO0074](#)); Futures Advice Skills Employment Ltd ([SMO0028](#)); [Q 15](#) (Moirra McKerracher); [Q 93](#) (Pat Brennan-Barrett); [Q 167](#) (The Rt Hon Alan Milburn); [Q 187](#) (Nick Boles MP)

384 [Q 43](#) (Ralph Scott)

385 Written evidence from Ofsted ([SMO0040](#))

386 Written evidence from London Councils ([SMO0057](#))

387 See written evidence from ICAEW ([SMO0063](#)); New Economy (on behalf of Greater Manchester Combined Authority) ([SMO0088](#)); Federation of Small Businesses ([SMO0096](#))

244. Sir Michael Wilshaw told us that “if everything else in the school—provision, progress, outcomes and behaviour—is good, it would be very difficult to mark that school down just because careers provision was not as good as it should have been.”³⁸⁸ Alan Milburn said:

“If you are a head teacher and the Ofsted inspector is arriving, how high up your worry list is the quality of your careers education or, for that matter, information, advice and guidance? If one is honest, it is pretty low down. Should it be right at the top? Probably not, but if we are going to move to a world where we are asking schools increasingly to be clear about their role in the world of work and not just in the world of education, we need to move that pendulum.”³⁸⁹

A greater emphasis on careers education and guidance in reports on schools and colleges could encourage schools to improve their quality.

245. **Ofsted inspections drive school and college behaviours. If Ofsted gave a greater emphasis on the provision of careers education in schools and colleges in its reports, the quality of career education would improve. However, we accept that while necessary, this is not a panacea. It will not be sufficient to stimulate the required changes in the system. There may be a case for Department for Education reconsidering the funding available to schools. At the end of this report, we make the recommendation that they do further work on a cost benefit analysis as a matter of high priority.**

388 [Q 109](#) (Sir Michael Wilshaw)

389 [Q 167](#) (The Rt Hon Alan Milburn)

CHAPTER 6: MAKING TRANSITIONS WORK FOR THOSE IN THE MIDDLE

246. Over the course of our inquiry, we were told about what a good transition system should have to best support the move from school to work, further education or training. We wanted to know whether post-16 education gives all young people an equal opportunity to succeed.

The aim of post-16 education in England

247. From the Government's viewpoint the purpose of education in England is suggested in the national curriculum framework which applies up to age 16. The curriculum's aim is to provide "pupils with an introduction to the essential knowledge they need to be educated citizens."³⁹⁰ This focuses on knowledge, rather than skills.
248. There is nothing similar for education after age 16. Professor Hodgson said: "It is very odd that we have no educational aims and purposes for the 16 to 19 phase ... Particularly now that we have the raising of the participation age³⁹¹ and young people have to stay on, we should say what we want to happen during that phase."³⁹² David Pollard called on the Government "to explicitly define the first priority and responsibility of the education system as being to prepare all our young people for adulthood and the world of work."³⁹³
249. Many of our witnesses agreed that the development of Life Skills ought to be a feature of the curriculum, although they disagreed as to how embedded these skills should be.³⁹⁴ In Chapter 2 we discussed the value of communication and Life Skills; and evidence that school leavers do not have them. Preparation for the world of work needs to be taught in the curriculum.

Education from age 14

250. Currently the national curriculum ends at age 16 and so the education system is set up for transitions to work to begin at age 16. Notable exceptions to this are Studio Schools and University Technical Colleges (UTCs) which allow entry at age 14 and teach up to age 18 or 19, and are closely linked to employers.³⁹⁵

390 Department for Education, *The national curriculum in England: framework for Key Stages 1 to 4*, (December 2014): <https://www.gov.uk/government/publications/national-curriculum-in-england-framework-for-key-stages-1-to-4> [accessed 22 March 2016]

391 The raising of the participation age in England required young people in England to continue in education or training until the age of 18. Before, it had been 16.

392 Q 177 (Prof Ann Hodgson)

393 Q 75 (David Pollard)

394 Written evidence from CET (SMO0059); City & Guilds (SMO0073); NHS Employers (SMO0105); Forum of Private Businesses (SMO0048); ICAEW (SMO0063); Pret A Manger (SMO0041); Develop (SMO0003); The Found Generation (SMO0101); Inclusion Trust (SMO0107); ASDAN (SMO0054); Hertfordshire County Council, Hertfordshire Local Enterprise Partnership, and Youth Connexions Hertfordshire (SMO0026); Cascaid (SMO0061); KPMG (SMO0121); Young Enterprise (SMO0122); Social Policy and Research Centre, Middlesex University London (SMO0036); Barclays PLC (SMO0115); Federation of Small Businesses (SMO0096); PSHE Association (SMO0016); Future Advice Skills Employment Ltd (SMO0028)

395 University technical colleges (UTCs) are Government-funded schools that teach 14 to 18 year old students technical and scientific subjects. Studio Schools allow 14 to 19 year olds to study academic subjects through practical projects designed and delivered by employers. Pupils combine core GCSEs and vocational qualifications with real work experience.

251. As it stands, the education system places an emphasis on completing the qualifications students need to transition into work within the two years from 16 to 18. During this time, young people are expected to get a Level 3 qualification. Professor Ann Hodgson said: “If a young person does not get to Level 3 by 18, we see that as a failure. That should not be seen as a failure; it should be seen as a step on the way, and we should be thinking about lifelong learning, not cutting people off at that point.”³⁹⁶ New Economy told us: “young people in this cohort are more likely to become part of a churn—not dropping out but equally not getting it right first time.”³⁹⁷
252. Although young people now have to remain in some form of education of training until they are 18, the Government told us: “The UK’s participation rate at age 17 (87%)³⁹⁸ was below the average participation rate of 34 OECD countries (90%) in 2012... our participation rate places us joint 26th out of the 34 OECD countries.”³⁹⁹
253. Historically, there has been a high drop out from education at age 16 and age 17. Some of our witnesses told us, “... there is historically more drop outs ... from the general FE sector rather than the A-Level route.”⁴⁰⁰ This could be because, as Telford and Wrekin Council explained: “Compulsory education has had most of [the] young people [who will not follow an academic route] as a captive audience for 12 years.”⁴⁰¹ And as Nacro said: “The way mainstream education is structured means vocational education at age 16 becomes an afterthought for many young people who would have engaged earlier on.”
254. In fact, Nacro said that as it stands: “Failure to address vocational education needs in mainstream schools either pre-16 or during post-16 career planning demotivates individuals, reduces confidence and self-esteem and therefore makes the transition to work and further education and training difficult.”⁴⁰² Professors Hodgson and Spours agreed, and told us that their research had shown that a mix of general and vocational qualification for students aged 14-16 (Key Stage 4) “... had a highly motivating effect on sections of the 14-16 cohort and increased their aspiration to study post-16, particularly at Level 3.”⁴⁰³ This is not a new state of affairs. In 2004 the Tomlinson Report recognised 14–19 as a distinct stage, as did the Nuffield Review in 2009.
255. Charles Parker, Executive Director of the Baker Dearing Educational Trust, which is responsible for UTCs, suggested that “the national curriculum should end at 14.” He told us that this would give young people “a chance to follow their interests where they lie. This will help children who are otherwise at risk of becoming disengaged.”⁴⁰⁴ Other witnesses agreed.⁴⁰⁵
256. The decisions made at age 14 (simply in selecting which qualifications to complete) can have a long term impact on social mobility. The curriculum

396 [Q 175](#) (Prof Kevin Orr)

397 Written evidence from New Economy (on behalf of Greater Manchester Combined Authority ([SMO0088](#)))

398 OECD (2014) Education at a Glance 2014, (October 2014), Table C1.1b: <http://www.oecd.org/edu/Education-at-a-Glance-2014.pdf> [accessed 22 March 2016]

399 Supplementary written evidence from HM Government ([SMO0143](#))

400 Written Evidence from Herefordshire County Council ([SMO0020](#)); High Peak Borough Council & Staffordshire Moorlands District Council ([SMO0068](#)); London Councils ([SMO0057](#))

401 Written evidence from Telford and Wrekin Council ([SMO0009](#))

402 Written evidence from Nacro ([SMO0123](#))

403 Written evidence from Prof Ann Hodgson and Prof Ken Spours ([SMO0012](#))

404 [Q 107](#) (Charles Parker)

405 Written evidence from the British Chambers of Commerce ([SMO0103](#))

does not reflect that this is a key transition point in life, rather young people continue on an academic path until age 16. Being aware of vocational options at 14 can be an important motivator for non-academic teenagers who might otherwise find it difficult to imagine having a successful future. This has already been recognised by the Government with the creation of University Technical Colleges and Studio Schools. A mix of academic and vocational qualifications for the 16 year old may be the best option.

257. **Transitions to work take longer for some young people, and this is not recognised in the current format of 16–18 or 16–19 education. It would be better for the national curriculum to stop at age 14, rather than 16, and for a new 14–19 transition stage to be developed. This would enable a tailor-made route to work to be developed. Such a route would combine a core element with either academic or vocational elements.**
258. **A 14–19 Transition stage would move away from age 16 being the cut-off point at which many young people embark on the wrong path. It could reduce drop-out rates at age 16 and age 17 from both vocational and academic routes. It would however require suitable advice and guidance to be given before young people make decisions about the subjects that they study at 14–16, which may later help or hinder progression to employment and further learning.**
259. **The preparation of all young people for adult life and success in the workplace, however they reach it, needs to be seen as an important pillar of the education system.**
260. **Preparation for the work place needs to begin as early as possible. We recommend that the national curriculum should reflect this, and that careers education and the development of Life Skills should be present in or alongside the curriculum at least from Key Stage 3 (age 11–14) as well as after the age of 14.**

Level 3 qualifications

261. Other witnesses told us that one of the aims of post-14 education should be for as many young people as possible to gain a ‘full’⁴⁰⁶ Level 3 qualification.⁴⁰⁷ Those without a Level 3 qualification are likely to earn less over their lifetime.⁴⁰⁸ These students will be underqualified for high-level roles, which gives them no choice but to participate in low-level jobs. This is especially true when the decrease of mid-level jobs is taken into account. Three out of four of those who are in lower paid jobs are still in those jobs ten years later⁴⁰⁹, which suggests a lack of upward mobility.

406 The Government says a full Level 3 qualification is equivalent to an NVQ at Level 3, or 2 A-Levels.

407 See written evidence from the Local Government Association ([SMO0011](#)); London Councils ([SMO0057](#))

408 Jonathan Birdwell, Matt Grist and Julia Margo, *The forgotten half. A Demos and Private Equity Foundation Report*. Demos (2011): <http://www.demos.co.uk/publications/theforgottenhalf> [accessed 22 March 2016]

409 ‘Poverty, work and low pay: the role of skills’, *Adults Learning*, (Spring 2014): http://shop.niace.org.uk/media/catalog/product/a/l/al_april_extra_issue_spring_2014_lr_final_10.4.2014.pdf [accessed 22 March 2016]

262. Professor Green told us:

“The vulnerable group are the people who are not getting a full Level 3 qualification—who are getting the Level 1s and the Level 2s and various other qualifications that the Department for Education cannot even identify and people they cannot track.”⁴¹⁰

Professor Roberts went further: “a lot of young people ... get a [Level 1 or 2] qualification and cannot remember what it was. It is not worth the paper.”⁴¹¹

263. London Councils argued that the curriculum’s emphasis ought to be “on helping more young people achieve good Level 3 qualifications by the age of 19 and on achieving other good life outcomes, especially moving into and on in jobs.”⁴¹²

264. **Those without a Level 3 qualification are much less likely to be employed than those with one. They are also likely to earn less over their lifetime. Given the importance of Level 3 qualifications, it is important that young people are given time to achieve one or at least the opportunity of progressing to that level through lower level jobs. It is important that employers offer opportunities to employees for career progression.**

265. Young people in the middle may not follow a smooth trajectory and may need more time than the standard four years, ages 14–18, to get to Level 3. We recognise that Level 1 and 2 qualifications are also valuable for many young people. While these qualification may not all bring rewards in terms of extra premiums on earnings, they are important in helping young people gain confidence in themselves and in their ability to pass exams and in this sense provide a spur to further study. The system needs to be flexible, and the transition stage given more time, to allow young people to attain what they can, when they can.

Literacy and numeracy and digital

266. Witnesses told us employers value communication skills above all else. (See paragraphs 34–41). Some witnesses told us Maths and English at grade ‘C’ GCSE was vital for future success. In 2015, the House of Lords Committee on Digital Skills recommended that the Government’s aim should be that “No child [should leave] the education system without basic numeracy, literacy and digital literacy.”⁴¹³ London Councils told us that it is an aim that “All young Londoners to have at least 100 hours of experiences of the world of work and a personalised digital portfolio.”⁴¹⁴

267. The National Literacy Trust and others said many learners aged 16 do not have a good enough level of English of Maths.⁴¹⁵ In June 2015 the Chartered Institute of Management Accountants (CIMA) reported that school leavers in the United Kingdom were “the worst in Europe for essential skills”. In

410 Q 30 (Prof Andy Green)

411 Q 30 (Prof Kenneth Roberts)

412 Written evidence from London Councils (SMO0057)

413 Select Committee on Digital Skills, *Make or Break: the UK’s Digital Future* (Report of Session 2014–15, HL Paper 111)

414 Written evidence from London Councils (SMO0057)

415 Written evidence from Mr Anthony Ryan (Headteacher, Chiswick School) (SMO0017); National Literacy Trust (SMO0014); YMCA Training (SMO0077); TQ Training (SMO0004); London Councils (SMO0057)

January 2016 the OECD (the Organisation for Economic Co-Operation and Development) found that in 2012, out of 23 developed countries, English young people had the lowest literacy and the second to lowest numeracy.⁴¹⁶

268. The OECD said more people should go to further education than university to learn basic skills. Our witnesses told us, however, there is weak provision in English and maths in further education providers.⁴¹⁷ Ofsted said “in 2012/13, just one in six young people who had continued into the post-16 sector subsequently gained GCSE grades A* to C or equivalent in English and mathematics by the age of 19.”⁴¹⁸ The OECD also found that those aged 50-65 had higher levels of literacy than those aged 16-24.
269. In 2013 the coalition Government made it a requirement to include English and maths training in post-16 study programmes.⁴¹⁹ Those who fail to achieve a grade ‘C’ at GCSE will continue to work towards a ‘C’ alongside their other studies.⁴²⁰ Some of our witnesses did not think this was a good idea.⁴²¹ For instance, the London Councils said: “... retakes can contribute to a sense of failure and potentially deter young adults from future learning.”⁴²² There is also no requirement for vocational training courses to provide English and maths tuition above the age of 18.⁴²³
270. When employers talk about literacy, they actually mean the ability to communicate effectively. The National Literacy Trust told us that teachers and employers can mean different things when they talk about qualifications. For example ‘literacy’: “within the education space it is associated with skills needed to pass an exam, including reading and writing. However, business has a much wider definition with a focus on skills such as problem solving, teamwork and communication skills.”⁴²⁴ Businesses also look for basic mental arithmetic skills, ability to understand and work out percentages, write a decent business letter without spelling and punctuation errors.
271. Telford and Wrekin Council told us, for “Some young people, whilst not achieving the national expectations of A* to C in GCES’s, may have realised their potential academically, and already have worked hard to achieve the grades they have, even if these are below the national benchmarks. For these young people, it is a much harder transition to the labour market, given employer recruitment expectations, setting the entry requirements as GCSE A* to C.”⁴²⁵

416 Malgorzata Kuczera, Simon Field, Hendrickje Catriona Windisch, OECD, Building Skills for All: A review of England (January 2016): <http://www.oecd.org/unitedkingdom/building-skills-for-all-review-of-england.pdf> [accessed 22 March 2016]

417 Written evidence from Ofsted (SMO0047); Dr Simon Reddy (SMO0006)

418 Written evidence from Ofsted (SMO0047)

419 Department for Education, *16 to 19 study programmes Departmental advice for education providers on the planning and delivery of 16 to 19 study programmes*, (January 2016): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/493452/16_to_19_study_programmes_departmental_advice_Jan_2016_update.pdf [accessed 22 March 2016]

420 Written evidence from HM Government (SMO0055)

421 Written evidence from Learning Revolution Trust (SMO0022); The Chartered Insurance Institute (SMO0106); TQ Training (SMO0004); London Councils (SMO0057)

422 Written evidence from London Councils (SMO0057)

423 Written evidence from Prof Alison Fuller and Prof Lorna Unwin (SMO0010)

424 Written evidence from National Literacy Trust (SMO0014)

425 Written evidence from Telford and Wrekin Council (SMO0009)

272. The Learning Revolution Trust said English and Maths at GCSE should not be required for most jobs.⁴²⁶ Some witnesses called for greater recognition of functional skills instead.⁴²⁷ Functional skills are qualifications in English, maths and ICT that give learners the practical skills needed to live, learn and work successfully.⁴²⁸ Many employers, however, do not understand functional skills, preferring to rely on GCSEs and A-Levels.⁴²⁹

Eligibility for carers allowance and jobseekers allowance

273. Some of our witnesses told us the ‘16 hours rule’ prevents young people from continuing study. They said this rule is for people claiming Jobseekers Allowance but impacts young people with low or no incomes and low or no skill levels⁴³⁰ 16 hours is the maximum number of hours young people can participate on a course or training for per week whilst still claiming Jobseeker’s Allowance or Universal Credit.

274. Traineeships are a stage before apprenticeship that should be seen as combining education and work-based training. But our witnesses said traineeships require young people to leave fulltime education—this should be changed so that young people can return to education easily, if they realise that the vocational route is not appropriate for their circumstance.⁴³¹

275. The Science Council said similar tax breaks could be offered to those who offer traineeships as to those who offer apprenticeships (such as the non-payment of national insurance contributions if under 25).⁴³²

Young carers

276. Carers Trust, YMCA England and emfec told us that the current Government apprenticeship model is not suitable for some young people, such as young carers. They said many employment policies are too rigid and low paid.⁴³³

277. The eligibility criteria in the benefits system for the carer’s allowance requires that a person must:

- be 16 or older
- spend at least 35 hours a week caring for someone
- have been in England, Scotland or Wales for at least two of the last three years
- normally live in England, Scotland or Wales, or you live abroad as a member of the armed forces
- not be in full-time education or studying for 21 hours a week or more

426 Written evidence from Learning Revolution Trust ([SMO0022](#))

427 Written evidence from Learning Revolution Trust ([SMO0022](#)); The Chartered Insurance Institute ([SMO0106](#)); TQ Training ([SMO0004](#)); London Councils ([SMO0057](#))

428 Pearson, Qualifications, ‘Functional skills’: <http://qualifications.pearson.com/en/qualifications/edexcel-functional-skills.html> [accessed 22 March 2016]

429 Written evidence from National Literacy Trust ([SMO0014](#))

430 Written evidence from National Institute of Adult Continuing Education (NIACE) and Centre for Economic and Social Inclusion (Inclusion) ([SMO0078](#)); YMCA England ([SMO0085](#)); YMCA Training ([SMO0077](#))

431 Written evidence from The Big Academy ([SMO0116](#))

432 Written evidence from The Science Council ([SMO0120](#))

433 Written evidence from Carers Trust ([SMO0033](#)); YMCA England ([SMO0085](#)); emfec ([SMO0113](#))

- earn no more than £110 a week (after taxes, care costs while you're at work and 50 per cent of what you pay into your pension) - don't count your pension as income⁴³⁴

278. Cardine, a young adult carer we met, told us that the hours she was restricted to studying meant that she could not get on to the course she wanted. She also told us: ““I cannot get funding to get onto an access course, and without that access course, I cannot go to college, and cannot go onto university. You have to have certain experiences and qualifications to get onto courses, which you cannot get if you are caring for somebody”⁴³⁵

279. NIACE and Inclusion recommended:

“The Department for Work and Pensions should re-examine eligibility rules for the Carers Allowance so that young adult carers in further education are not disadvantaged by exempting 18-21 year olds from the rules in Carer's Allowance that prevent carers from learning for more than 21 hours per week”.⁴³⁶

280. **The system is inflexible and appears to favour those from more advantaged backgrounds.**

281. **The inflexibility of the current system may prevent many young people from having fair access to education and training opportunities. As an example, the 21-hour studying limit on carer's allowance prevents young carers from being able to participate fully in some education or training.**

Labour market information

282. The Government explained that one of the main aims of the area reviews of further education was to develop “better responsiveness to local employer needs and economic priorities.”⁴³⁷ It told us that it is “making the whole education system much more closely linked to the world of work to ensure children develop the character and resilience they need to succeed in life in modern Britain.”⁴³⁸

283. Many of our witnesses told us training should then be matched to local labour market information.⁴³⁹ Some witnesses spoke about a “clear line of sight”⁴⁴⁰ through the education system to work. Labour market information from employers needs to be “continuously fed into the design of current and future programmes” to ensure that qualifications remain relevant.⁴⁴¹ They

434 HM Government, ‘Carers allowance’: <https://www.gov.uk/carers-allowance/eligibility> [accessed 22 March 2016]

435 Cardine, a young adult carer aged 22, participated in our focus group on 27 October 2015 (see Appendix 4)

436 Written evidence from National Institute of Adult Continuing Education (NIACE) and Centre for Economic and Social Inclusion (Inclusion) (SMO0078)

437 Written evidence from HM Government (SMO0055)

438 *Ibid.*

439 Written evidence from the LGA (SMO0011); Leeds City Region Enterprise Partnership (SMO0049); Brokerage Citylink (SMO0035); MiddletonMurray (SMO0013); Recruitment and Employment Confederation (SMO0075)

440 Written evidence from Leeds City Region Enterprise Partnership (SMO0049); London Councils (SMO0057); Edge Foundation (SMO0024); supplementary written evidence from Prof Alison Fuller and Prof Lorna Unwin (SMO0147)

441 Written evidence from New Economy (on behalf of Greater Manchester Combined Authority) (SMO0088); Association of Accounting Technicians (SMO0102)

said employers should be able to define the skills they need clearly.⁴⁴² And work in collaboration with education. A number of witnesses said this was because employers are key beneficiaries of skills learnt.⁴⁴³

284. This already happens in some parts of the United Kingdom and Europe. The Government of Finland told us that “VET [vocational education and training] is developed together with many stakeholders by anticipating the quantitative need of labour and education as well as the qualitative demand for competencies. One of our many strengths is cooperation with stakeholders”⁴⁴⁴ In Switzerland “a statistical tool ... monitors the match of apprenticeship demand and supply and is based on a written business survey carried out twice a year as well as on a telephone survey of young people between the ages of 14 and 20. In addition, the cantons carry out a monthly survey of supply and demand in the apprenticeship market.”⁴⁴⁵
285. In England, devolution—the transfer of certain powers and responsibilities from national government to a particular region—means Greater Manchester Combined Authority is responsible for the region’s skills.⁴⁴⁶ The Authority said the further education reform “taking place across Greater Manchester ... will ensure that the system is responsive to labour market demand.”⁴⁴⁷
286. **Local labour market information helps to ensure that training is matched to the needs of the local economy. This will help schools and colleges to prepare young people for the local labour market opportunities available in their area.**

442 Written evidence from Ofsted ([SMO0047](#)); The Chartered Insurance Institute ([SMO0106](#))

443 Written evidence from New Economy (on behalf of Greater Manchester Combined Authority) ([SMO0088](#)); National Foundation for Educational Research ([SMO0082](#)); Federation of Small Businesses ([SMO0096](#))

444 Written evidence from the Government of Finland ([SMO0127](#))

445 Written evidence State Secretariat for Education, Research and Innovation (part of the Federal Department of Economic Affairs, Education and Research), Swiss Confederation ([SMO0117](#))

446 HM Treasury and the Rt Hon George Osborne MP, *Greater Manchester Agreement: Devolution to the Greater Manchester Combined Authority and transition to a directly elected Mayor* (November 2014): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/369858/Greater_Manchester_Agreement_i.pdf [accessed 22 March 2016]

447 Written evidence from New Economy (on behalf of Greater Manchester Combined Authority) ([SMO0088](#))

CHAPTER 7: IMPROVING AND EXPANDING USE OF DATA

“If you are on the academic route in education, you have a very clear progression route of GCSE to A-Level to university, and that is very easily understandable. However, only 40 per cent of people do A-Levels. The other 60 per cent do something else, and it is harder to classify what those people do. They can be doing all sorts of things, and the coding is extremely complex because the system is complex.”⁴⁴⁸

287. Throughout our inquiry we have tried to establish who exactly is in the group of young people who do not take A-Levels, do not go to university but are not NEET. We also tried to find out how they make the transition into work. We could not.
288. Our witnesses told us that there were significant issues surrounding the data available for this particular group of young people. For instance, Professors Hodgson and Spours told us that there is not enough detailed data to identify this group.⁴⁴⁹
289. This is concerning to us because data is the foundation of any policy. Without good data, these problems will be impossible to understand and then solve and any strategy to address opportunities for this group’s social mobility will be difficult to implement and monitor.

Different demographic factors

290. Our body of evidence has alluded to the fact that different demographic groups within the population of young people have different patterns of participation in further education and also differences in future earnings.⁴⁵⁰ This is supported by data from the Association of Colleges. For instance, the report ‘College Key Facts 2014–15’ found that ethnic minority students make up 20 per cent of students in colleges, compared with 15 per cent of the general population, and 16 per cent of 16 to 18-year-olds in colleges were eligible for, and claiming, free school meals at age 15, compared with 9 per cent in maintained school and academy sixth forms.⁴⁵¹⁴⁵²
291. We asked our witnesses about this. Dr Speckesser told us:

“There is very clear evidence about certain demographic factors influencing participation as well as attainment. They are the usual suspects. Good GCSEs help you to progress; there are gender and ethnic group barriers that are obviously visible; there are local area effects; and then there is a whole area of parental background and traditions in the family. It is not only income or social status; you may also find some vocation orientation in the family’s trajectory. The truth is that

448 [Q 141](#) (Prof Sandra McNally)

449 Written evidence from Prof Ann Hodgson and Prof Ken Spours ([SMO0012](#))

450 For example, written evidence from Centrepont ([SMO0051](#)); National Union of Students ([SMO0080](#))

451 n.b. BAME population for under 24 years olds was 23 per cent at 2011 census: the overall BAME population in the UK was nine per cent at the time of the 2001 UK census, rising to 14 per cent at the 2011 census (Jivraj 2012; ONS 2012). However, the percentage of young people aged 16–24 from Black, Asian and minority ethnic populations is higher than in the population as a whole, and at the time of the 2011 census, 23 per cent of 16–24 year olds were classified as coming from a BAME background.

452 AoC, *College Key Facts 2014–15* (2014): <https://www.aoc.co.uk/sites/default/files/AOC%20KEY%20FACTS%202014.pdf> [accessed 22 March 2016]

the administrative data will not be extremely helpful in shedding more light on this.”⁴⁵³

Linked data

292. The ways in which administrative data on pupils in England is collected through the education system are complex. There is the unique pupil number; the unique learner number; the personal learner record; and the individualised learner record.

Box 16: Administrative data

Administrative data is information collected for administrative (not research) purposes. This type of data is collected by Government departments and other organisations to help in the delivery of services. The largest administrative databases in the United Kingdom come from the welfare, tax, health and education record systems. The statistics from these datasets will be used to make policy.

Source: *Administrative Data Liaison Service*: <http://www.adls.ac.uk/adls-resources/guidance/introduction/> [accessed 22 March 2016]

293. Administrative data from the national pupil database is linked to the further education individual learner records and records gathered by the Higher Education Statistics Agency (HESA). It is not linked to HMRC earnings data.
294. Our witnesses from the Centre for Vocational Education Research told us that due to legislative changes, in the future they hoped to be able to “... use the administrative data from the national pupil database ... and to link that, in the future, to earnings.” The researchers at the centre will then be able to answer the following questions: “how do people doing vocational education now perform in the labour market; what are their chances of getting a job?”⁴⁵⁴ Dr Sandra McNally told us: “The issue is the earnings part of the ILR [Individual Learner record]/HMRC data. The linked data set on earnings can be made available to researchers only if they are funded by BIS or DfE.”⁴⁵⁵
295. The Government explained that the legislation⁴⁵⁶ which allows the linking of the data enables: “HMRC to share tax-related information for the purpose of enabling the Secretary of State or a devolved authority, including persons providing services to the Secretary of State or devolved authority, to evaluate the effectiveness of education or training. It enables data to be shared for those persons in schools, as well as those in higher education and further education. Therefore, only researchers working on behalf of the Secretary of State can have access to this information.”⁴⁵⁷ The Government did not say why this was. Our witnesses speculated the data was deemed to be confidential. Professor McNally said that there was no good reason why data was not shared. She told us:

“I appreciate you have to protect people’s privacy and have data protection there, and you have to make sure that the institutions and people are using

453 Q 146 (Dr Stefan Speckesser)

454 Q 141 (Dr Sandra McNally)

455 Q 142 (Dr Sandra McNally)

456 The Small Business, Enterprise and Employment Act 2015 amends an existing power in the Education and Skills Act 2008.

457 Supplementary written evidence from HM Government (SMO0143)

the data in an appropriate way, all the right security arrangements are in place and they are using it for the right purposes. However, once you have those things set up, it seems to me really important that researchers are allowed to use the data so that we can answer the questions that you are interested in quickly and well, and do cutting-edge research. We do not necessarily need to be funded explicitly by, say, a BIS grant or a DfE grant to do that work. A lot of people would willingly do that in universities. It is a question of making the data available and putting in place the proper arrangements.”⁴⁵⁸

If data is not shared for reasons of confidentiality, a comment about following due ethics procedures could ensure that other researchers would fulfil requirements for confidentiality.⁴⁵⁹

Unique pupil numbers

296. Since 1999, unique pupil numbers (UPNs) have been used to track the progress of pupils in England. A number is allocated to a pupil when they first start at a publicly funded school. The number remains with the pupil throughout their school career regardless of any change in where they go to school.
297. The Government told us that UPNs were “introduced to enable accurate and timely data sharing between schools/academies, local authorities and central Government.”⁴⁶⁰ It also told us that when UPNs were introduced the Department for Education agreed measures with the Information Commissioner to minimise the risk to the personal privacy of students. These measures were:
- That the UPN would cease when a pupil left school at 16 unless they stayed at a ‘maintained’ school post-16.
 - That the UPN would be a ‘blind number’. This means it would not appear on any publicly available record or document relating to the pupil.
 - That the UPN would be a ‘general identifier’ under the Data Protection Act 1998 making its use for any purpose unrelated to education illegal.

Unique learner numbers

298. All students aged 14 and over in publicly funded education and training are given a unique learner number (ULN). The ULN is different to the UPN as it stays with a learner for their lifetime. It is a public identifier (and so appears on exam certificates and qualifications). It helps inform the personal learning record.
299. The Government told us that “the ULN is intended to help learners throughout their lifelong learning, particularly when accessing careers advice and benefits both learners and learning providers by allowing higher education applications and course registrations to be processed without applicants having to provide paper qualification certificates.”⁴⁶¹

458 [Q 143](#) (Prof Sandra McNally)

459 All universities have ethics committees and no research can be conducted without going through ethics.

460 Supplementary written evidence from HM Government ([SMO0143](#))

461 Supplementary written evidence from HM Government ([SMO0143](#))

Personalised learning records

300. The personal learning record (PLR) is an official online record of a pupil in England's qualifications and achievements since the age of 14. The qualifications and certified learning which have been done and recorded on the PLR can be from schools, colleges or the workplace.

Individualised learner records

301. The Individualised Learner Record (ILR) is the main way in which data is collected on participation in further education and work-based learning in England. It is requested from further education providers. It is the only way in which data on participation in further education is collected. Colleges, training organisations, local authorities and employers who receive funding from the Skills Funding Agency to deliver education and training are required to submit learner data via an ILR to the Agency at regular points in the year.

A complete picture?

302. It is clear that there are a lot of ways in which data can be collected and is collected on a young person's education in England. There are however a number of issues with the datasets produced. The most fundamental is that they do not provide a picture for everyone learning in the education system post-14. This is because the requirements for data collection are only on schools and colleges which are publicly funded. This excludes anyone in private education, for example.
303. Another issue is that the information on what people are doing after the age of 16 is even more incomplete. Professor Orr said: "we do not have enough data within this area. We do have for higher education, but we do not for vocational and further education."⁴⁶² Further to this, Sir Michael Wilshaw told us that the data "is not particularly good on youngsters who fall out of the system at 16 and beyond."⁴⁶³ He said that this is because "it becomes the responsibility of the local authority to gather that data when they leave school and go into FE. Some of them do not do it well."⁴⁶⁴ New Economy told us that "local authority data requirements do not currently provide the necessary long term tracking data to come to a conclusion about the wider cohort [of young people compared to those doing apprenticeships]".⁴⁶⁵ It is easy to see why datasets are unreliable and incomplete.
304. Dr Stefan Speckesser explained that the problem with the data is that "the missing bit is the non-education participation."⁴⁶⁶ He told us that local authorities do not always follow up on the destinations of people after the age of 19. Young people are often in low paid work, and do not appear on HMRC datasets when they are in employment. This is because there is a minimum amount of money that has to be earned before tax is paid. People are only on HMRC datasets when they pay tax. Professor Anne Green told us that "There is also an issue that at local level ... there is dependence on the skill sets and experience of the people at local level" and how they collect,

462 [Q 177](#) (Prof Kevin Orr)

463 [Q 112](#) (Sir Michael Wilshaw)

464 *Ibid.*

465 Written evidence from New Economy (on behalf of Greater Manchester Combined Authority) ([SMO0088](#))

466 [Q 144](#) (Dr Stefan Speckesser)

collate and use the data.”⁴⁶⁷ Given that a lot of the data is collected by local authorities, this could be a significant problem.

305. These are all issues concerning the problems in how the data is collected. There is still, however, a vast amount of data collected by local authorities, the Skills Funding Agencies, the Department for Education and the Department for Business, Innovation and Skills.

Making destinations data available

306. The Government publishes data showing the destinations of young people after Key Stages 4 and 5, for those who studied a Level 3 qualification. There are a number of problems with this.
307. The first problem is that the data is not robust. The Government told us that “the destinations of 17 per cent of the group were unknown.”⁴⁶⁸ It is, however, working on improving this.⁴⁶⁹ One of the reasons for this is that young people change jobs frequently within the first couple of years.
308. The second problem is more fundamental. The Government only publishes data on those who complete a Level 3 qualification. We know that having this qualification is important (see paragraphs 206–265). Those who have one have a greater chance of social mobility than those who do not. This data is used to work out what the economic returns are on having completed a Level 3 qualification. What is not published are the destinations of those who have completed a Level 1 or 2 qualification. This makes it harder to assess what the value of a Level 1 or 2 qualification is. The picture is therefore not complete. Even though a Level 3 qualification may have much greater value than a Level 1 or 2 qualification, it may still be better to achieve a Level 1 or 2 qualification than no qualification at all.
309. The publication of details of the destinations of learners was proposed by a number of our witnesses. ⁴⁷⁰ Ralph Scott told us that holding schools and colleges to account on their destinations data would “improve the incentives for schools to really provide good quality careers advice.”⁴⁷¹ Professor Hodgson said destinations data “is very useful at the local level to demonstrate to young people the kinds of pathways that they might take, based on evidence that has been collected locally.”⁴⁷²
310. Professor Hodgson cautioned that “schools can do so much”. The main body of our evidence highlighted the strength of background on attainment. Professor Orr noted his scepticism about “... about schools being judged on things they have no control over.”⁴⁷³ The International Centre for Guidance Studies agreed.⁴⁷⁴
311. It would be possible to look at the approach used for gathering higher education destinations data as a model for school and college leaver data at ages 18 and 19. Destination data is gathered for all students who complete

467 [Q 142](#) (Prof Anne Green)

468 Written evidence from HM Government ([SMO0055](#))

469 *Ibid.*

470 Written evidence from UKCES ([SMO0001](#)); National Union of Students ([SMO0080](#)); Institution of Mechanical Engineers ([SMO0070](#)); British Chambers of Commerce ([SMO0103](#))

471 [Q 43](#) (Ralph Scott)

472 [Q 177](#) (Prof Ann Hodgson)

473 [Q 177](#) (Prof Kevin Orr)

474 See Appendix 5

higher education courses in the UK, through the Destinations of Leavers from Higher Education (DLHE) survey. This is carried out by the Higher Education Statistics Agency (HESA). There are two surveys:

- (a) an Early Survey which asks all leavers from higher education what they are doing six months after graduation; and
- (b) a Longitudinal Survey, which is conducted 3 years later (3 years and 6 months after graduation), and is based on a sample of those who responded to the Early Survey.⁴⁷⁵

312. Future First is a membership body which provides a database platform for schools and colleges to record the destinations of their former students via an online form and annual survey.⁴⁷⁶
313. **In principle publishing destinations data over a period of several years is a good idea. Publishing small amounts of data is no good. More needs to be done to ensure the accurate collection and recording of data. While care would have to be taken in designing these figures, an example of a relevant figure could be the percent of free school meals (FSM) students who go onto find employment within six months. We recognise, however, that there are factors affecting young people over which schools and colleges have little or no control. Such factors include a range of influences associated with their family circumstances and background.**

Using the data available

314. The variety of databases available suggest that for a complete picture of the transitions and destinations of these young people to be produced, they need to be shared and linked together. The Government told us that it is looking “to reduce the number of unknown destinations and improve the robustness of the measures in the future by matching HMRC and DWP data to our data.”⁴⁷⁷ The ability to share data under the provisions of sections 78-80 of the Small Business, Enterprise and Employment Act 2015 should enable Government to access information for every learner about post-training destinations; earnings; and whether the learner was previously on benefits.
315. Dr Speckesser recognised that data collection on people who are in education is getting better:
- “The data situation has improved very dramatically in that many administrative data sets in the Department for Business, Innovation and Skills were merged so that we can see who is participating in post-16 education and we can track their later employment and earnings trajectories in HMRC administrative data.”⁴⁷⁸
316. Professor McNally called for administrative data to be linked “as efficiently ... across departments as possible to make it available to researchers who

475 See Higher Education Statistics Agency, Destinations of Leavers from Higher Education Institutions Longitudinal Survey 2008/09, ‘Introduction’: https://www.hesa.ac.uk/dlhelong0809_intro [accessed 3 March 2016]

476 Future First, ‘What we do’: <http://futurefirst.org.uk/in-schools/> [accessed 22 March 2016]

477 Written evidence from HM Government (SMO0055)

478 Q 140 (Dr Stefan Speckesser)

have the right institutional requirements and have gone through the security checks.”⁴⁷⁹

317. We were also told that the range of data and how it is collated and collected make it difficult to use. In particular, our witnesses highlighted the difference between the data collected by schools and other data. Professor McNally told us that “the ILR data set is extremely complex to use, much more complex than the schools-level data.”⁴⁸⁰ We asked Professor Baroness Wolf if there was an ideal model of dataset for research purposes. She said: “Truthfully, if you started with school data as a model, you would not go far wrong.”⁴⁸¹

Social Mobility and Child Poverty Commission report - March 2015

318. In March 2015, the Social Mobility and Child Poverty Commission published a report which considered the use of data to inform policy making on social issues.⁴⁸² The Commission proposed three principles that should guide the Government’s sharing of data:⁴⁸³
- (1) where there is a clear public benefit, and where there is a system in which data can be shared safely, data should be shared.
 - (2) where legislative changes are required to realise principle one, they should be made.
 - (3) given bodies that control important administrative data should share their data. These bodies should expect to justify and be held accountable for any refusals to share data.
319. It is clear to us that there are significant issues with the data used to inform policies and to understand their impact on this complex group of young people. We recognise the importance the Government puts on having robust data to inform its policies. We also welcome the proactive steps the Government has taken, and is planning to take, in addressing the issues raised by the current data.
320. **Existing data is unreliable and inconsistent. Too little is known about the group of young people who do not pursue higher education, what they study, and where they are employed. In particular, the publicly available data does not allow for the analysis of learners by different demographics such as family background, ethnicity, social class, region, gender, caring status and so on.**
321. **We agree with, and support, the Social Mobility and Child Poverty Commission’s principles on administrative data sharing. More information is required on young people’s further education and vocational qualifications and routes, and their destinations in the labour market.**

479 [Q 149](#) (Prof Sandra McNally)

480 [Q 141](#) (Prof Sandra McNally)

481 [Q 138](#) (Prof Baroness Wolf)

482 Social Mobility and Child Poverty Commission, *Data and public policy: trying to make social progress blindfolded* (20 March 2015): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/414645/Data_and_public_policy_trying_to_make_social_progress_blindfolded_report.pdf [accessed 22 March 2016]

483 Social Mobility and Child Poverty Commission, *Data and public policy: trying to make social progress blindfolded* (20 March 2015): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/414645/Data_and_public_policy_trying_to_make_social_progress_blindfolded_report.pdf [accessed 22 March 2016]

CHAPTER 8: INCENTIVISING EMPLOYER INVOLVEMENT

322. As it stands, no-one is responsible for transitions to work at either a national level (we say more about this in Chapter 9) or at a local level.
323. There are a number of mismatches between the supply of young people through the education system and the demand for them in the workplace. For example the LGA told us that alongside high youth unemployment, there are 14.8 million high skilled jobs, with only 11.9 million high skilled workers.⁴⁸⁴ Mary Alice McCarthy and the Government, for example, showed there is a large middle group of young people⁴⁸⁵ but a lack of intermediate roles available for them.⁴⁸⁶ The PSHE Association told us there is demand from employers for personal and social skills, but young people—particularly those from less advantaged backgrounds—are often considered to lack these skills.⁴⁸⁷ Demand for apprenticeships—particularly from young people—far outstrips supply.⁴⁸⁸
324. Other evidence showed that local planning for post-16 provision is patchy, with unclear accountabilities and split responsibilities.⁴⁸⁹
325. Many of our witnesses told us that employers are fundamental to making transitions work.⁴⁹⁰ We have seen this through their role in the provision of good quality work experience, labour market information, and careers education and guidance. However, our witnesses said that because the system does not set out who is responsible for preparing young people for their first jobs, employers do not see it as their role.⁴⁹¹ Professor Kate Purcell and colleagues told us there has been a shift in responsibility from employers to the education sector and individuals themselves.⁴⁹²

Incentives for Employers

326. Professors Fuller and Unwin explained that regulation of the labour market in the United Kingdom is ‘voluntarist’: businesses self-select to participate in initiatives.⁴⁹³ They will do so if they can see a benefit to their business. This poses a challenge to any attempt to incentivise employers to engage with schools or to recruit young people.

484 Written evidence from the LGA ([SMO0011](#))

485 Written evidence from Mary Alice McCarthy ([SMO0141](#))

486 Written evidence from HM Government ([SMO0055](#))

487 Written evidence from PSHE Association ([SMO0016](#))

488 1,127,000 people who applied for 106,510 places in 2012, NAS apprenticeship index, January 2015

489 Written evidence from Ofsted ([SMO0047](#)); the LGA ([SMO0011](#)); Telford and Wrekin Council ([SMO0009](#)), Supplementary written evidence from Prof Alison Fuller and Prof Lorna Unwin ([SMO0147](#))

490 Written evidence from Telford and Wrekin Council ([SMO0009](#)); New Economy (on behalf of Greater Manchester Combined Authority) ([SMO0088](#)); Brokerage Citylink ([SMO0035](#)); Capp ([SMO0069](#)); STEMNET ([SMO0109](#)); Inclusion Trust ([SMO0107](#)); MiddletonMurray ([SMO0013](#)); City & Guilds ([SMO0073](#)); ASDAN ([SMO0054](#)); Career Ready ([SMO0074](#)); National Foundation for Educational Research ([SMO0082](#)); National Literacy Trust ([SMO0014](#)); Young Enterprise ([SMO0122](#)); Association of Accounting Technicians ([SMO0102](#)); Chartered Institute of Personnel and Development ([SMO0043](#))

491 Written evidence from Careers South West ([SMO0095](#)); The Big Academy ([SMO0116](#)); National Foundation for Educational Research ([SMO0082](#))

492 Written evidence from Prof Kate Purcell, Prof Anne Green, Gaby Atfield, Dr Charoula Tzanakou, and Dr Phil Mizen ([SMO0145](#))

493 Written evidence from Professors Fuller and Unwin ([SMO0010](#))

Financial incentives

327. Many of our witnesses suggested financial incentives could work to engage employers.⁴⁹⁴ Previous incentives, however, have not had the desired effect.
328. For instance, in November 2011, the Government announced that small businesses could receive up to £1,500 for hiring a young apprentice. This was known as the Apprenticeship Grant for Employers. The requirements of the grant were updated in January 2015. The number of grants which could be claimed was reduced to five and only employers with 50 or fewer employees could receive the money.⁴⁹⁵ Employers were only eligible if they had not employed an apprentice in the previous year.
329. Our witnesses criticised the application of the grant. TQ Training told us: “The Apprenticeship Grant for Employers has been available for some time, but the criteria keep changing. Some stability would be useful.”⁴⁹⁶ Mr Clegg said:
- “[The grant] just did not work at all. It did not work probably, with the benefit of hindsight, because if you are an employer who is prepared to spend the money and the effort on employing somebody you are not necessarily going to be swayed by a oneoff £1,500 bung.”
330. Professor Keep told us that “incentivising employers is not about money”.⁴⁹⁷ Neil Carberry agreed: “businesses in CBI membership said that they were not interested in Government money in terms of pure cash but that they would like some support for training [for new recruits and apprentices].”⁴⁹⁸ Training is a key part of an apprenticeship, for example, otherwise it is just low paid employment. In Chapter 2, we discussed the reluctance of employers to recruit young people as they did not have confidence in their skillsets. It is clear to us that smaller companies need more than financial support to encourage them to recruit young people, and to help train them so they do gain the skills they need.
331. **It is clear that financial incentives have varying effects on employers. We are not convinced that they drive collaborative behaviour by employers.**

Environmental, Social and Governance matters

332. Environmental, Social and Governance (ESG) matters (formerly known as corporate social responsibility) can drive behaviour. John Taylor said that: “Any change in the [Corporate Governance] Code to require disclosure ... would be likely to have a significant impact.” He added that “Whilst it would not directly apply to the non-quoted sector⁴⁹⁹ it would apply to FTSE350⁵⁰⁰ constituents which are major UK employers”.⁵⁰¹ He gave as an example “ ...

494 Written evidence from Fair Train ([SMO0067](#)); Carers Trust ([SMO0033](#)); MiddletonMurray ([SMO0013](#)); TQ Training ([SMO0067](#)); YMCA Training ([SMO0077](#)); British Chambers of Commerce ([SMO0103](#))

495 Prior to the January 2015 changes, the firm had to have 1,000 employees or fewer when they took on the apprentice, and could receive up to 10 grants.

496 Written evidence from TQ Training ([SMO0004](#))

497 [Q 45](#) (Prof Ewart Keep)

498 [Q 58](#) (Neil Carberry)

499 Quoted companies are companies with a stock exchange listing. Non-quoted companies are not listed.

500 The FTSE 350 Index is a market capitalisation weighted stock market index incorporating the largest 350 companies by capitalisation which have their primary listing on the London Stock Exchange.

501 Written evidence from John Taylor ([SMO0146](#))

provisions being added to the Code requiring companies to take account of gender diversity ... had a significant impact and is widely regarded as having brought about an increase in gender diversity on Boards.”⁵⁰²

333. Professor Keep cautioned that ESG may not have much effect on smaller firms.⁵⁰³ Peter Grant agreed, telling us that smaller companies would not know how to assess CSR. However, Mr Grant said that the principles of ESG were becoming embedded into companies organically.⁵⁰⁴ Nick Chambers and Ann Spackman told us that companies now tended to be driven by the business case and HR practices, as much as ESG rules.⁵⁰⁵ EY said what is needed is targeted engagement, rather than generic ESG.⁵⁰⁶
334. **Changes to the Corporate Governance Code may incentivise listed companies to change their behaviours: to offer apprenticeships, work placements, other experiences of the workplace such as mentoring, and to work with schools and colleges to promote opportunities to young people.**

Non-financial incentives

335. Our witnesses suggested many other non-financial incentives to get employers on board.
336. UKCES recommended agreements between local stakeholders. It described an agreement as:
- “A collectively established, written agreement identifying both the skills needs in a local area and the solutions to address them. Outcome agreements would involve local education and training providers, employers and local/combined authorities/LEPs. Partners would be held to account for delivery of their parts of the agreement.”⁵⁰⁷
337. UKCES also suggested the pairing of schools and employers should be mandatory as proposed by the Wood Commission.⁵⁰⁸
338. Other witnesses told us of several ways to incentivise growth of intermediate roles:⁵⁰⁹
- Several witnesses suggested expanding the use of public sector procurement to create more jobs and other opportunities for young people.⁵¹⁰
 - Some witnesses mentioned the use of Section 106 planning powers,⁵¹¹ whereby local authorities use planning requirements to drive up

502 Written evidence from John Taylor ([SMO0146](#))

503 [Q 50](#) (Prof Ewart Keep)

504 [Q 50](#) (Peter Grant)

505 [Q 51](#) (Nick Chambers); [Q 73](#) (Anne Spackman)

506 Written evidence from EY ([SMO0134](#))

507 Written evidence from UKCES ([SMO0001](#))

508 *Ibid.*

509 Written evidence from Joseph Rowntree Foundation ([SMO0023](#))

510 Written evidence The Found Generation ([SMO0101](#)); supplementary written evidence from the Government of Scotland ([SMO0140](#)); Supplementary written evidence from Prof Alison Fuller and Prof Lorna Unwin ([SMO0147](#))

511 [Q 120](#) (Dawn Baxendale), (Theresa Grant)

provision and including apprenticeships as part of their expectations of those bidding for publicly funded contracts.⁵¹²

- Professors Fuller and Unwin suggested incentivising and supporting employers to develop jobs at this level through the expansion of the well-respected Group Training Association model.⁵¹³
- Professors Fuller and Unwin also suggested working with professional bodies and trade associations to promote and develop this level of job and its articulation with ladders of progression.

339. Some of our witnesses said local action between schools, employers and local authorities' needs to be connected nationally.⁵¹⁴ We say more about this in Chapter 9.

340. Professor Keep told us that incentivising employers “is about collective organisation”.⁵¹⁵ UKCES explained that:

“As employers primarily determine the terms and conditions of employment and how work is organised, including the balance of temporary and permanent workers, skills requirements and progression structures through their human resource management and practices, initiatives to address low-pay and low-skilled work should seek to connect with employer interests in terms of improving competitiveness.”⁵¹⁶

Local collaboration

341. Many of our witnesses told us the solution for responsibility in the transition from school to work lies in collaboration at the local level.⁵¹⁷ For example, Professors Hodgson and Spours told us: “The practical first steps to support the progression of all 14–19 learners, therefore, requires the building of a collaborative infrastructure at the local level where schools and colleges work with a wider range of social partners, including employers, third sector organisations, regeneration agencies, local authority services and higher education institutions, to strengthen the transition to working life while still supporting access to higher education.” Moira McKerracher told us: “In Scotland, for example, the colleges, employers and local authorities are coming together, and colleges are increasingly being measured on these

512 Supplementary written evidence from Prof Alison Fuller and Prof Lorna Unwin ([SMO0147](#))

513 *Ibid.*

514 Written evidence from Herefordshire Council ([SMO0020](#)); Develop ([SMO0003](#)); Aspire Group ([SMO0007](#))

515 [Q 45](#) (Prof Ewart Keep)

516 Written evidence from UKCES ([SMO0001](#))

517 Written evidence from HM Government ([SMO0055](#)); Joseph Rowntree Foundation ([SMO0023](#)); Northamptonshire Enterprise Partnership ([SMO0094](#)); Leeds City Region Enterprise Partnership ([SMO0049](#)); London Councils ([SMO0057](#)); Aspire Group ([SMO0007](#)); Prospects Services ([SMO0091](#)); ASDAN ([SMO0054](#)); Hertfordshire County Council, Hertfordshire Local Enterprise Partnership, and Youth Connexions Hertfordshire ([SMO0026](#)); BAE Systems ([SMO0114](#)); Impetus – The Private Equity Foundation ([SMO0066](#)); National Foundation for Educational Research ([SMO0082](#)); Nacro ([SMO0123](#)); Chartered Institute of Personnel and Development ([SMO0043](#)); The Chartered Insurance Institute ([SMO0106](#)); ICAEW ([SMO0063](#)); New Economy (on behalf of Greater Manchester Combined Authority) ([SMO0088](#)); Federation of Small Businesses ([SMO0096](#)); EMC ([SMO0086](#)); National Union of Students ([SMO0080](#)); UKCES ([SMO0001](#)); Federation of Small Businesses ([SMO0096](#)); [Q 14](#) (Moira McKerracher); Prof Ann Hodgson and Prof Ken Spours ([SMO0012](#))

outcomes agreements. Part of that is moving their people into employment and building better relationships with employers.”⁵¹⁸

342. Representatives from the Association of Colleges and the Association of Teachers and Lectures agreed. Malcolm Trobe said:

“Ideally, we would like the leaders of all our schools and colleges to work together in a regional and area strategy, to ensure that what they are doing is meeting the needs of all the youngsters, no matter what their background or current educational achievement.”⁵¹⁹

343. Sometimes education providers do not work well together. For instance, Malcolm Trobe told us that competition between providers (see paragraphs 185–186) “particularly at 16 to 18, because we are in demographic decline in numbers, means that in some parts of the country we are not seeing ... collaboration and strategic planning ...”⁵²⁰
344. Industry and education relationships are not easy either. Over the years there have been many initiatives to link employers and education more closely.⁵²¹ There are several good schemes across the country.⁵²² However, past initiatives have not been sustained, but have come and gone, and good schemes across the country are specific to particular areas.

Brokerage as a means to aid SMEs

345. Some employers who gave evidence to us cautioned that it takes a lot of school resource to organise employers.⁵²³ They said it was impractical for schools to take on the responsibility. Many of our witnesses told us that businesses, especially small businesses, lack a mechanism for accessing schools.⁵²⁴
346. To get over this, Ofsted suggested “... a system of brokerage and support to enable a far greater proportion of small- and medium-sized businesses to be involved in providing work experience and apprenticeships.”⁵²⁵ Many

518 Q 14 (Moira McKerracher)

519 Q 90 (Malcolm Trobe)

520 *Ibid.*

521 See for instance UKCES, *Employer Ownership of Skills* (December 2011): https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/305746/employer-ownership-of-skills-web-vision-report-final2.pdf [accessed 22 March 2016]

522 As noted by the UK Commission for Employment and Skills (UKCES) in its report ‘A new conversation: employer and college engagement’. UKCES, *Improving engagement between employers and colleges* (April 2014): <https://www.gov.uk/government/publications/improving-engagement-between-employers-and-colleges> [accessed 22 March 2016]

523 Written evidence from Pret A Manger (SMO0041); Develop (SMO0003)

524 Written evidence from Career Ready (SMO0074); UKCES (SMO0001); Ofsted (SMO0047); Pret A Manger (SMO0041); Brokerage Citylink (SMO0035); LGA (SMO0011); Telford and Wrekin Council (SMO0009); (SMO0035); Joseph Rowntree Foundation (SMO0023); Prof Ann Hodgson and Prof Ken Spours (SMO0012); Prospects Services (SMO0091); National Literacy Trust (SMO0014); Herefordshire Council (SMO0020); Develop (SMO0003); Joseph Rowntree Foundation (SMO0023); Aspire Group (SMO0007); Capp (SMO0069); EMC (SMO0086); Institution of Mechanical Engineers (SMO0070); Mr Anthony Ryan (Headteacher, Chiswick School) (SMO0017); BAE Systems (SMO0114); Inclusion Trust (SMO0107); Hertfordshire County Council, Hertfordshire Local Enterprise Partnership, and Youth Connexions Hertfordshire (SMO0026); Impetus – The Private Equity Foundation (SMO0066); Association of Accounting Technicians (SMO0102); British Chambers of Commerce (SMO0103); OCR (SMO0060)

525 Written evidence from OFSTED (SMO0047)

of our witnesses agreed.⁵²⁶ Neil Carberry told us: “While we have made some progress, we should not pretend that there is no issue among smaller businesses with employers and potential employees not meeting in the middle. Of the CBI’s 190,000 members, the majority are small businesses”.⁵²⁷ The Federation of Small Businesses said over half of all small firms have never engaged with a school or college in spite of over 90 per cent of them thinking it is important.⁵²⁸

347. Witnesses suggested various bodies who could take responsibility for brokerage. They included:

- Professional bodies.⁵²⁹
- Chambers of Commerce.⁵³⁰
- Schools.⁵³¹
- An independent organisation.⁵³²
- Jobcentre plus.⁵³³
- Local authorities.⁵³⁴
- Large employers.⁵³⁵
- Further education colleges.⁵³⁶
- Local Enterprise Partnerships⁵³⁷
- Careers and Enterprise Company.⁵³⁸

348. **An increased role for employers is fundamental to improving school to work transitions.**

349. **Employers need an easier way to work with schools and colleges. Employers and schools need to be supported to work together to meet**

526 Written evidence from the LGA ([SMO0011](#)); Telford and Wrekin Council ([SMO0009](#)); Brokerage Citylink ([SMO0035](#)); Prospects Services ([SMO0091](#)); National Literacy Trust ([SMO0014](#)); EY Foundation ([SMO0134](#)); Pret A Manger ([SMO0041](#)); Brokerage Citylink ([SMO0035](#)); Joseph Rowntree Foundation ([SMO0023](#)); Prof Ann Hodgson and Prof Ken Spours ([SMO0012](#)); Develop ([SMO0003](#))

527 [Q 54](#) (Neil Carberry)

528 Written evidence from Federation of Small Businesses ([SMO0096](#))

529 Written evidence from the Association of Accounting Technicians ([SMO0102](#))

530 Written evidence from British Chambers of Commerce ([SMO0103](#)); Develop ([SMO0003](#))

531 Written evidence from Mr Anthony Ryan (Headteacher, Chiswick School) ([SMO0017](#)); BAE Systems ([SMO0114](#)) Joseph Rowntree Foundation ([SMO0023](#))

532 Written evidence from Develop ([SMO0003](#)); EMC ([SMO0086](#))

533 Written evidence from Capp ([SMO0069](#))

534 Written evidence from LGA ([SMO0011](#)); Telford and Wrekin Council ([SMO0009](#)); Brokerage Citylink ([SMO0035](#))

535 Written evidence from Capp ([SMO0069](#))

536 [Q 176](#) (Prof Kevin Orr)

537 Written evidence from Ofsted ([SMO0047](#))

538 iCeGS (see Appendix 6); Written evidence from Leeds City Region Enterprise Partnership ([SMO0049](#)); KPMG ([SMO0121](#)); Fair Train ([SMO0067](#)); Inclusion Trust ([SMO0107](#)); National Foundation for Educational Research ([SMO0082](#)); National Literacy Trust ([SMO0014](#)); The Sutton Trust ([SMO0111](#)); Young Enterprise ([SMO0122](#)); British Chambers of Commerce ([SMO0103](#)); Careers England ([SMO0044](#)); Federation of Small Businesses ([SMO0096](#)); Chartered Institute of Personnel Development ([SMO0043](#)); ICAEW ([SMO0063](#)); Institution of Mechanical Engineers ([SMO0070](#)); Dr Deidre Hughes ([SMO0045](#)); Middlesex University London ([SMO0036](#))

the needs of young people who do not follow an academic route to work.

350. **There is good practice to be found locally, but practice across the UK is varied.**

Devolution

351. Some of our witnesses told us that ‘city deals’—devolution of powers to areas in England—would enable greater collaboration at the local level.

Box 17: City deals and devolution across England

The Localism Act 2011 provided for ‘City Deals’, which are agreements between central government and partnerships of local authorities aimed at devolving specific powers and funding decisions to help these authorities to support economic growth, create jobs or invest in local projects. Eight such deals were drawn up with “core cities” in the first wave of City Deals in July 2012. A further 20 smaller cities and regions had deals in place by July 2014.

In 2012, Lord Heseltine conducted a review for the Government on how to create wealth and reduce the disparities in economic growth between the North and South of England. Lord Heseltine’s report, *No Stone Unturned*,⁵³⁹ led to the development of ‘Growth Deals’, announced in 2014, which merged several funding streams and local enterprise partnerships to bid for funding on a competitive basis.

In 2014, the Government announced a further set of decentralisation measures in the form of ‘devolution deals’. The first of these deals was the devolution in November 2014 of a number of programmes and budgets to the Greater Manchester Combined Authority, with more to follow on the election of a directly-elected mayor. Seven⁵⁴⁰ additional devolution deals have been since been agreed with combined authorities or (in the case of Cornwall and Isles of Scilly) through the Local Enterprise Partnership.⁵⁴¹ Many more deals are under negotiation—the Government had received 38 bids as of 4 September 2015. Each of these deals has its own terms. Many deals include powers in relation to the policy areas considered in this report, including further education, business support, and welfare-to-work.

352. The Federation of Small Businesses said: “... it would appear that regions where funding has been devolved are seeing greater collaboration on skills between a range of partners including local authorities, Local Enterprise Partnerships (LEPs) and combined authorities, local businesses and education and training providers.” The Learning Revolution Trust told us that devolution: “would enable local stakeholders, including vocational education providers, local authorities and employers to build effective partnerships which can use local knowledge to anticipate future skills and employment needs more effectively, plan provision accordingly, and engage employers in the provision of work placements, apprenticeships, the

539 Department for Business, Innovation and Skills, *No Stone Unturned: in pursuit of economic growth* (October 2012): <https://www.gov.uk/government/publications/no-stone-untuned-in-pursuit-of-growth> [accessed 22 March 2016]

540 The Manchester deal has also been expanded twice, and a second deal was signed with Sheffield.

541 Further deals have been announced with Sheffield City Region, West Yorkshire, Cornwall, North-East, Tees Valley, West Midlands and Liverpool City Region, with a further one in draft for North Midlands. At least 38 other deals are understood to be in the process of negotiation.

identification of recruitment needs and matching these to the employment aspirations of young people entering the labour market.”⁵⁴²

353. However, the Federation of Small Businesses acknowledged “... it is too early to assess the extent to which this is happening.”⁵⁴³

Box 18: Greater Manchester Combined Authority⁵⁴⁴

Through the devolution agreements The Greater Manchester Combined Authority is in a unique position to be able to take a system view of the improvements it needs to make in order that all residents progress and achieve sustainable employment outcomes. This draws upon new powers and levers offered by devolution as well as being able to strengthen existing levers and duties through strong integration of work and skills. The strategic partnership approach led by Greater Manchester Combined Authority offers Greater Manchester the flexibility to ensure its system responds to its economic and social needs which in turn support growth and reform, benefitting young people in the middle.”

Box 19: Leeds City Region Enterprise Partnership⁵⁴⁵

Leeds City Region Enterprise has been using devolution arrangements to implement the Apprenticeship Grant for Employers (AGE) at a local level. Launching the programme on 1 August 2015, AGE allows the Partnership to encourage more of the 72,000 SMEs across the West Yorkshire Combined Authority geography to offer Apprenticeships. The arrangements will enable the region to provide higher level apprenticeships and develop opportunities in fast growing sectors, such as manufacturing and digital—providing valuable employment opportunities for young people and making a significant contribution to their ambition for above-trend growth that drives the Northern Powerhouse and the nation’s economy.

The region will further build on this strong track record of collaborative working following the Government’s agreement under the Leeds City Region and West Yorkshire devolution deal to re-commission provision for the West Yorkshire Combined Authority to ensure that a new, forward-looking Further Education system is in place by 2017.

Local labour markets

354. Witnesses told us labour market demand is not uniform across the United Kingdom, some are faced with too few vacancies in their local area, and other areas have too many low-skilled vacancies.⁵⁴⁶
355. We have seen, however, that middle-level jobs are declining across the country (see paragraphs 22–25). Moira McKerracher explained the effect of reduced middle-level jobs on social mobility:

“These middle-ranking jobs traditionally acted as a kind of stepping stone, allowing those in the lower-ranking jobs where, if youngsters are going into work, they tend to go into these entry-level jobs and if they

542 Written evidence from the Learning Revolution Trust ([SMO0022](#))

543 Written evidence from the Federation of Small Businesses ([SMO0096](#))

544 Written evidence from New Economy (on behalf of Greater Manchester Authority) ([SMO0088](#))

545 Written evidence from Leeds City Region Enterprise Partnership ([SMO0049](#))

546 Written evidence from The Edge Foundation ([SMO0024](#)); The Brokerage Citylink ([SMO0035](#))

were going to progress they could step up and progress through the middle; use the rungs of the ladder, if you like.”⁵⁴⁷

356. The Rt Hon Alan Milburn told us that, left unchecked, the middle would continue to be squeezed out of the labour market. He said that this would make things worse for young people.⁵⁴⁸

357. However, when we asked the Education Secretary about the possibility of creating more intermediate roles, she said “that is the wrong way to look at it ... We are not going to be able to row back.” Despite the Education Secretary’s view, Alan Millburn told us it was possible for the Government to create intermediate roles:

“When I was doing my health job in government, trying to devolve responsibilities and roles from doctors to nurses and other paraprofessionals helped to create a new tier of intermediate-type jobs. You saw it in criminal justice with PCSOs sitting alongside the police. One thing that Government could do is think about that holistically as a public policy drive: how can we better devolve roles and responsibilities within the public sector workforce.”⁵⁴⁹

358. Other witnesses provided evidence which suggested it is possible to manipulate labour markets at the local level, if colleges work with employers. For example, Professors Fuller and Unwin said: “the English labour market does provide an opportunity for colleges to work with employers to think through the potential for developing intermediate roles, and the potential to design and create education and training pathways that help them to ‘grow their own’ skills pipelines.” This has been effective in other countries.⁵⁵⁰ Professor Roberts told us that “Employers alone are able to be the main change drivers in the UK’s weakly regulated labour markets. Their incentives will be the ability to recruit the bright and ambitious 18/19 year olds who could alternatively have entered top universities, and the doubts that many have long harboured about whether the universities really do add vocational value except in cases where they teach occupation-specific expert knowledge.”⁵⁵¹

547 [Q 13](#) (Moira McKerracher)

548 [Q 160](#) (The Rt Hon Alan Milburn)

549 [Q 160](#) (The Rt Hon Alan Milburn)

550 See for example Christoph Ernst and Janine Berg, ILO, ‘The Role of Employment and Labour Markets in the Fight against Poverty’, *OECD* (2009) <https://www.oecd.org/dac/povertyreduction/43280231.pdf> [accessed 22 March 2016]

551 Written evidence from Prof Ken Roberts ([SMO0002](#))

CHAPTER 9: A CLEARER POLICY FRAMEWORK AND MORE EFFECTIVE DELIVERY MECHANISM

359. The previous chapters of this report have fully set out the issues and our views on the current transition into work for young people in the middle. In this final chapter, we consider how the current system might be improved and at the end we make a number of recommendations.

Social mobility in the transition from school to work

A lack of coherence

360. It is clear to us that the many strands of the current system—from changing the way employers recruit to ensuring the coherence of vocational routes to work—do not together form a coherent whole which we are confident would lead to successful progression for all young people. In 2014 the Social Mobility and Child Poverty Commission found no plan to prepare young people in the United Kingdom for the world of work.⁵⁵² We are not aware that the position has improved since 2014.
361. We considered whether the Government should be asked to develop a single policy and asked the Skills Minister, Mr Boles, why one did not appear to exist. He told us that :

“I have no idea quite whether there are national strategies with capital Ns and capital Ss with a formal status, but I can reassure you that there is absolutely a national strategy with a small ‘n’ and a small ‘s’.”⁵⁵³

Frequent policy change

362. Without any obvious coherence, the transition from school to work for the young people we have focused on has been affected by a significant amount of policy change. Dawn Baxendale, Chief Executive of Southampton City Council, told us that “it has been a very changing landscape over a large number of years, with lots of policy changes and new organisations appearing and then understanding how everything is going to fit together.”⁵⁵⁴ This policy change has not promoted social mobility.
363. Other witnesses were more critical of the impact that the degree of policy change has had. The Learning Revolution Trust told us that “national policy has tended to define the majority of young people who do not progress to higher education as a problem which has consequently been subject to a series of inconsistent and ill thought out policy initiatives.”⁵⁵⁵ Sir Michael Wilshaw told us that “Post-16 [planning] is a mess in relation to organisation and provision and to ensuring coherence.”⁵⁵⁶ Manchester College said that this group “has not been overlooked by policy makers but, rather, has been subject to continual and radical policy change, under-resourced and denied

552 Social Mobility and Child Poverty Commission, *State of the Nation 2014: social mobility and child poverty in Great Britain*, (20 October 2014) <https://www.gov.uk/government/publications/state-of-the-nation-2014-report> [accessed 22 March 2016]

553 [Q 184](#) (Nick Boles MP)

554 [Q 120](#) (Dawn Baxendale)

555 Written evidence from Learning Revolution Trust ([SMO0022](#))

556 [Q 113](#) (Sir Michael Wilshaw)

any realistic planning horizon.”⁵⁵⁷ Some of our witnesses recommended “less policy churn and greater stability”.⁵⁵⁸

The Government’s role

364. It is clear from our diverse range of witnesses that a large number of organisations are seeking to support young people in the transition into work. We know that many of them are doing good work. However, we note the views of Professors Fuller and Unwin, who said: “Excellent practice ... is fragmented and scattered across certain parts of certain sectors and institutions, and across the country. For young people (and indeed older adults) and for employers, this inconsistency is both wasteful and frustrating.”⁵⁵⁹
365. In our call for evidence, we asked who should be responsible for improving the transition into work for school leavers. Most of our witnesses were clear that it should be a joint effort (see paragraphs 341–350).⁵⁶⁰ Responsibility sits at various levels, in central, regional and local government but also in the education sector, industry, and the third sector, and of course with parents and school leavers themselves. All of these different layers of involvement need a degree of coordination to support the transition.

Responsibility within central government

366. A number of our witnesses told us that too many Government departments were working separately from one another in supporting young people’s transitions, resulting in gaps, contradictions and also duplication in provision. Further to this, we have highlighted the funding challenges created by two departments having responsibility for different areas in paragraphs 157–161.
367. This has been a long standing problem. City and Guilds told us that “there have been 61 Secretaries of State responsible for skills and employment policy in the last three decades, compared with 18 for schools policy and 16 for higher education”.⁵⁶¹ The Young Women’s Trust told us that the involvement of too many departments has created an “accountability vacuum”.⁵⁶² This means that it is harder to scrutinise the actions of those responsible for elements of the policies. Witnesses suggested that one organisation, within central Government, needs to have sole responsibility, in order to address this vacuum.⁵⁶³

557 Written evidence from the Manchester College ([SMO0053](#))

558 Written evidence from OCR ([SMO0060](#)). See also written evidence from City & Guilds ([SMO0073](#)); Impetus – The Private Equity Foundation ([SMO0066](#)); Prof Alison Fuller and Prof Lorna Unwin ([SMO0010](#))

559 Written evidence from Prof Alison Fuller and Prof Lorna Unwin ([SMO0010](#))

560 See written evidence from Written evidence from EMC ([SMO0086](#)); The Found Generation ([SMO0101](#)); London Councils ([SMO0057](#)); City Year UK ([SMO0079](#)); Hertfordshire County Council, Hertfordshire Local Enterprise Partnership, and Youth Connexions Hertfordshire ([SMO0026](#)); BAE Systems ([SMO0114](#)); The Edge Foundation ([SMO0024](#)); Impetus – The Private Equity Foundation ([SMO0066](#)); British Chambers of Commerce ([SMO0103](#)); Recruitment and Employment Confederation ([SMO0075](#)); National Literacy Trust ([SMO0014](#)); Barclays PLC ([SMO0115](#))

561 Written evidence from City and Guilds ([SMO0073](#))

562 Written evidence from Young Women’s Trust ([SMO0046](#))

563 Written evidence from Prospects Services ([SMO0091](#)); Careers England ([SMO0044](#)); Young Women’s Trust ([SMO0046](#)); London Councils ([SMO0057](#)); Impetus – The Private Equity Foundation ([SMO0066](#)); National Union of Students ([SMO0080](#)); emfec ([SMO0113](#)); British Chambers of Commerce ([SMO0103](#)); National Institute of Adult Continuing Education (NIACE) and Centre for Economic and Social Inclusion (Inclusion) ([SMO0076](#)); Trades Union Congress ([SMO0104](#)); Careers South West ([SMO0095](#)); London Councils ([SMO0057](#)); Aspire Group ([SMO0007](#))

The changing devolution settlement

368. Skills and education policies have been subject to significant and varying degrees of devolution and decentralisation in recent decades. These changes have only been gathering pace, which creates a degree of uncertainty over where the future level of decision making will lie. Decentralisation has not always been evenly applied, which brings with it further risks of uncertainty and inequality between regions.
369. In Chapter 8 we discussed the potential for local collaboration to be at the heart of efforts to support the transition from school to work and also to help to overcome regional disparities. It is clear that greater collaboration at the local level can lead to better outcomes for young people. The sheer scale and pace of decentralisation, coupled with its regional variation, make such efforts doubly important. These changes also put great emphasis on the need of central government to act to ensure that some regions, and the people in them, are not disadvantaged. It is to central government at the UK level that our recommendations below are addressed.
370. **There is a need for more coherence in the UK Government's policy governing the transition of young people into the workplace. The policy should set out a framework for school to work transitions from age 14 to age 19 and over. It should explicitly address the middle route to work, and the decision-making that takes place from 14 onwards, and set the standard for sharing best practice across the UK. (Recommendation 1)**
371. **The transition stage should be considered to be from age 14 to age 19. Learning during this stage should include a core curriculum with tailor-made academic and/or vocational courses. It should aim to get as many people who can, up to a Level 3 qualification. There are three important strands to the framework:**
- (a) **Clearer routes to good-quality work for those in the middle, brought about by local collaboration, to enable:**
 - (i) **vocational routes to work which are robust and high quality, do not close down future opportunities, and lead to worthwhile destinations. The work of the Sainsbury led review should contribute to this.**
 - (ii) **meaningful experiences of work, organised between the student, the school and a local employer, including work placements and work-based training. Any work experiences undertaken must have a clear aim and objective to prepare young people for work and life.**
 - (b) **A new gold standard in independent careers advice and guidance, supported by a robust evidence base and drawing on existing expertise, which moves responsibility away from schools and colleges (which would require legislative change) in order to ensure that students are given independent advice about the different routes and qualifications available, to include:**
 - (i) **independent, face-to-face, careers advice, which provides good quality, informed advice on more than just academic**

routes, so that individuals are able to make decisions based on sound knowledge of what is available.

- (ii) a single access point for all information on vocational options, including the labour market returns on qualifications.
- (c) **Improved careers education in schools, to empower young people to make good choices for themselves, to include:**
- (i) **information on labour market returns, which would include information about the financial prospects of different options, to inform and motivate young people.**
 - (ii) **data on local labour markets to inform the teaching of Life Skills, skills for life, and careers education. (Recommendation 2)**
372. **This transition framework should be owned by, and be the responsibility of, a Cabinet-level minister, who will assume ultimate responsibility for the transition from school to work for young people. (Recommendation 3)**
373. **Transitions from school to work should be supported by publicly available data, compiled by the relevant Government departments. This data should be made available to researchers so that they have access to earnings data, study patterns, and different demographic patterns, brought about by legislative change if necessary. (Recommendation 4)**
374. **We recommend that the responsible Cabinet Minister should report on progress annually to Parliament. (Recommendation 5)**
375. **Increasingly local labour markets and skills needs are being seen as a devolved responsibility, whether it is to conurbations such as London, Manchester or Leeds, or to rural areas such as Somerset or Lincolnshire. However, because administrative structures are so much in flux, there is often no focal point for action. The most valuable role the Government can take is to act as a facilitator, coordinating the efforts of its existing structures, and brokering collaboration between existing local bodies such as further education colleges, schools, local authorities, local enterprise partnerships and employers. (Recommendation 6)**
376. **The Government should keep under constant review the degree of success of transitions into work for those in the middle. The Social Mobility and Child Poverty Commission should play a strong part in monitoring these transitions. (Recommendation 7)**
377. **As we identified in Chapter 5, there is an important question over whether the resources available to schools for careers education are adequate. We recognise that in the current climate additional funding would have to be fully justified but this question needs to be addressed urgently. We therefore recommend that the Government should commission a cost benefit analysis of increasing funding for careers education in school and independent careers guidance external to the school in the context of**

social mobility. A report providing this analysis should be made to Parliament before the end of its 2016–17 session. (Recommendation 8)

378. It is important that existing structures, which may be imperfect, should be refined and improved rather than added to. Coordinating the activities of national, regional and local stakeholders is no easy task, and as this chapter has shown is only getting more complex. As we have noted in the report, the degree of fragmentation and frequency and unpredictability of policy change has been undesirable.

APPENDIX 1: LIST OF MEMBERS AND DECLARATIONS OF INTEREST

Members

Baroness Berridge
 Baroness Blood
 Baroness Corston (Chairman)
 Lord Farmer
 Lord Holmes of Richmond
 Baroness Howells of St Davids
 The Earl of Kinnoull
 Baroness Morris of Yardley
 Lord Patel
 Baroness Sharp of Guildford
 Baroness Stedman-Scott
 Baroness Tyler of Enfield

Declared interests

Baroness Berridge
Director, British Future

Baroness Blood
No relevant interests declared

Baroness Corston (Chairman)
No relevant interests declared

Lord Farmer
Member employs Dr Samantha Callan, Former Associate Director for Families and Mental Health, Centre for Social Justice (to 31 October 2015), as parliamentary staff.

Lord Holmes of Richmond
No relevant interests declared

Baroness Howells of St Davids
No relevant interests declared

The Earl of Kinnoull
Involved with the following organisations, which may or do, offer work experience or employment:
Member of Supervisory Board, Fine Art Fund Group funds
Shareholder, Hiscox Ltd (insurance)
Shareholder, Schroders plc (non-voting) (fund management)
Director, Horsecross Arts Limited (Perth) and trustee of related registered charity
Trustee, Blair Charitable Trust (running of Blair Castle and estate)
Member of London Committee, National Trust for Scotland
President and Trustee, Royal Caledonian Charities Trust, whose charitable purposes allow it to support social mobility and offer grants

Baroness Morris of Yardley
Chair of the Council, Goldsmiths College, University of London
Chair of Strategy Board, Institute of Effective Education, the Bowland Trust
Chair, McDonald's Education Company Limited
Chair, Northern Education
Member, All-Party Parliamentary Group on Social Mobility

Lord Patel

No relevant interests declared

Baroness Sharp of Guildford

President, Association of Colleges Charitable Trust

Vice-Chair, All-Party Group on Skills and Employment

Patron, 157 Group (of leading FE Colleges)

Honorary Fellow, City & Guilds Institute

Member, Policy Connect Skills Commission

Baroness Stedman-Scott

Former Chief Executive Officer, Tomorrow's People (remains connected on a consultancy basis)

Governor, Bexhill Academy

Patron, Rye Studio School

Patron, Education Futures

Fellow, Centre for Social Justice

Member, All Party Parliamentary Group on Youth Employment

Member, Commissioning Better Outcomes Fund Panel

Baroness Tyler of Enfield

Co-Chair, All-Party Parliamentary Group on Social Mobility

A full list of Members' interests can be found in the Register of Lords Interests:
<http://www.parliament.uk/mps-lords-and-offices/standards-and-interests/register-of-lords-interests/>

Professor Ann-Marie Bathmaker (Specialist Adviser)

Director, Journal of Vocational Education and Training

Member, Assessment and Qualifications Alliance (AQA) Curriculum and Assessment Quality Committee

APPENDIX 2: LIST OF WITNESSES

Evidence is published online at <http://www.parliament.uk/social-mobility-committee> and available for inspection at the Parliamentary Archives (020 7219 5314).

Evidence received by the Committee is listed below in chronological order of oral evidence session and in alphabetical order. Those witnesses marked with ** gave both oral evidence and written evidence. Those marked with * gave oral evidence and did not submit any written evidence. All other witnesses submitted written evidence only.

Oral evidence in chronological order

- | | | |
|----|--|--------------------------|
| ** | Andrew Battarbee, Deputy Director, Vocational Education Strategy, Department for Education and Department for Business, Innovation & Skills | QQ 1–10 |
| ** | Juliet Chua, Director Post-16 and Disadvantage Group, Department for Education | |
| ** | Peter Clark, Head of the Participation and Careers Unit, Department for Education | |
| ** | Oliver Newton, Head of the Apprenticeship Growth, Strategy and Legislation Team, Department for Education and Department for Business, Innovation & Skills | |
| * | Dr Claire Crawford, Research Fellow, the Institute of Fiscal Studies | QQ 11–17 |
| * | Dr Abigail McKnight, Senior Research Fellow at the Centre for Analysis of Social Exclusion, London School of Economics | |
| ** | Moira McKerracher, Deputy Director, the UK Commission for Employment and Skills | |
| * | The Rt Hon Nick Clegg, Former Deputy Prime Minister of the United Kingdom, with responsibility for social mobility in the 2010 Government | QQ 18–27 |
| * | Professor Andy Green, Centre for Learning and Life Chances in Knowledge Economies and Societies (LLAKES) | QQ 28–37 |
| * | Professor Paul Gregg, University of Bath | |
| ** | Professor Ken Roberts, University of Liverpool | |
| * | Alex Burghart, Director of Policy, Centre for Social Justice | QQ 38–45 |
| * | Ralph Scott, Senior Researcher, Demos | |
| * | Spencer Thompson, Senior Economic Analyst, Institute for Public Policy Research | |
| * | Nick Chambers, Director, Education and Employers Taskforce | QQ 46–53 |

- * Dr Peter Grant, Senior Fellow, Cass Business School
 - * Professor Ewart Keep, University of Oxford
 - * Neil Carberry, Director for Employment and Skills, Confederation of British Industry [QQ 54–62](#)
 - * Emma Codd, Managing Partner for Talent, Deloitte
 - * Tanith Dodge, Director of HR, Marks and Spencer
 - * Tony Moloney, Manager, Education and Skills, National Grid
 - * Alice Memminger, Chief Executive, UpRising [QQ 63–75](#)
 - ** David Pollard, Chairman for Education, Skills and Business Support, Federation of Small Businesses
 - ** Anne Spackman, Executive Director, Career Ready
 - * James Magowan, Business Director (East of England), Tomorrow’s People [QQ 76–86](#)
 - ** Sam Monaghan, Executive Director of Children’s Services, Barnardo’s
 - ** Maggie Walker, CEO, ASDAN
 - ** Pat Brennan-Barrett, Principal of Northampton College, Association of Colleges [QQ 86–95](#)
 - * Malcolm Trobe, Deputy General Secretary, Association of School and College Leaders
 - * David Nicoll, Director, Studio Schools Trust [QQ 96–106](#)
 - ** Charles Parker, Chief Executive, Baker Dearing Educational Trust (University Technical Colleges)
 - ** Matthew Coffey, Chief Operating Officer, Ofsted [QQ 108–118](#)
 - ** Sir Michael Wilshaw, Her Majesty’s Chief Inspector of Education, Children’s Services and Skills, Ofsted
 - * Dawn Baxendale, Chief Executive, Southampton Council [QQ 119–130](#)
 - ** Yolande Burgess, Strategy Director, London Councils
 - * Theresa Grant, Chief Executive, Trafford Council
 - * Andrew Hodgson, Vice Chair of North East LEP Board, and North East LEP Employment and Skills Board
 - Professor Baroness Wolf of Dulwich CBE [QQ 131–139](#)
 - ** Professor Anne Green, Institute for Employment Research, University of Warwick [QQ 140–149](#)
 - ** Professor Sandra McNally, Director of the Centre for Vocational Education Research (CVER), London School of Economics and Political Science
- Dr Stefan Speckesser, Chief Economist at the Institute for Employment Studies, London School of Economics and Political Science

- Claire Keane, Economist, Directorate for Employment, Labour and Social Affairs, Organisation for Economic Co-operation and Development OECD [QQ 150–159](#)
- * Jack Feintuck, Head of Policy, Social Mobility & Child Poverty Commission [QQ 160-173](#)
- * The Rt Hon Alan Milburn, Chair of the Social Mobility Commission
- ** Professor Ann Hodgson, Professor of Post-Compulsory Education and Co-Director Centre for Post-14 Education and Work, UCL Institute of Education [QQ 174–183](#)
- * Professor Kevin Orr, School of Education and Professional Development, University of Huddersfield
- * Nick Boles MP, Minister of State for Skills [QQ 184–199](#)
- ** The Rt Hon Nicky Morgan MP, Secretary of State for Education

Alphabetical list of all witnesses

- Access To The Professions [SMO0124](#)
- Ambitious About Autism [SMO0039](#)
- ** Asdan (QQ 76–86) [SMO0054](#)
- Aspire Group [SMO0007](#)
- Association Of Accounting Technicians [SMO0102](#)
- ** Association Of Colleges [SMO0087](#)
- * Association of School and College Leaders (QQ 86–95)
- Association Of National Specialist Colleges (Natspec) [SMO0093](#)
- Association Of Teachers And Lecturers (ATL) [SMO0084](#)
- Government Of Austria [SMO0129](#)
- Dr Liz Atkins [SMO0018](#)
- BAE Systems Plc [SMO0114](#)
- ** Baker Dearing Educational Trust (QQ 96–106) [SMO0136](#)
- Barclays Plc [SMO0115](#)
- ** Barnardo’s [SMO0112](#)
[SMO0128](#)
[SMO0133](#)
[SMO0138](#)
- * Professor Paul Gregg, University of Bath (QQ 28–37)
- BBC [SMO0126](#)
- Professor Saul Becker [SMO0137](#)
- The Big Academy [SMO0116](#)
- The Brokerage Citylink [SMO0035](#)

	British Chambers Of Commerce	<u>SMO0103</u>
	British Youth Council	<u>SMO0142</u>
	Capp	<u>SMO0069</u>
**	Career Ready (QQ 63–75)	<u>SMO0074</u>
	Careers England	<u>SMO0044</u>
	Careers South West	<u>SMO0095</u>
	Carers Trust	<u>SMO0033</u>
	Cascaid Ltd	<u>SMO0061</u>
*	Cass Business School (QQ 46–53)	
	Matteo Calogiuri	<u>SMO0008</u>
*	Centre for Analysis of Social Exclusion, London School of Economics (QQ 11–17)	
*	Centre for Learning and Life Chances in Knowledge Economies and Societies (LLAKES) (QQ 28–37)	
*	Centre for Social Justice (QQ 38–45)	
**	Centre for Vocational Education Research (CVER), London School of Economics and Political Science (QQ 140–149)	<u>SMO0081</u>
	Centrepoint	<u>SMO0051</u>
	The Chartered Institute of Personnel and Development (CIPD)	<u>SMO0043</u>
	The Chartered Insurance Institute	<u>SMO0106</u>
	The Challenge	<u>SMO0098</u>
	City & Guilds	<u>SMO0073</u>
	City Of London Corporation	<u>SMO0130</u>
	City Year UK	<u>SMO0079</u>
*	The Rt Hon Nick Clegg, Former Deputy Prime Minister of the United Kingdom, with responsibility for social mobility in the 2010 Government (QQ 18–27)	
*	Confederation of British Industry (QQ 54–62)	
	Crossrail	<u>SMO0139</u>
	Professor Fiona Devine	<u>SMO0062</u>
	Charlie Doherty	<u>SMO0025</u>
*	Deloitte (QQ 54–62)	
*	Demos (QQ 38–45)	
**	Department for Education (QQ 1–10)	<u>SMO0055</u> <u>SMO0143</u>
	Department For Employment And Learning Northern Ireland	<u>SMO0034</u>

	Develop	<u>SMO0003</u>
	Edge Foundation	<u>SMO0024</u>
	Education and Employers Taskforce (QQ 46–53)	
	Emc	<u>SMO0086</u>
	Emfec	<u>SMO0113</u>
	Ernst & Young Llp	<u>SMO0134</u>
	Eurofound	<u>SMO0144</u>
	Professor Karen Evans	<u>SMO0056</u>
	Fair Train	<u>SMO0067</u>
**	Federation Of Small Businesses (QQ 63–75)	<u>SMO0096</u>
	The Found Generation	<u>SMO0101</u>
	Professor Alison Fuller	<u>SMO0010</u> <u>SMO0147</u>
	Government Of Finland	<u>SMO0127</u>
	First Face To Face	<u>SMO0100</u>
	Forum of Private Business	<u>SMO0048</u>
	Futures Advice, Skills & Employment Ltd	<u>SMO0028</u>
	Gatsby Charitable Foundation	<u>SMO0037</u>
	Herefordshire Council	<u>SMO0020</u>
	Hertfordshire County Council	<u>SMO0026</u>
	Hertfordshire LEP	<u>SMO0026</u>
	High Peak Borough Council And Staffordshire Moorlands District Council	<u>SMO0068</u>
**	Professor Ann Hodgson (QQ 174–183)	<u>SMO0012</u>
	Dr Deirdre Hughes OBE	<u>SMO0045</u>
	Institute of Chartered Accountants in England and Wales (ICAEW)	<u>SMO0063</u>
	Impetus-Pef	<u>SMO0066</u>
	Inclusion Trust	<u>SMO0107</u>
*	Institute of Fiscal Studies (QQ 11–17)	
**	Institute for Employment Research, University of Warwick (QQ 140–149)	<u>SMO0145</u>
*	Institute for Public Policy Research (QQ 38–45)	
	Institute for Social and Economic Research	<u>SMO0058</u>
	Institution Of Mechanical Engineers	<u>SMO0070</u>
	Intern Aware	<u>SMO0099</u>
	Joseph Rowntree Foundation	<u>SMO0023</u>
	KPMG	<u>SMO0121</u>

	Learning Revolution Trust	SMO0022
	Leeds City Region Enterprise Partnership	SMO0049
	Professor Yaojun Li	SMO0062
	Local Government Association	SMO0011
	London Chamber Of Commerce And Industry	SMO0059
	Commercial Education Trust	
	The Manchester College	SMO0053
*	Marks and Spencer (QQ 54–62)	
	Mary Alice McCarthy	SMO0141
	Middlesex University London	SMO0036
	Middletonmurray	SMO0013
	Ministry Of Social Development, Government of New Zealand	SMO0032
	Professor Phil Mizen, Aston University	SMO0145
	Nacro	SMO0123
	The National Association Of Independent Schools & Non-Maintained Special Schools (Nass)	SMO0110
	National Foundation For Educational Research	SMO0082
*	National Grid (QQ 54–62)	
	National Literacy Trust	SMO0014
	National Union Of Students	SMO0080
	New Economy (on Behalf Of Greater Manchester Combined Authority)	SMO0088
	New Meaning Limited	SMO0031
	NHS Employers	SMO0105
	Niace	SMO0078
**	Northampton College	SMO0135
	Northamptonshire Enterprise Partnership	SMO0094
	North East LEP Board, and North East LEP Employment and Skills Board (QQ 119–130)	
	OCR	SMO0060
*	Organisation for Economic Co-operation and Development (OECD) (QQ 150–159)	
**	Ofsted (QQ 108–118)	SMO0047
*	Professor Kevin Orr, School of Education and Professional Development, University of Huddersfield (QQ 174–183)	
	Pearson Education	SMO0089
	Pinetree Enterprises Ltd	SMO0015

Pret A Manger	<u>SMO0041</u>
The Prince's Trust	<u>SMO0040</u>
Prospects	<u>SMO0091</u>
Pshe Association	<u>SMO0016</u>
Pupils2parliament	<u>SMO0132</u>
Professor Kate Purcell	<u>SMO0145</u>
Recruitment And Employment Confederation	<u>SMO0075</u>
Dr Simon Reddy	<u>SMO0006</u>
** Professor Ken Roberts	<u>SMO0002</u>
Royal College Of Speech And Language Therapists	<u>SMO0065</u>
The Royal British Legion	<u>SMO0072</u>
Royal Danish Embassy	<u>SMO0108</u>
Mr Anthony Ryan	<u>SMO0017</u>
School-Home Support	<u>SMO0148</u>
Professor Ingrid Schoon	<u>SMO0056</u>
Science Council	<u>SMO0120</u>
The Scottish Government	<u>SMO0042</u> <u>SMO0140</u>
Dr Joe Sempik	<u>SMO0137</u>
* Social Mobility & Child Poverty Commission (QQ 160–173)	
* Southampton Council (QQ 119–130)	
* Dr Stefan Speckesser, Chief Economist at the Institute for Employment Studies, LSE (QQ 140–149)	
Professor Ken Spours	<u>SMO0012</u>
Stemnet	<u>SMO0109</u>
Step Up To Serve	<u>SMO0029</u>
Dr Michelle Stewart	<u>SMO0005</u>
* Studio Schools Trust (QQ 96–106)	
Surrey Lifelong Learning Partnership	<u>SMO0038</u>
The Sutton Trust	<u>SMO0111</u>
Embassy Of Switzerland In The United Kingdom	<u>SMO0117</u>
John Taylor	<u>SMO0146</u>
Telford and Wrekin Council	<u>SMO0009</u>
Thinkforward	<u>SMO0092</u>
* Tomorrow's People (QQ 76–86)	
TQ Training	<u>SMO0004</u>

	Trades Union Congress	<u>SMO0104</u>
*	Trafford Council (QQ 119–130)	
	Dr Charoula Tzanakou, Institute for Employment Research, University of Warwick	<u>SMO0145</u>
**	UK Commission For Employment And Skills (UKCES) (QQ 11–17)	<u>SMO0001</u>
	University Alliance	<u>SMO0027</u>
	Professor Lorna Unwin	<u>SMO0010</u> <u>SMO0147</u>
*	Uprising (QQ 63–75)	
	Welsh Government	<u>SMO0021</u>
	The Who Cares? Trust	<u>SMO0050</u>
*	Professor Baroness Wolf of Dulwich CBE (QQ 131–139)	
	Whytry	<u>SMO0064</u>
	YMCA England	<u>SMO0085</u>
	YMCA Training	<u>SMO0077</u>
	Youth Connexions Hertfordshire	<u>SMO0026</u>
	Young Enterprise	<u>SMO0122</u>
	Young Women’s Trust	<u>SMO0046</u>
	Youth Employment UK	<u>SMO0118</u>

APPENDIX 3: CALL FOR EVIDENCE

The Social Mobility Committee of the House of Lords, chaired by Baroness Corston, is conducting an inquiry into the transition from school to work for 14–24 year olds. The Committee invites interested individuals and organisations to submit evidence to this inquiry.

The deadline for written evidence is 1 October 2015. The submissions we receive will guide the Committee’s deliberations in oral evidence sessions later this year, and also inform the Committee’s final conclusions and recommendations.

Public hearings began in early July and will continue until early December. The Committee aims to report to the House with recommendations in late March 2016. The report will receive a response from the Government, and will be debated in the House.

Background

The terms of reference for the inquiry are “to consider social mobility in the transition from school to work” and to report by 23 March 2016. The Committee has decided to set its inquiry in the context of a changing youth labour market, for those within the age range of 14–24.

Social mobility is a topic of substantial political interest. There is a significant body of academic work, as well as a number of reviews and reports for the Government and numerous policy initiatives on many of the elements of social mobility. Many of these have focused on the influence of educational attainment on social mobility, including the transition from school to work. However, the bulk of recent government action has been concentrated on either those ‘not in education, employment or training’ (NEET) or those at high risk of becoming NEET. Previous governments have also put an emphasis on increasing the number of students who stay at school beyond compulsory education in order to go to university. Relatively little attention has been given to those students who do not fall into either category.

The Committee has therefore decided to focus its inquiry on those who fall between the route of ALevels and Higher Education and those classified as NEET.⁵⁶⁴

We want to establish who the young people in this group are, and what other disparate, and possibly disadvantaged, groups fall within it. We intend to examine the school to work route for these young people, and whether in its current state it provides good employment outcomes and opportunities for them to move up the social ladder.

The Committee is keen to take evidence from as diverse and as wide a range of stakeholders as possible. This includes, but is not limited to: young people aged 14–24, businesses and their representative organisations (including small and medium enterprises and large employers of young people); academics; local authorities; consultancies; sector skills councils; civil society and non-governmental organisations; organisations working in the EU and other international bodies; apprenticeship schemes; careers guidance bodies; educators in schools and further education colleges; lifelong learning organisations; and organisations working with hard-to-reach groups. We would also like to hear from people and organisations working in these sectors across all four nations in the United Kingdom.

⁵⁶⁴ Centre for Post-14 Research and Innovation, Institute of Education, University of London, *The ‘overlooked middle’ in 14+ education and training: Becoming the new NEETs?* (March 2012)

The Committee's inquiry will not focus on the route to work for school leavers who are on, who intend to follow, or who did follow the A-Level to Higher Education pathway. Nor will it focus on those not in employment, education, or training (NEET).

If you have any questions about the call for evidence, please contact the staff of the Committee at hlsocialmobilitycmttee@parliament.uk.

July 2015

Questions

The following questions cover the full focus of our inquiry. It is not necessary to answer every question in detail in your submission and invite you to share any other information with us that you feel is relevant to the focus of the inquiry. Please consult the staff of the Committee if you have any questions. There is further information on each question attached to this call for evidence. Please focus your answers on young people aged 14–24 who are not on, who do not intend to follow, or who did not follow the A-Level to Higher Education pathway.

1. What are the most significant factors that affect the social mobility and employment outcomes of young people in the transition from school into the work place?
2. There is a group of young people aged 14–24 who do not follow the A-Level and higher education route, and are not classified as NEET. What is known about the young people in this group—who are they, why are they in this position and what are their career trajectories?
3. Does the current transition system support young people who do not follow the A-Level and higher education route to perform better in terms of employment outcomes? If not, why not? What challenges do these young people face in their ability to transition successfully into the workplace?
4. How can the transition from school to work be improved for all young people, particularly for those who do not go on to study A-Levels and higher education? How can employers be encouraged to employ more young people from this group?
5. Who should be responsible for improving the system to support the transition into work for school leavers?

Further information on the questions

Please find below possible aspects of each question that you may wish to consider in your response to the questions above. This is guidance on the Committee's areas of particular interest and is not intended to be prescriptive.

Q1—factors affecting social mobility

For this question, we would like you to consider the range of factors that affect the ability of young people to enter the job market and to build careers. You may wish to consider the impact of current (and previous) Government policy, the qualifications system, the expectations of employers and the challenges facing those aged 14–24 as they transition from school to work.

Q2—the 14–24 year old cohort

For this question, we would ask you to consider the reasons for existence of the group who have not done A-Levels but are not NEET, the likely career trajectories for this group, and the impact of changes to the assessment framework for A-Levels, GCSEs and vocation education.

We are keen to find out what is already known about this group, for instance, patterns of gender, ethnicity, disability, social class, region in who is in this group, what they are doing, what their trajectories are; and any meaningful breakdown data on the qualifications they take and the routes they follow. We would like you to tell us what you know about the trajectories of this group, including their routes and progress through education and training, and their progression into employment. The outcomes for this group in terms of income and quality of employment could also be considered in your response, as well as anything else you feel may be relevant.

Q3—the current system

For this question, we would like you to consider how much is known about transitions, and the reliability and transparency of the data supporting this information. You could also consider how it is for young people to get onto pathways that they want and that have currency with employers and higher education institutions. Further areas that you could consider could include the options available to young people if they do not undertake A-Levels and go on to study higher education, why some qualification programmes and apprenticeships have less status than others, and what the features of high quality qualification programmes and apprenticeships are. We would like to know why the group who do not complete A-Levels perform poorly and their performance has not improved over time. We are also interested in international comparisons and what the different patterns of provision in other countries are and what the key features of countries that perform better are. Finally we are interested in what the further education provision is for those who have to be in the system but have been unable to access an apprenticeship and how reactive the system is to the labour market (nationally and regionally), and what changes are taking place within it that have an impact on the employment of young people.

Q4—possible improvements

For this question, we would like you to consider what incentives exist in the current system to make the transition from school to work be more efficient for young people, and what the different options are for improving the system. We would also ask you to consider how labour market information could be used better and by whom, what employers want in their new employees, and if there is a match between what employers say they want and what they practice. We are interested in what good practice in careers guidance looks like and what can we learn from the changes that have taken place to career guidance over the past decades.

We are looking to establish where the most important junctures in the route from education to work are to make appropriate interventions; offer guidance and support; and what the nature of that guidance should be. We want to know how employers can be persuaded to offer work placements and have input into vocational learning, including both SMEs and large employers, and how this can be done on a sustained basis. We would also like to know if there is a way of large employers and their supply chain SMEs working together. Finally we would like to find out how employers and educational institutions can work together to meet the

needs of the labour market and the needs of school leavers on a sustained basis. Any suggestions for improvements could also be made here.

Q5—responsibility for improvement

For this question we would like you to consider who is best placed to help improve the transition from school to work for young people. This includes assessing who in the system is currently responsible for seeing young people through the transition and what the role of the Government is, as well as the role of regional bodies such as local authorities and local enterprise partnerships. We would to know more about what organisations have, or should have, a remit for monitoring and reviewing progress towards achieving greater equity and social mobility.

APPENDIX 4: NOTE OF FOCUS GROUP: TUESDAY 27 OCTOBER 2015

On 27 October, the Committee met with eleven people aged between 19 and 24 to discuss a number of key issues in relation to the focus of the inquiry. The session was facilitated by UpRising, a UK-wide charity which runs leadership and employability programmes for 16-25 year olds. The participants in the focus group were invited from the Cardinal Hulme Centre, the Carers Trust, the Prince's Trust, St Christopher's Fellowship and the Young Women's Trust.

Format of the focus group

The participants were split into three random groups, and were joined by two or three members of the Committee, and a member of the secretariat. They were asked to discuss four questions as groups and then to feed back to the group as a whole. The following reflects the points made in the discussion, and identifies the participants only when they have given their express permission to do so.

The questions the participants were asked to consider were:

1. Do you feel there are a wide variety of options for school leavers? Did you feel supported in this decision?
2. How do you feel this has affected your career options? What part did work experience play in this?
3. What are the jobs and employers for school leavers in your local areas? What do you need to get one of these jobs? How did you find out about them?
4. What skills do you think employers look for in recruits? Where do you think you can access these skills?

Discussions on the tables

1. Do you feel there are a wide variety of options for school leavers? Did you feel supported in making decisions when leaving school?

Vincent, 22, lived in a young people's hostel. He thought that the options you had depended on the area in which you went to school and the background. The school he went to in Walthamstow did not have a wide variety of options. Vincent used to go to a school which has now been closed down. The standards of the school were bad and it was considered one of the worst schools in the country. He was severely bullied and because of this was pulled out of the school system by his parents in year 9. He then received private tuition at home. This gave him time to focus on what he would like to study—which led to him developing an interest in art. He spent five to six hours a day learning about art history, art movements and artists. Now he has gone on to have a successful career in art. He would not have been able to do this in the state education system due to the amount of time spent on other things. At school he felt there was constant disruption in every lesson and no learning took place. Friends of his who completed the same curriculum are all working on building sites or are unemployed, and he is the only one who has gone on to do something creative.

Sonic, a young adult carer, thought that there was not a wide choice of options available to him. He found that there was not enough support at school to get the grades required to go to university. Despite this he did pass his GCSEs, but did not pass his A-Levels. He felt that this was due to the large gap between GCSE and A-Levels and that there was no support system in place in schools where

he could speak openly and confidentially about his situation. As a result, he felt disillusioned and let down by the education system. He took a Level 2 diploma at college one day a week in tiling and plastering. This fitted in around his work and caring role. He put everything he could into his work and if he had not, the lack of support would have resulted in him not succeeding.

“If I didn’t plough everything into work I’d end up crumbling because there wasn’t any sort of support there for me, personally. I wish there was someone ... it doesn’t have to be often, but there was no one there who could pick up on anything.”

Sonic, a young adult carer

Teachers picked up on his dropping grades, but because of his caring background he did not have the time to complete homework.

Sofia, a care leaver who is living independently, was in care and had a carer who was mentally abusive. As a result, she missed a lot of school. Her school did not care or try to find out why. She would miss class because of her mental state and the school would not find a way of helping her to catch up on what she had missed. When she finished school she was forced to join sixth form.

Cardine, a carer aged 22, stated that she was in the same position that she was in at the age of 16, and that there was no realistic choice for her to make. Her ambition was to work in mental health care, or to be a midwife but the qualifications available to her did not meet her ambitions.

“I feel like a chess piece in a game because someone is making the moves for me”

Cardine, a carer aged 22

Balqis left school after not being able to go onto sixth form and only being offered a place on a beauty course. She had a child at the age of 17 and found returning to work and education difficult. As a French citizen, she had no access to help and childcare support which made it more difficult to get a qualification. She did use Connexions advisers, but her childcare responsibilities were a barrier to employment. Following support from the Prince’s Trust, she is a secretary for Standard Life and works in the Gherkin in London. Both her children go to school, and she can afford to pay her childcare.

“I still had the barrier of having children which prevented me from going back to college. I was in a limbo where I really wanted to go back but my kids were too young to go to school, and I would have to wait until they were 5. I asked myself what am I going to do until then? I left school when I was 16/17 and I’m going to start fresh again back when I’m 23 (the age I am now).”

Balqis, aged 23, a young mother

2. How do you feel this has affected your career options? What part did work experience play in this?

Khiry felt that his options at the age of 16 were not good, and were not in line with his aspirations. He completed a four week placement of work experience with Tesco’s, and for the past three months has been permanently employed. He said at times it could be a little bit stressful, but all in all he likes the environment and

everyone was friendly. Khiry had a bereavement early in his life, and although his guardian supported him as much as they were able to, he felt he did not have a suitable support network around him. Following the closure of Connexions, he felt that career options were disappearing for young people.

“Apart from the Prince’s Trust, when I was looking for work at 19 years old there was no support work. I remember going to the Job Centre at the start, and they were not supportive. In terms of career options available to me, Connexions (around about 2011) had just shut down and career options available to help young people were shutting down so it was quite a challenging time for me.”

Khiry

Cardine said that she needed funding to get on to an access course, and that the current system prevents her from participating on courses without certain experiences or qualifications.

“I cannot get funding to get onto an access course, and without that access course, I cannot go to college, and cannot go onto university. You have to have certain experiences and qualifications to get onto courses, which you cannot get if you are caring for somebody.”

Cardine, a young adult carer, aged 22

Tomas, 21, completed secondary school but failed most of his exams. Initially when he left school, he went to a sixth form college but was asked to leave the first college he attended after three months, and the second college after four months, because he lacked motivation. He was not sure about what he wanted to do and did not receive any careers advice. He attended the Jobcentre but found that the service was not very personalised and that his choices were limited. Tomas felt that there were limited options and a lack of information for young people.

“[On sixth form] I wasn’t motivated. I just felt like it wasn’t me or what I wanted to do. It wasn’t very practical, it was more academic. I’m a practical person, and a practical learner.”

Tomas, Administrator at Systech International, aged 21

Kristyn, 23, moved to the United Kingdom from Venezuela in 2011. She wanted to go to university in the United Kingdom but the fees were too expensive. When she arrived in the United Kingdom, she worked as a waitress but did not really enjoy it.

Amber attended a girl’s grammar school. She did not particularly enjoy school but got relatively good grades. She left school at 16 and completed a one-year media course at a further education college. Amber said that the only advice she received at school was that you have to go to university and get a degree. All of her friends went on to higher education but Amber chose to do an apprenticeship in digital marketing, which she found online on the Government apprenticeships website. Her first apprenticeship (a Level 2) was terrible; she was not enrolled in any training and left after six months. Her second apprenticeship (a Level 3) at YouTube was much better and enabled her to get her current job at a small company.

“Where I grew up, we were told you have to go to university—all of my friends are at university. I chose to do an apprenticeship instead. There was no advice on apprenticeships, it was just seen as something only bricklayers, only plumbers do”.

Amber

Amber felt that having only a handful of GCSE’s affected her career options on leaving school because there were so many people seeking work with higher qualifications.

Amber said that her work experience at school was terrible. She spent one week at a stables, sweeping the floor, and a week at her school library, making cups of tea for the librarian. As she lived in a small town in rural Lincolnshire, there were not very many businesses in the local area that could offer a wide variety of work experience. Her school maintained a database of local employers that you could choose from but if you wanted to go beyond that you had to organise it yourself.

Kristyn found it difficult because she did not have any work experience in the United Kingdom and English was not her first language. She tried to get experience in retail but struggled to get work. She recently started the Prince’s Trust Enterprise Program, which includes a series of workshops on how to start and run your own business and provides mentoring, and would like to run her own retail fashion business.

Tomas was born in Lithuania and moved to the United Kingdom when he was 8 years old. At first, he did not speak any English and had to adjust to a different culture. He said that now knowing different languages is an advantage. He was bored by secondary school and did not take it very seriously. After he was asked to leave college, he completed a railway engineering course but lost his job as his drink was spiked at a university campus. He thought that his life was over and that he had no career choices. Tomas completed a two-week ‘Get into Admin’ course with the Prince’s Trust which completely changed his life. A week after he completed the course, he started working as an administrator for a construction consultancy, Systech International.

“I left school at 16 and the options were not great for me. I did not have anyone who could sit down with me and go through the options available to me. If I had had the help, I might have been able to make a decision. In that time, I was in my shell. Maybe I could have asked for help, but I was insecure and didn’t feel able to ask.”

Khiry

Balqis emphasised that the Prince’s Trust did not hand her things on a plate and that she had to work hard to make the most of her options. The Prince’s Trust did give her the confidence to believe in herself, and to appreciate that she had more to offer than she had previously recognised.

Cardine felt that a lack of work experience has limited her options, as she was given few options and was not in a position to participate in many of them. **Khiry** felt that there was not enough jobs available for school leavers.

Sofia was affected quite a lot as she wanted to be an animal psychologist. There was no support and when she left school and tried to go to college there were not

any courses suitable for her to study animal psychology as she just had GCSE. Because of her mental health she found it hard to stay in classes and the college did not understand why. She left school when she was 15.

Sonic could not do what he wanted to do. He wanted to become a doctor but as did not get the grades couldn't go to university because of the grades he got. There is no way to become a doctor without going to university. He said he has a good job now and worked full time as a salesman and cannot complain with what he has got, but he felt it was not what he wanted to do for the rest of his life. But he was stuck with what he was doing. He was still caring for his mum. He worked full time, normally 40 plus hours per week, plus his caring role.

Vincent said because he was pulled out of the system, at GCSE and A-Level time he was not on the register at any school and that meant he would have had to pay for test privately—each test was around £500. He was therefore not able to take exams due to the financial circumstances of his family. The school tried to take his parents to court for taking him out of school. He now worked quite a lot in his art career. It took a long time to develop to get to the stage he was at, and galleries were starting to become interested in his work. He tried to link in with a lot of charities. He was now happy with where he was but a lot of obstacles got in the way. He went to college to try to get the grades to get into university, but dropped out due to universities tripling their fees, and this led to him becoming an alcoholic.

Sofia said because she left her carer she had no income so once she turned 18 she had to provide for herself. Her rent was expensive so she did not have enough time to work and to go to college to get the amount of money she needed.

Sonic said he would like to find himself something else to do. He would go back to college if he had the money. He said if you got over the age of 21 no one supported you financially and when you were running your own house it became increasing more difficult to warrant paying out for a course at college.

“I feel like I've been given a spade and told to dig and left in that hole, and there's no one there to pick you out.”

Sonic, a young adult carer

Vincent, Sofia and **Sonic** felt unsupported and on their own.

3. What are the jobs and employers for school leavers in your local areas? What do you need to get one of these jobs? How did you find out about them?

Khiry said that developers and local councillors should have the responsibility and duties to create jobs for local people. He felt that although it is often said that this will happen, more could be done to make it the reality. There are a lot of opportunities in his borough, but they seem to rarely go to people who live there.

“They need to create more opportunities for more local people as they know the area better. No discrimination, but local people should be considered first and any jobs which are left over should then be offered to people outside of the borough.”

Khiry, on local employment opportunities

Balqis told us about the scheme offered by Standard Chartered in Edinburgh, called the Edinburgh Guarantee Scheme. Under this scheme, the Company

recruits school leavers to give them exposure to the corporate world. They take on approximately 16 people a year for six months, and if they make a positive impact whilst there, their contract can be extended. Balqis felt that this was an excellent opportunity for these school leavers, and that more companies should look to do similar.

Cardine said that most jobs require six months formal experience at least—in particular for care jobs. She was a carer and had personal experience, but jobs such as ones available in care homes, require formal, hands-on experience. She has personal experience and knows how to wash, clean and control medication but felt that there is a limit on how much personal experience can be used in an interview.

“Basically, most of the jobs require six months experience at least—particularly with care jobs. I’m based in Ipswich. I am a carer and have personal experience, but jobs in care homes for example, require formal, hands on experience. I’ve got years of personal experience and I know how to wash and clean, and medicine control. There is only so much you can talk about yourself and your personal experience in an interview. At the end of the day, the recruiters are always going to go for someone who has experience of similar jobs. I’ve applied for so many apprenticeships. I always seem to get missed: I think this may be to do with my age as I’m 22 and have no prior work experience. I saw an apprenticeship for £400 a month, and that’s all I’m asking for—just to get me started somewhere. I don’t ask for anything else.”

Cardine, a young adult carer, aged 22

Khiry said that a lot of young people he spoke to wanted to do an apprenticeship but that it was hard to actually get into an apprenticeship. When they went to college, the college would say: you need an employer. He wondered how these young people could find an employer without an apprenticeship.

In her home town, **Amber** said that there were a few apprenticeships for school leavers but these were mostly low-level apprenticeships in a fish and chip shop or packing flowers or food in a factory (Customer Service (Level 2)). Her sister, who is 16, is currently working in McDonalds and can’t find real apprenticeships.

Sonic said that jobs in his local area were all part time and zero hours contracts. Full time jobs did not exist. He was lucky to start working part-time at 16 that was part-time weekend work and progressed with the same company.

All three said their lack of education was a big stumbling block.

“If only one person is for you and everyone is against you, you end up breaking down and believing that people are against you.”

Sofia, a care leaver living independently

Vincent said that when he was doing art around age 18 he would attend the job centre, but the job centre viewed an art career as unrealistic as he had no qualifications. They would ask him why he did not get a ‘proper job’. The job centre recommended a part time voluntary job on a recycling plant, which was not what he wanted to do. He wondered why the job centre could not find him anything useful to do. He had no careers advice.

Sofia had a really good careers advisor who supported her but the whole school was against him in the decision to get her into college.

Sonic said careers guidance was limited. Unless you actively sought their help, they would not come to you. He went to a workshop at Connexions who helped him with his CV and help with interviews, which he had not had before.

Sofia told us charities try to help her now because she lives in a hostel. She was now with a charity called Jobs in Mind, which specialises in supporting people with mental health issues. She said that they understood and supported her, and that a worker would travel with her to her meetings if she felt panicked. Some charities are really good but difficult to get in to. Job centres are not supportive. When she wanted to go back to college the job centre worker said ‘who is going to pay your bills?’ so she did not go back to college.

4. What skills do you think employers look for in recruits? Where do you think you can access these skills?

“The interviewer was not looking for experience, he did not care that I did not have qualifications: he wanted me to be able to learn from the experience I was going to get. He liked my personality and said that he felt that I was hungry to learn and that my personality came across well in the interview.”

Balqis

Balqis’ job interview for her current job was arranged by the Princes Trust. On the day, her son was unwell and she arrived at the interview with her children. She received feedback on the interview before she was told she had been successful. She was told that the interviewer felt that attending the interview with her children was a demonstration of her commitment. She felt fortunate that the interview was not looking for experience, or for qualifications, but was looking for the ability to learn from the experience the job offered. The interviewer liked her personality and felt that she was hungry to learn.

Khiry felt that determination was important, and doing research on what the job entails before an interview. **Cardine** said that organisation skills, people skills and Life Skills are important but it depended on what kind of job was being applied for.

“I try to apply the Life Skills to the scenarios. Life skills are useful because they mean you can think about the perspective of the employer.”

Cardine

Balqis felt that her Life Skills helped her get her job. She felt that the skills she had as a mother were identified by the interviewer and translated into the workplace. Her role as a secretary is a first step in her career, and she hopes to use in her future career the Level 3 qualification in education and training she completed whilst volunteering for the Prince’s Trust.

“I’ve got the skills, I’ve got the qualifications to be a team leader and I need to just find the opportunity to be one. I just need the door to open one day.”

Balqis

Khiry initially wanted to do something in horticulture, and then something in customer and retail services. People around him have told him he should be a politician as he speaks with passion about certain issues.

Cardine said that she was really interested in midwifery. She would also like to volunteer with young carers, as similar support helped her when she was younger. If she cannot do this, she would like to work in mental health or social work.

Tomas felt that the level of Life Skills required depended on the job. Employers look for qualifications on CVs and think if someone is capable of study, they are capable of learning on the job. He said that qualifications made the initial sift easier when recruiting. Tomas said that if he could go back he would work harder at his GCSEs and get a degree because it opened more doors. He did want employers to see the other side though.

Kristyn said, depending on what job you were applying for, the most important thing was work experience in the sector.

Amber said that there are now apprenticeships in everything that meant you could be paid £3 per hour. In her first apprenticeship, the whole company, from marketing to payroll, apart from the Managing Director were apprentices.

Vincent said a lot of employers look for qualifications. There was a common misconception that youth are not interested in politics but he has been interested from a young age but there is no information or access. There is no information about the skill set needed to get into politics. Employers like to see A-Levels or that you come from a good school. Someone from Oxford or Cambridge.

Sofia did not believe that employers looked for skills over qualifications. She said employers say recruits need work experience. She did not have any work experience when she was first applying for jobs as she had just left school. Lots of young people complain about not having enough experience and the voluntary experience they have does not count. She had been to a few job interviews recently to help her get over her anxiety. Employers were starting to do interviews with big groups and that was intimidating for some people. She said she was a hard worker when she was in work but at an interview she was quiet and she usually does not stand out.

Vincent said at home he had access to internet and a computer. His school did not do anything to help. The company who managed the school were receiving money for each child attending the school.

Sonic said he had support from his family. Sofia said there was support available in the hostel but a lot of people needed support and some workers were quite judgemental.

Group feedback

5. What would you like to see changed? Broadly, or in reference to any of the questions?

Sonic felt that that there needed to be more support for people through the education system. He thought that many of the people participating in the focus group felt they were let down by the education system, and did not have support from teachers or carers, and that this needs to change.

“There needs to be someone there that we should be able to go to and speak to confidentially, with the confidence that they are going to be able to help us.”

Sonic

Khiry supported this, and felt it needs to change so that the next generation coming through gets a better quality of support when moving from 16-18 and 19 and upwards. **Cardine** said that young people need more awareness in order to make good decisions, and that people like those participating in the focus group should go and speak to schools and colleges. They have had the experiences, and passion, and young people would be interested in hearing from them as they know where they are coming from.

“We are all passionate about these issues, and we are going to talk to them on their level and we’ve been in their situation. We want to make it right.”

Cardine

Khiry felt that advertisement of possible career paths had decreased and a lot of the young people he has spoken to do not know what they wanted to when they leave school. Some felt that they were under pressure to attend university, and others wanted to do an apprenticeship but found it hard to get on to one.

“The society we live in is demanding and puts a lot of pressure on young people nowadays.”

Khiry

Sofia said it was only when she left school and looked into career options that she found different careers, but she still had no idea of how to get there. She said schools did not have knowledge of different careers. There was nothing very different from the ‘norm’ in school in terms of options, she had to wait until she went to college but then it is extremely scary.

Tomas said that a lot charities work with people after they have left school but it is too late. It is good that they provide support but a lot of it lacks personal development. There isn’t much practical learning in schools, it is mostly theory, and there is not much choice. It is how to build someone else’s business. You need someone to sit down with young people, in a confidential manner, and ask what they want to be. Teachers can see whether students are more practical or theoretical but because teachers don’t have a choice they tell students to get back into the classroom.

Vincent said that whilst he was at school, a lot of people wanted to go on and do something great with their lives: they wanted to be artists, or musicians, something in the creative sector. He felt that the state education system does not support these creative career paths. Instead, the school shut down these options saying they were not viable careers.

6. Was it difficult to get on career paths when you left school?

Khiry felt that it was hard. When he was 19 years old and looking for work, the cuts started. This was when he started to feel the pain of looking for work. He would send his CV and never hear anything. He wanted to do horticulture when he left school. He was passionate about it, and looking for a role in this field at the

age of 18 and 19. He used to send his CV into hundreds of employers and some of them would never get back to him.

“I used to send in my CV hundreds of times, and some of them would never get back to me. It was heart breaking, at least you’d want some feedback.”

Khiry

Balqis felt that as people mature, they realise that their confidence has been broken down by schools. Schools segregate students into three categories: lower level, intermediate level, and then the higher level.

*“In my school all the teachers were only interested in the students who were getting A’s and A*s. the ones who were going to pass 100 per cent. They just left the rest to themselves and so that is what breaks the confidence and self-belief of these people.”*

Balqis

Cardine felt that she did not have choices at school and she was told what to do effectively. She feels that this has still affected her now. She is 22 and left school when she was 16. The advice she was given made her think because she was a carer that was all she could do. This knocked her confidence and she felt that caring is her only thing as she is known as someone who cares for her mother. She felt that she should not be made to feel like that. She felt that it affects people if they do not have the right choices in places and the right support in life. The repercussions of these choices will have a long term impact.

“You get to a cutoff point at 19 or 21 and then bish bash bosh, that’s it, you’re done.”

Cardine

Sofia said that a lot needed to be changed in the Jobcentre. She felt that they were worse than schools in suppressing people. When she went to the Job Centre, and wanted to go back to college, they said to her “what are you going to do about money, isn’t this a stupid decision?” This tore her down and made her think they were right that she should not go back to college.

Vincent is working as an artist, and has got quite a good career going as an artist. When he went to the Jobcentre and looked to apply for jobs in the arts sector, there were none available and he was told by advisers that it was not a viable career. Instead he was told to look to recycle tin cans. He was offered job placements sorting through trash at a recycling centre.

Khiry felt that dealing with the Jobcentre was depressing. He said that they should not be giving the advice they are giving as it can damage someone. It starts from the top and works its way down. He felt that when you go in, they need to sit down with you and ask what is going on. They see only a small circle of your life. They get you on their books and want you off them. This is where he has a lot of respect for charities like the Prince’s Trust. They sit down with people, understand what their life was and where they are coming from, and ask what they can do to help that individual. A lot of people had told him about bad experiences with the Job Centre. When you go in there they don’t want to sit down with you and ask what the problem is. He saw it as two circles. The small one was what you want in your

life. The big one was outside problems. He felt that the Jobcentre did not care about the big circle and your outside problems. All they cared about is their job and what they have to realise is that people have outside problems, and once that gets fixed, you can start focusing on other things.

Khiry felt that local employers and job opportunities in local areas are essential. He lives in Haringey, and right now they are trying to regenerate it. It is meant to give local jobs for local people but he thinks that this not going to happen. Those local jobs will not go to local people. They will most likely go to people outside of the borough. There is not much local opportunity in Tottenham. **Tomas** said that they tend to outsource them like in East London and the Olympic Village. He felt that there was a focus on London and it is a problem that people there cannot get local jobs but you cannot only focus on it. He said you feel so far away from starting yourself a career if you are outside of London.

Amber grew up in Lincolnshire. All the jobs there are factory jobs, field jobs or retail jobs (McDonalds, Costa). She works in marketing and could not do this in her home town. She has to be in London to do what she does. Amber said that there was a massive job shortage outside of London for career jobs. **Tomas** felt that jobs need to be outsourced from London and connected somehow.

Khiry said he sees a lot of job losses in factories. Once it has gone, where are the jobs locally for those people? There are no opportunities outside of London. At the same time, when you are in London, there needs to be more opportunities in the local area, because he did not think there was enough.

Vincent got pulled out of the state education system in year 9 and put his time and energy to focusing on building career as an artist. He did not get a lot of support from the education system.

“Where I got to where I am now is through my own determination, and dedication towards it. It has taken a long time now and now I’ve got galleries interested in my shows and I’m selling my paintings for a reasonable amount of money. It has taken a long time for me to get here and I’ve received little to no support whatsoever.”

Vincent

Tomas got onto an administration course with the Prince’s Trust, and a year and three months later he is still at Systech International (Construction Consultancy). He continues to develop his skills, he plans on studying and getting into internal recruitment. He believes that timing is important and with confidence, professional and personal development will come naturally.

APPENDIX 5: NOTE OF COMMITTEE VISIT TO LILIAN BAYLIS TECHNOLOGY SCHOOL: WEDNESDAY 4 NOVEMBER 2015

On 4 November 2015, the Committee visited Lilian Baylis Technology School, a community secondary school for students aged 11–19 in Kennington, London. The following members attended: Baroness Corston (Chairman), Lord Farmer, Lord Holmes of Richmond, Baroness Howells of St Davids, Earl of Kinnoull, Baroness Morris of Yardley, Baroness Sharp of Guildford and Baroness Tyler of Enfield. Three staff accompanied the Committee: Emily Greenwood, Luke Hussey and Morgan Sim as well as Professor Ann-Marie Bathmaker (Specialist Adviser).

The purpose of the visit was to meet three groups of students. Two groups consisted of Year 10 and Year 11 students who did not plan to take A-Levels. The other group was made up of students in the school's sixth form who were studying BTEC⁵⁶⁵ qualifications. The Committee also met senior staff of the school who had responsibility for the sixth form and for career guidance.

The students were asked about the options available to them when they left school, how they were supported in making decisions, what part work experience played in a successful career, what careers were on offer in their local area, and what skills they thought employers wanted.

Year 10 students

Some students had a firm idea of what they wanted to do and some did not know. There was an even split between students who planned to continue their studies in the school's sixth form and those who intended to leave and go to college. In general, students spoke about their final destination being university and were optimistic about their future. All students in the group felt that the school prepared them well for employment—and developed skills such as team working. But they said that not many employers came in to school to talk to them about jobs.

The options for careers that the students were considering were varied. They included football coaching, working in a sportswear store, studying mechanical engineering at university, Business and Spanish A-Levels, BTECs at college, and sports college.

Students explained that the school had a scheme called Omnicom which was linked to Disney. This was project work and the students were split into six teams and tried to create insights for a new film. Four internships were given out at the end.

They thought that communications and presentation skills were particularly highly sought for by employers.

Year 11 students

Most of the students had an idea of what they wanted to do when they left school. One student said that the advice in school had been helpful but you had to know who to ask. Another student had spoken to their careers advisor about college but they did go into a lot of detail. Personal tutors at the school would keep them up

⁵⁶⁵ The BTEC (Business and Technology Education Council) Level 3 Extended Diploma is a secondary school leaving qualification and vocational qualification taken in England, Wales and Northern Ireland. The qualification is organised and awarded by the Edexcel within the BTEC brand and it is equivalent to A-Levels.

to date and could give them a heads-up on what they need to do. The students mentioned that there people from outside the college would come in to talk about careers. The year 11 cohort had a smaller mentoring scheme, similar to the 'adopt a student' scheme in the sixth form, which the students found helpful. One student said that their mentor would go over their grades and helped them with time management.

Another student noted that good careers advice needed a high level of engagement.

The options being considered by students were varied. Several had a strong desire to work in developing countries and others to work outside London. The fields of work they were aiming for included sports, entrepreneurialism and architecture. Some wanted to pursue a university degree, in particular in physical science subjects.

Students recognised that work experience helped them to get into the labour market. Several of them had a friend or a relative, or someone somebody knew, who had given them the link to their chosen career path. It was felt that work experience and an initial job might be challenging to require and would require a lot of self-organisation and drive. A priority for some students was earning enough money to contribute to their family income in return for having been supported by their family through their education.

They identified multitasking and the ability to work independently as the skills particularly sought by employers.

Year 12 and 13 students

As with the other groups, some sixth form students had always known what they wanted to do, those who still had no idea, and some who had experienced something that had given them an idea.

A few students were still unsure of where to go for advice but most said they had felt supported in making decisions. One student said that the school pushed the students to decide what they were going to do. The Year 13 Guidance teacher would send students emails each week to remind them of deadlines. In relation to the next steps after A-Levels, the students mentioned that there was a strong emphasis on UCAS and university application process. One student remarked that they had felt pressured into choosing a course that they didn't want to do and that this had limited their options.

Another student mentioned the school's 'adopt a student' scheme, described by the Year 11s. Mentors could assist students in a variety of ways, including support with writing their CV and personal statement and, in some instances, offered students work experience. Her mentor was a CEO of a law firm and had connections to people in the industry that she otherwise wouldn't have had access to.

Students recognised that work experience helped to get into work environment and the local labour market. They differed on the value of the work experience they had undertaken, with some feeling it was not relevant to their aspirations.

The students identified communication skills, confidence, wearing professional work clothing, the ability to work in a team, and time management as being particularly sought by employers.

Session with staff

Following on from the session with the students, the Committee took part in a roundtable discussion with five members of staff from the school, including the Deputy Head teacher (sixth form) the Year 12 Guidance teacher, the Head of Careers, the Year 13 Guidance teacher and the Deputy Head teacher (Information, Advice and Guidance).

The discussion explored the following themes:

- (i) The challenges facing the group of students who are ‘middle attainers’ and who will not follow the A-Level/University route.
- (ii) The preparation of students for the world of work, which could include the provision of work experience; the teaching of employability and Life Skills, and of careers advice (and the challenges in successfully delivering it, the appropriate time to deliver it, and the nature of it).
- (iii) Schools and colleges working together to support transitions between institutions and transitions into employment.
- (iv) Business engagement with schools and the curriculum.

It was noted that the priority for the middle attainers was to ensure that they were not held back by having inadequate levels of literacy or numeracy, measured by getting a C GCSE which would open the door to university, an apprenticeship or a good job. Otherwise they were at risk of becoming NEET, with lifelong implications.

The approach to careers advice was discussed and the need for it to be proactive but also tailored to the needs of the individual was noted. It was easier in a small school to devolve the delivery of this advice and support to an individual operating on their own. In these circumstances they were more likely to get to know students well and for the students to feel comfortable talking to them.

Apprenticeships were thought to be quite hard to obtain. The teachers underscored the value of relationships which the schools had with providers of work experience. The school placed great emphasis on an access project which provided free tutoring to help students raise their grades in order to apply for the more competitive university places.

Last year 60 out of the 66 students had gone on to university.

Although in most FE colleges, students were able to do either BTECS or A-Levels, at Lilian Baylis they could do both.

APPENDIX 6: NOTE OF COMMITTEE VISIT TO DERBY: TUESDAY 24 NOVEMBER 2015

On 24 November 2015 the Committee visited three sites in Derby:

- The Roundhouse Campus of Derby College, which is one of the UK's largest Further Education providers, supporting around 26,000 learners each year;
- The International Centre for Guidance Studies at the University of Derby. This is an applied research centre specialising in careers guidance, career development and employability skills; and
- The Apprenticeship Academy at Rolls-Royce Learning and Development Centre, which was established as a centre of excellence on the basis of matched funding by the Skills Funding Agency and Rolls-Royce.

The purpose of the visit was to explore the relationship between local schools and employers, and to assess how they were working together to meet the needs of people aged 14–24. The following members of the Committee attended: Baroness Blood, Baroness Corston (Chairman), Lord Farmer and Baroness Sharp of Guildford. The delegation was accompanied by three staff: Emily Greenwood, Luke Hussey, and Morgan Sim.

Session with students at Derby College

The Committee talked to local students at Derby College to learn about what careers guidance they had received; and explored the extent to which their aspirations were being met.

Options available after school

Some students said that they had always known what they wanted to do. Others still had no idea and some described themselves as 'lucky' to have been given advice or experienced something that had given them an idea. Some had discovered that they enjoyed courses, for example in computing, only after having chosen their options. Others had found the option to study something vocational and industry-related, for example in construction, a life-changing experience. It was thought to be possible to get good apprenticeships if the student was willing to put the time and effort into applying.

Some students reported pressure from their school to stay on in sixth form. Others expressed concern at the lack of understanding of students with caring responsibilities or mental health problems. When assessing work options, the need to travel significant distances posed problems.

Support and guidance

Some students felt well supported in making decisions and some said that they had received little guidance. It was generally felt that careers advice in schools was lower level and more basic. Others commented that careers guidance was given in PHSE lessons, in a group, which meant it was not taken seriously and was of little use. One-to-one advice was only given if people had a difficulty in deciding what they wanted to do. It was delivered on a voluntary basis, with the onus on the student to make an appointment. There was a general sense that the College had been more proactive than schools in encouraging students to engage with careers tutors.

Work experience

Students in both groups recognised that work experience helped to get into a work environment and the local labour market. They said it helped them get to grips with work and added to their CVs. Work experience was important to show aptitude for specific industries. Those studying A-Levels said that they had to find their own work experience. One student in particular struggled to find relevant work experience and eventually his father found a placement for him.

The students thought that the skills sought by employers depended on the type of job. Factors identified included a positive attitude and a work ethic, knowledge and competence in the relevant area including technical skills. Other skills, including communication, punctuality and team working were also important.

The International Centre for Guidance Studies, University of Derby

The Committee met staff at the International Centre for Guidance Studies (iCeGS), an applied research centre that specialises in career guidance, career development and employability skills, based at the University of Derby.⁵⁶⁶

The Committee discussed the role of career guidance in supporting social mobility. In a recent study for the Sutton Trust⁵⁶⁷, iCeGS undertook detailed case-study work with 14 schools which held a Quality Award⁵⁶⁸ with the aim of defining the necessary ingredients for effective career guidance.

Careers Guidance

People needed access to careers guidance throughout their lives. The transition from school to work had lengthened and continued to lengthen. There were now a number of different pathways, and while this was not unique to the United Kingdom, many people would not start their careers until their early twenties. It was considered that entitlement to support was unclear.

Since the 1980s, there had been lots of different initiatives and schemes, with very little coordination. Schools could approach a number of organisations for support, such as STEMNET, Careers and Enterprise Company. Ideally there should be two levels to good careers guidance: something outside of schools that brokered links with employers and the local labour market, and something inside schools and colleges so that pupils were learning about work at the same time as studying. Schools needed to have people at their disposal who were plugged into the local labour market.

It was noted that there was a very weak requirement on schools to deliver work experience. The views of the head teacher were seen as important in determining how much a school invested in careers guidance and who was responsible for its delivery. Its delivery was very fragmented, with many organisations trying to get into schools; it was confusing for schools and employers. Practice between different

566 The Committee met Prof Tristram Hooley (Head of iCeGS), Dr Siobhan Neary (Deputy Head of iCeGS), Jane Artess (Principal Researcher), Dr Claire Shepherd (Researcher), and Professor Kathryn Mitchell, Vice-Chancellor of the University of Derby.

567 Tristram Hooley, Jesse Matheson and A.G Watts, *Advancing ambitions: the role of career guidance in supporting social mobility*, (London: The Sutton Trust, October 2014): <http://derby.openrepository.com/derby/bitstream/10545/333866/1/Advancing%20Ambitions%20-%206.11.14.pdf> [accessed 22 March 2016]

568 Schools which have been assessed by an external organisation as meeting a certain minimum standard of careers guidance. The delegation heard that approximately 25 per cent of schools held some form of award.

institutions varied greatly and it was considered that increasing competition between schools and colleges for funding had reduced collaboration between them.

It was noted that there was no single agency with responsibility for ensuring that schools delivered a good quality of careers guidance. It was a relatively small part of the inspection framework. Although there were a variety of forms of support, there was not much of a ‘trigger point’ for the school becoming aware that what it was doing was not good enough. If a school had disengaged or was doing the bare minimum, there was no one to pick it up in a regulatory role.

Work experience

The work experience offer was considered to be weak, it was noted that statutory responsibility for schools to provide work experience was removed in 2012. Providing good work experience was difficult for schools without a tradition of working with employers. Responsibility tended to be placed on individuals and their families; some schools framed their offer of help as being available to students only if they cannot find anything themselves.

If schools were required to put more information in the public domain, employers would more easily be able to find out who to speak to. Kent had a good brokerage system, which sat between business and education.

Data

Whilst destinations data was useful for schools and parents to understand where students went, iCeGS stressed that caution should be exercised in using it as a sole metric as there were a number of contextual factors that could lead someone to be successful in workplace. It should form part of a “basket of measures rather than whole measure”.

Apprenticeships

Some apprenticeships had clear progression through the apprenticeship programme. There was probably insufficient research around apprenticeships in terms of their relationship to career development and the opportunities they offered when compared to university route.

The six week apprenticeship had become less common. The Richard Review was seen as critical in moving apprenticeship standards on. Length was not the only issue but was important. It was considered that the one year rule was a good step forward.

Funding

The current funding structure was confusing for schools. The Careers and Enterprise Company had a significant pot of funding and may have innovative ways of working with young people. The current funding structure prioritised links between schools and business, but was not coordinated in a logical way.

Rolls-Royce

The Committee then visited the Rolls-Royce Learning and Development Centre in Derby.

Following a short presentation, members engaged in a round table discussion with apprentices, graduates, and senior staff at Rolls-Royce.

Applied learning

Some apprentices said that they had opted for the scheme at Rolls Royce because they preferred an applied learning approach. One said that he could have gone to university to learn the theoretical background to the work but that he preferred to see it first-hand. He thought about both routes and where he would be in four years' time. The apprenticeship scheme would give him four years' experience in a prestigious company. He said that the induction was difficult and challenging, and that the scheme was really competitive to get on.

Another apprentice began working at Rolls-Royce whilst on day release at school in years 10 and 11. He came into Rolls-Royce every Wednesday for two years. Another said that she felt that she was lucky that her school was involved in engineering apprenticeship scheme where she paired with local company for 6–9 months looking into real life project.

Another apprentice came in with not as many GCSEs as the rest—he had 4 at C or above, including Maths and English. He came in at 24, having worked around getting into engineering. He said that he was taken on due to his experience and willingness. As part of the recruitment process, he had to pass the online maths exam before he could progress to the next stage of interviews.

Gender balance

One apprentice had wanted to do an apprenticeship in chemistry with the specialist science team. She said that there were few females on the shop floor, but that she was not treated any differently from the males. She had been the only female out of 50 or 60 in her intake. It was noted that on average the workforce was 13–15 percent female across Rolls Royce but that across the engineering sector as a whole there were fewer than 10 per cent.

One way to address the challenge of attracting more females and minority groups was to promote role models. Whilst 27 per cent of STEM ambassadors were female, 30 out of 60 Rolls-Royce Ambassadors were female. Gender was key but Rolls-Royce also sought to make engineering more approachable for underrepresented groups, for example lower socio economic groups. Rolls-Royce work actively with Teach First and through the U.K. Science prize reached 2000 schools per year. Rolls-Royce employees delivered the equivalent of 60 full time roles in schools. He said that this was not necessarily about promoting Rolls-Royce, but about the sector.

Joining the scheme

One apprentice found the pre-internship to be particularly useful him. He said that it gave him an insight into what engineering really involved. He said that coming into working environment and being treated like an adult, gave him self-confidence. He found that it helped or at least didn't affect his performance in other subjects at school. He put in extra hours in to cover anything he might have missed.

Another apprentice was not actively encouraged at school to do apprenticeship. She said that if they had known, some of her friends would have done one as well. Some of her peers were pushed along the university route.