

Work and Pensions Committee Inquiry into Employment Opportunities for Young People

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Executive Summary

- Given the range of opportunities presented by our country's construction programme, we are clear that there is a real need to help more young people into work and improve the quality of careers advice available.
- Crucially, we need to ensure training programmes in the sector are better linked to the nature of jobs available in order to reduce the drop-out rate for apprenticeships and training courses. To improve the uptake of such courses, we must take a multifaceted approach to the issue by focusing on building greater awareness of the opportunities available whilst simultaneously introducing measures which boost their appeal.
- Improving the quality of the careers advice available is paramount if the industry is to overcome some of the skills issues known to exist.

Services for young people

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

Whilst the number of NEETs (individuals not in education, employment or training) has fallen substantially in recent years, their total remains stubbornly high. Data from the House of Commons library estimated 865,000 NEETs alone during the period January to March 2016¹. This figure represents approximately 12% of all young people and is in urgent need of addressing.

Measures to help more young people into work are likely to require an assessment of existing programs, initiatives and trends. Turning to the performance of current programmes, data from the CBI 2015 Skills Survey found the majority of employers regard careers advice in schools as inadequate and not up to scratch. Concerns over the impartiality of advice are also prevalent, particularly as the onus to deliver careers advice is now on secondary schools, many of which already have established sixth forms.

One of the key problems facing construction is its image. The tendency to regard university education as the 'golden route' has seen vocational qualifications branded second-best at a time when data from the CIPD suggests that graduate over-qualification in the labour market is leading to a serious misallocation of resources; data suggests 59%² of graduates are employed in non-graduate positions. Not only does this suggest a fundamental rethink in terms of the bodies responsible for delivering careers advice, but a reconsideration for the way in which it is delivered.

As part of its drive to encourage more young people to consider a career in the construction industry, the CIOB has developed lessons plans using the popular building block game, Minecraft. The plans, which are designed for use in secondary schools, aim to improve

¹ House of Commons Library (2016) [NEET: Young People Not in Education, Employment or Training](#) [June 2016] Briefing Number:06705

² CIPD (2015) [Over qualification and Skills Mismatch in the Graduate Labour Market](#)

understanding of building processes and improve communication, team-working and leadership skills. With Minecraft attracting millions of users worldwide, there is a clear opportunity for the construction industry to become more innovative in the way it connects with the next generation of built environment recruits. Using online games to interact with school children presents an interesting avenue of discussion for policymakers and educationalists and is likely to be more appealing to younger persons.

Research on the number of NEETs also reveals profound differences in resource allocation and funding. Whilst a number of studies have identified varying types of NEET, the statistics show that individuals not in education, employment or training, but who recognize the value of education are among the easiest to help into work. This suggests a careful consideration of resources is needed to ensure individuals who are willing to work receive the help they need.

- **What is the likely impact of the end of the Youth Contract on labour market prospects for young people who are NEET (not in education, employment or training), and is action required to mitigate this impact?**

Assessing the impact of the decision to discontinue the Youth Contract will remain difficult for policymakers to assess. This is a result of the changes coinciding with fluctuations in government policy. Among the changes is the government's commitment to introduce three million new apprenticeships over the course of this parliament, via the implementation of the apprenticeship levy, to help bolster levels of training and development. The changes also include a commitment to enshrine the term 'apprenticeship' in law and require employers to form consortia groups to devise standards for the new Trailblazers.

Given the Youth Contract comprised apprenticeship grants and work placements, the decision to discontinue the scheme is likely to have profound changes on young people. However, a precise measurement will be difficult to quantify for the reasons outlined. For this reason, policymakers should observe the effects of the changes announced by the government - including the introduction of a statutory apprenticeship levy and Trailblazer standards before making any such commitment or announcing action to mitigate the consequences.

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

NA

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

Studies from the UK Commission for Employment and Skills (UKCES)³ suggest that one of the most common attributes frequently sought by employers during the interview process is motivation. Interestingly, the data reveals that this attribute is the one most employers report missing during the selection process. For this reason, Jobcentre Plus should look to strengthen their training programs by focusing to a greater extent on interview technique so that applicants have an in-depth understanding of what employers look for in potential recruits.

³ UKCES (2016) [Employer Skills Survey 2015: UK Results](#). Evidence Report 97.

Jobcentre Plus Support for Schools

- **How effective is Jobcentre Plus Support for Schools likely to be in enhancing young people's career prospects?**

The extent to which Jobcentre Plus is supportive is subject to debate. Whilst measures which help more young people into work are undoubtedly positive, it is necessary to recognize the boundaries of this support. For examples, whilst measures which include CV writing and workshops on interview technique represent a step in the right direction, they do little to address neither job competition nor the number of applicants applying for each position.

It is important, therefore, to remember that the support provided by Jobcentre Plus or similar organizations is not a creator of jobs *per se*. The measures provided will only be successful when introduced alongside factors which help to create jobs, such as industry investment and strong economic growth.

- **Are there any areas of potential tension between Jobcentre Plus advisors in schools and current school career advice provision, and if so, how could these be overcome?**

The CIOB is not aware of any potential tensions arising between Jobcentre Plus and secondary schools. However, as noted previously in this response, data on the current impartiality of careers advice in secondary schools with sixth forms suggests that careers advice focuses to a much greater extent on A-levels, as opposed to vocational courses or apprenticeships. This is likely to create a source of tension as schools with sixth forms are shown to have a potential conflict of interest which draws the reliability of the advice given in schools into question.

- **How can DWP ensure that schools engage with the initiative, and how should its impact be monitored?**

The DWP should encourage schools to participate in local careers fairs. It should also encourage employers to play a greater role in the provision of careers advice.

Support beyond Jobcentre Plus

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

To ensure an efficient integration with other services, Jobcentre Plus should work closely with professional bodies and local authorities to help meet regional skills need. Jobcentre Plus could also encourage schools to turn 'in-service' days into careers days to encourage coordination within the education system.

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

Government should prioritise measures which strengthen the relationship between employers and educational establishments. As part of the measures, employers should be encouraged to form strong relationships with local schools and education providers to help improve awareness of the career opportunities available locally. Careers fairs, work experience placements and internships could form part of this portfolio.

As highlighted in the [CIOB's report into construction productivity](#) from May 2016, we also recommend that the Government to promote, through incentives, 'clusters' of construction-related businesses in key regions, each to act as a hub for excellence. They would be akin to specialist business parks with a remit to create greater links between businesses delivering goods and services for the built environment. These would be encouraged to forge deeper

ties with local schools, colleges and universities which will, in turn, enhance the skills-base of the sector.

Longer-term labour market prospects

- **How do changes in job quality and availability since the crisis affect young people? How is the decision to exempt young people from the National Living Wage affecting their experiences of employment?**

NA

- **What is likely to be the impact of any forthcoming economic uncertainty on young people, and how should the Government best seek to protect them from this?**

NA