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Dr. John Sentamu

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The Work and Pensions Committee,
House of Commons,
7 Millbank,
London SW1P 3JA

13th April 2012

Dear Sir/Madam,

**YMCA England response to the Work and Pensions Committee's inquiry on
'Youth Unemployment and the Youth Contract'**

The YMCA is a major provider of a whole range of employment and training programmes to help young people into work. These include apprenticeships, vocational training, training courses, informal education and volunteering opportunities. YMCA Training is one of the UK's largest voluntary sector training providers with more than 50 training centres across the country offering opportunities to over 18,000 young people and adults every year.

YMCA George Williams College develops innovative programmes and resources supporting the needs of workers and managers. Courses include youth and community work, informal education and working with homeless people. YMCA George Williams College offers the chance to study at pre-qualification through to doctorate levels.

In addition to the work of YMCA Training and YMCA George Williams College, a number of YMCAs have also integrated education and training provision into their day to day work and operate as local providers. Examples of this would include the Halton YMCA Community Academy and the Plymouth YMCA Community Learning model.

Following the publication of the Work and Pensions Committee's inquiry, the YMCA national body, YMCA England, carried out a consultation of the 135 YMCAs across England on youth unemployment and the Youth Contract. Their comments and feedback form the basis of the response.

1. *Are young people obtaining the right skills at the right qualification level?*



- 1.1 It is important to recognise that a significant number of young people are achieving the right skills at the right qualification level in order to be prepared for working life. However a number of young people are still leaving school with low achievement levels. A recent CBI report reflected on employers concerns at the low achievement levels in English and Maths among young people which are impacting upon their suitability for employment¹.
¹ Building for Growth: Business Priorities for Education and Skills, Confederation of British Industry, 2011
- 1.2 Practical based learning has an important role to play with a positive impact on developing the skills required for employment for young people. It is this type of practical and more creative approach which is needed to engage those who are not achieving the basic standard level of English and Mathematics.
- 1.3 It is essential that before training young people that they are given the right information and opportunity to understand what areas of work are open to them and meet their aspirations. It is not sufficient to simply train young people in, for example, business administration skills if this is not the career path they wish to follow. There is a need to broaden the opportunities and diversify the skills that young people are taught to ensure that they are not equipped with skills in an industry that is not sustainable or in one which they do not see a long term future for themselves.
- 1.4 The current educational system does not allow young people to apply themselves to different vocational opportunities. Therefore when attempting to find different types of employment young people do not fully have the necessary skills that are required by employers.
- 1.5 How a young person obtains the right skills is not solely the responsibility of the educational system. It is important to note that often low educational achievement is part of wider social and/or family based issues. The role of the family is crucial in developing the right environment that is conducive to learning. When this breaks down organisations like the YMCA can assist young people not only to obtain the right skills, but also to provide the safe and stable environment for them to thrive and build confidence in.
- 1.6 Projects which aim to equip young people with skills should be more varied. Those delivering such programmes should implement projects based on the needs and aspirations of young people, not those which are administratively and practically easier to implement for providers. Young people should not be confined to the geographical area where they live when looking for work.
- 1.7 In reality though for those who do not go into higher education they will typically tend to be less socially mobile. Under these circumstances there should be a better knowledge on the requirements of the local job market and the skills employers are most looking for.



2. Do young people's skills match the requirements of the labour market and job vacancies?

- 2.1 The YMCA does not believe that young people's skills are fully matching the requirements of the labour market and job vacancies.
- 2.2 The YMCA feels that the type and quality of training and skills being delivered by some providers does not fully reflect the needs of a local job market. The labour market is a constantly changing market and some training and skills providers are slow to adapt and meet these changes. Indeed in many cases the criteria against which providers' performance is assessed will be based less on matching the right skills to the labour market and more on other factors like attendance.

As a result, young people can emerge from programmes with skills that no longer fully meet the needs of employers. Where some providers are meeting the demands of the labour market there is sometimes too much of a 'here and now' approach, with focus primarily directed to the immediate demand (resulting in an over supply of particular labour) and little understanding of emerging trends and how this should impact upon future skills and training development.

- 2.3 In order to equip young people with additional skills for the labour market the focus towards young people should not solely be about providing them with interview techniques and CV training. It should instead be equipping them with entrepreneurial skills and allowing young people to have the confidence and support to experiment with creating and running their own businesses. To this end YMCA England welcomes the recent Government announcement of Enterprise Loans to help aspiring and entrepreneurial young people.
- 2.4 Proper and meaningful work experience programmes positively help young people gain entry into job opportunities. It also provides them with skills training in order to develop within the workplace. The YMCA, as a provider of a number of work schemes, has seen first hand the skills and confidence of young people increase through such schemes.

3. Are there regional variations in youth unemployment?

- 3.1 Yes – there is significant regional variations in youth unemployment levels. It should be noted however that this is not a feature specific to youth unemployment and these differences tend to mirror the variations in general unemployment levels in different regions.
- 3.2 Two key factors have led to these variations. Government policy over a generation has resulted in uneven job reduction and creation across the country – with a higher degree of job creation in some parts of the country with reductions in traditional industry employment elsewhere.



- 3.3 The second factor relates to ease of mobility. Ideally young people would be able to move across the region or country to train or work, but the housing and benefit systems place considerable hurdles in the way of mobility.
- 3.4 Young people should be able to move more freely around the country to find work and opportunities most suitable to them. The YMCA would strongly argue for housing and welfare policies that would enable young people to be more flexible on where they live without facing disadvantage through the housing and benefit systems.

4. *Are young people receiving adequate careers and education advice?*

- 4.1 The YMCA believes that the level and quality of advice for young people is mixed. The quality of advice in regard to educational opportunities is generally good but this is not the case in regard to other forms of career opportunities where the quality can vary considerably.
- 4.2 The downsizing of the Connexions service has reduced the scope for young people to be able to access information on careers. When Connexions was first launched many schools effectively closed their careers services. As a result they are now under skilled and resourced in this area. With this, together with the current state of youth unemployment and the complexity of the labour market, the YMCA believes that schools should not be the sole primary deliverer of careers and education advice.
- 4.3 It is important that the independence of the guidance is maintained and that a non-academic progression route is given as significant a status as an educational one. Investment in appropriate skills and training for those tasked to advise young people in these areas is required - it should not simply be carried out by staff who have the time to do it but by those who have the relevant knowledge and expertise to properly advise young people.
- 4.4 Parents, professionals and young people themselves will play an important role in ensuring the right decisions are made around their future. In order to support all those involved 'career hubs' should be created where all concerned can be provided with the right information about the options available.
- 4.5 There are still some areas in careers and educational advice that are currently underdeveloped - the traditional trades are an example of such underrepresented career choices. Young people should be aware that they may not necessarily have one career path throughout their working life and therefore having a diverse range of skills is an advantage. An increase in the number of opportunities to engage in work experience activities would enable young people to get a better understanding whilst they are in education about the workplace and the opportunities available.



5. *Why do employers appear to prefer to recruit older workers?*

- 5.1 Older workers on the whole would tend to have more experience and skills in the workplace and employers perceive that it is easier to integrate older workers into the workplace. In the current economic climate and particularly for older workers nearing or passed retirement age, this can be achieved without employers incurring significantly higher wage costs compared to employing a young person.
- 5.2 Young people can suffer from an 'image problem' among some employers. There is a perception among some employers that older workers will work harder, be more reliable, deliver better customer service, stay longer and be more loyal to the organisation. In recent years certain well covered cases such as B&Q employing retired individuals on the grounds of better performance has reinforced this perception; whilst events such as the 2011 riots has deepened the perceived negative image of young people. In reality it is questionable that evidence actually supports the view that older workers are better than young workers in either performance or attitude.

6. *Is the design of the youth contract an adequate response to over 1 million NEETs?*

- 6.1 The Youth Contract is to be welcomed given the context of the current economic climate. The longer any young person is unemployed the more difficult the transition back into work.
- 6.2 The Youth Contract will reduce the overall level of NEETs but some concern that the Youth Contract will not fully assist those where significant additional support will be required to get a young person into work – for example, young people with disabilities.
- 6.3 The design of Youth Contract primarily focuses on 'numbers' and reducing the number of young people out of work. Long term sustainability must also be an important factor; ensuring that once young people are not only in work but the jobs are 'real' in the long term, meet their aspirations and offers them the right opportunities.
- 6.4 The Government will need to ensure that robust monitoring arrangements are in place to check consistent standards are being met through different providers and areas of the country.

7. *Is the proposed mix of job subsidies, apprenticeships and work experience adequate and how can they be targeted to help those most at risk of long-term unemployment?*

- 7.1 The current mix is a positive one which should give young people more options to get into the world of work. However additional action should be



taken to ensure more focus on the traditional 'trades'. The current apprenticeships which are being announced are tending to focus towards business, administration and retail, and the YMCA would like to see this base widened further.

- 7.2 It is widely acknowledged that the longer a young person is unemployed, the more difficult it is for a young person to find and keep a job. Any approach to job creation programmes must recognise the additional barriers that need to be overcome in order to support a young person to gain and retain employment. These would include such things as confidence building and motivation right through to developing basic expectations within a workplace. The YMCA would therefore support an 'added value' approach to contracts where providers are rewarded where they have taken on and successfully worked with those young people deemed as higher risk and harder to reach.
- 7.3 The YMCA would support a 'mentoring' scheme where those most at risk of long-term unemployment could be given a young employed person to act as a mentor. This would enable individuals who are at risk of long term unemployment to get assistance from a fellow young person who understands the emotional as well as practical issues in trying to find work. In more extreme cases, this may include full life mentoring including picking people up, taking them to work and supporting them to stay there.

8. *How to maintain and encourage good local partnerships in relation to work programmes and employment schemes?*

- 8.1 Good local partnerships are important but it is equally important that there is clear and accountable leadership in the delivery of work programmes and employment schemes.
- 8.2 Young people should not only be users of the programmes/schemes but should also play an integral role in their creation and evaluation. This would enable them to be fit for purpose from the perspective of the user.

Yours faithfully



Ian Green
Chief Executive

