



Youth Employment Webinar

Joint event between the APPGs for Skills & Employment and Youth Employment in partnership with the Youth Employment Group

10:30 - 12:00, Thursday, June 18th

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Key contributors

- Facilitator:** Simon Kelleher, Head of Education and Skills, Policy Connect
- Chairs:** Barry Sheerman MP, Huddersfield (Lab and Co-op) / Vice Chair APPG for Skills & Employment
James Daly MP, Bury North (Con) / Chair of the APPG Youth Employment
- Panellists:** Ciara O'Donnell, Youth Ambassador, Youth Employment UK
Sam Windett, Chair, Youth Employment Group / Policy Director, Impetus
Kirstie Donnelly MBE, Chief Executive, City & Guilds
Seema Malhotra MP, Shadow Minister for Employment (Lab & Co-op)
Cllr Bob Sleigh OBE, Deputy Mayor, West Midlands Combined Authority (Con)
Cllr Sean Fielding, Cabinet Lead for Employment, Skills and Digital, Greater Manchester Combined Authority / Leader of Oldham Council (Lab & Co-op)

Summary of key points

1. The scale of the challenge is unprecedented and is greater than claimant figures suggest. Existing educational and labour market inequalities risk being significantly exacerbated
2. We need honesty over the fact that there will not be enough job vacancies for everyone looking for work – job creation must be a key focus
3. Employers, particularly SMEs, require support to retain and recruit young people
4. Imaginative and flexible approaches to education and training will be required
5. Additional powers and resources may be required to provide locally contextualised responses which engage local employers and delivery services
6. Engaging young people in the shaping and design of interventions will be important in ensuring their success
7. Investment in careers guidance and support services will be needed to meet growing demand
8. Policy interventions and reform must focus on creating more demand-led and locally responsive skills ecosystems to ensure education and training routes provide a pipeline into sustainable employment

Actions

- The Youth Employment Group has prepared a letter for the Prime Minister calling for an Opportunity Guarantee. [Please add your signature to this letter here](#). This will remain open for signatories until the start of Parliament's Summer Recess, so please sign and encourage MPs to add their voices.
- Write to your MP and encourage them to table questions and debates on youth employment to raise the profile of the issue.
- Join the Youth Employment Group or APPG to find out more: see contacts at the end of this document.

Panel Contributions

Introducing the webinar, co-chairs **Barry Sheerman MP** and **James Daly MP** voiced their concerns for the prospects of young people in their constituencies, and the importance of implementing national policies which look towards best practice globally and can be tailored towards local circumstances.

“This is a crisis of unemployment that will hurt young people particularly. If we don't get small and medium enterprises up and down our country to say ‘We'll offer an apprenticeship leading to a job opportunity, we'll take on someone new’, we will not crack this.”

Barry Sheerman MP

“We must fight for a national policy that takes into account the impact locally, individual and local circumstances”

James Daly MP

Members of the Youth Employment Group were then invited to provide an overview of the challenges facing young people and the youth labour market, and of approaches which central and local government might take in response to these.

Ciara O'Donnell, Youth Ambassador, Youth Employment UK, conveyed the concern amongst her peers and fellow youth ambassadors regarding prospects for young people in the post-COVID-19 labour market. Results from the [Youth Employment UK Census 2020](#) reveal that 87% of young people were not confident that they would find quality employment in their local area and there is a high demand from young people for greater access to work experience opportunities.

“Not having access to decent work placements leads to too many young people going into an already tough labour market at a disadvantage because they don't have that experience.

Too often progression on to apprenticeships and technical education pathways is down to having the right people around you, and this cannot be right if we are serious about social mobility and supporting people”

Three things that should be at the top of any youth employment agenda:

- Embedded youth voice in policy and decision-making.
- Ensuring adequate and consistent support for vulnerable young people who become NEET, or who are at risk of becoming NEET
- Supporting employers to increase the quality of work and to reduce barriers which currently prevent young people from gaining employment, e.g. the youth friendly employer mark

“Whatever policies are created to tackle youth unemployment, the main thing is that young people are at the centre and their voices are being heard; because when all is said and done, this is being done for them and their futures.”

Sam Windett, Chair, Youth Employment Group and Policy Director, Impetus, provided an insight on the scale of the youth employment challenge in her [presentation](#). Key points covered:

- There are now twice as many young people claiming unemployment benefits as in March, a 109% rise
- 12.8% of the 18-24 year old workforce is currently claiming unemployment benefits
- Around half of young people don't claim benefits when they're unemployed, so the real figure is much higher
- A record low in job vacancies
- This could push total unemployment up by a further 2 million people

Three key groups of young people were identified which may each require a different approach: young people leaving education; young people leaving/falling out of the labour market; young people who were out of work and education prior to the pandemic. Reflecting upon past experience in spikes of unemployment, key lessons learnt include the importance of accurate identification of

the young people affected, personalised support, effective engagement, having a trusted advisor, and employer-focused strategies. [The Group's proposals can be found here.](#)

“To address the crisis the Youth Employment Group are calling for an Opportunity Guarantee which will:

1. Promote job creation by reducing the costs and barriers to employer hiring, and investing in the jobs that we need for the future.
2. Support people into work by doubling the capacity in services that help people access the jobs market, with greatest support for those facing disadvantage.
3. Secure opportunities for young people by guaranteeing that all have the choice of an education place, apprenticeship, or job.”

Kirstie Donnelly MBE, Chief Executive, City & Guilds, echoed the point that tailored approaches for different groups would be required. She highlighted the fact that 32% of young people on apprenticeships have either lost their job or been furloughed, versus 15% of apprentices in the age group 35-45. In light of this Kirsty argued that Government should pay the wages of apprentices to keep them in jobs, preventing young apprentices from falling out of programmes, on to Universal Credit, and then on to a new government-funded skills programme.

“Apprenticeships are vital, but they’re not the only solution, and we do need to start to see wider structural change in the whole skills sector so that we can properly support young people in terms of all aspects of how they get into good careers.”

Prior to the pandemic there was already considerable underemployment. To address this, City and Guilds’ [‘Missing Millions’ report](#) called for the creation of lifelong learning and employment hubs, drawing on already available infrastructure, and positioned in areas of high unemployment and at high risk of job displacement because of AI. As COVID-19 is set to accelerate many of these trends, the government should consider bold measures to help assist job creation and aligned training opportunities. Robert Halfon MP has called for a skills credit, which would restructure the £3-6 billion tax relief already existing for use in youth employment initiatives. Improved access to careers advice and guidance and lifelong learning must accompany this.

In response to the presentations **Seema Malhotra MP**, Shadow Minister for Employment (Labour & Co-op), said:

“This is a moment of profound distress for our country in a way that we haven’t really seen, not just in terms of health but also in terms of the economy. Younger people, low paid workers, ethnic minorities and women have been the hardest hit, the latter partly because they’re overrepresented in some of the jobs that are more likely to have been furloughed.

We are in uncharted territory and we have to be honest about the fact that there are not enough jobs for all the people looking for work.

Labour are calling for a ‘back to work budget’, but there also needs to be an ‘into work’ budget; ahead of the summer recess so we can be prepared for the autumn and the challenges that the phasing out of the furloughing scheme will bring.”

Seema called for a national framework for tackling youth unemployment that focuses on the different and specific needs of young people, and which is delivered locally with local knowledge. Local employment partnerships need to be a crucial part of this strategy.

Labour's Shadow Minister for Apprenticeships, Skills and Lifelong Learning, Toby Perkins MP, has called for efforts to be made to keep young people in skills training, and for the acceleration of decisions around repurposing and replacing existing funding such as the National Skills Fund and the European Social Fund.

Cllr Bob Sleigh OBE, Deputy Mayor, West Midlands Combined Authority (Conservative), outlined the situation in the West Midlands. Initial estimates suggest that the region could lose 30% of its apprenticeships. This would impact several thousand young people in an area with a substantial BAME community, which already has above average youth unemployment.

“Lots of people have had their education disrupted, have been unable to finish their courses and no longer have jobs to go on to. It is therefore critical to engage young people who have left education and are at risk of dropping out of education or the labour market. The WMCA are working with local colleges to try and get young people in over the summer to finish the courses but many will require a new suite of courses to support their long-term education and training needs.”

The West Midlands have been working on bringing together the combined authority, the LEPs, FE providers, and an economic impact group, to understand the needs of the locality and region. Key needs identified include:

- More flexible work-related programmes for 16-18 year olds
- Incentives for employers to take on and retain young people in jobs and apprenticeships through a short-term subsidised wage programme
- A government budget which invests in infrastructure, as this would create a lot of jobs

Cllr Sean Fielding, Cabinet Lead for Employment, Skills and Digital, Greater Manchester Combined Authority/Leader of Oldham Council (Labour & Co-op), emphasised the Combined Authority's historic record of collaboration as an asset in its approach to addressing the crisis of youth unemployment. Over decades the local authorities have improved their data sharing processes, and the GM Apprenticeships and Careers Service (an alternative UCAS service) provides an opportunities hub for young people and employers alike. Similarly, the Bridge GM programme has improved the relationship between businesses who can provide work experience, and schools and colleges who can facilitate this for young people

In addition to this, the GMCA and the Employment and Skills Advisory Panel have also launched a Youth Guarantee to deliver a range of consistent, tangible benefits for young people to support their future learning, wellbeing and economic prosperity. As well as engaging representatives from the local authorities, independent training providers, education providers, local businesses and the LEP to develop the guarantee, the GMCA are attempting to engage young people, particularly those who don't normally participate in things like the Youth Combined Authority or Youth Councils. While there is much that can be done at the local level, Sean said:

“The GMCA are asking government to continue to give us the freedom to tailor a local offer; provide us with the resources and money to do what we need to in order to be effective”

Key points from the Q&A

Creating meaningful and sustainable opportunities:

“How do we make sure any opportunities or guarantees we develop for our young people are meaningful and support their long-term career development?”

Ali, Youth Employment UK, Youth Ambassador

“How can we ensure that job creation efforts focus on high potential and strategic sectors in your areas to raise productivity?”

Lord Aberdare, Cross Bench Peer

There was consensus on the panel that interventions need to be informed by local labour market intelligence and an understanding of the sectors that will grow in your area (to find out [more here about skills mapping](#) see the notes from the APPG’s previous roundtable).

Generally we can see that health innovation is going to be a huge sector, as well as the digital and creative sectors, whereas retail and hospitality are not going to return to the same employment levels as they were before, so apprenticeships based on these sectors will not necessarily provide the best long-term career options. Working with businesses and training providers, using their line into the labour market and what businesses need, should inform locally coordinated and delivered responses.

“Important to understand the sector intelligence, find out what their future demand and labour needs are... We need to look towards the green agenda and employment opportunities in that. Moving out of lockdown, we need to create long-term and sustainable jobs.”

Clr Bob Sleight, Deputy Mayor, WMCA

A dedicated approach:

“Stats show that there are far more unemployed people than vacancies.

We need to come out of lockdown and have confidence in businesses and people to act responsibly, what should our response be?”

Rob Roberts MP, Delyn (Con)

Sam Windett said that apprenticeships are a part of the solution, but we need to look at whether they were working for young people before, and which young people. Crucially, as the job retention scheme winds down, we need something similar to be winding up to support young people into employment.

Other contributors highlighted that some disadvantaged and minority groups are already underrepresented on various training programmes. Projects such as London’s Moving on Up project, focused on employment issues facing young black men, were cited by Dr John Blackmore CEO of Action West London, and participants wanted to know what specific work was being done nationally to improve outcomes for such groups.

The APPG for Assistive Technology is about to begin a [new inquiry into how the disability employment gap might be closed](#) through better use of and understanding of assistive technology.

Apprenticeships:

“It’s fantastic that the Prime Minister has pledged an apprenticeship opportunity for all 16-24 year olds. We already have significant numbers of apprentices on furlough or on a break in learning so any kind of stimulus programme needs to not just focus on driving recruitment and employer behaviour, but also protecting those already in employment who are at high risk of being displaced as the JRS tapers down.

From talking to employers we think a wage subsidy of at least 50% is required to make a difference. On the basis of 500k young people with a wage subsidy of 50% of NMW we would be looking at an investment required of somewhere c£3.5bn.”

Simon Ashworth, Chief Policy Officer, AELP

There was agreement on the panel that apprenticeships have to lead to a job and have to offer progression: Young people shouldn’t get stuck at a low level. The progression element is key piece of learning from past initiatives such as the Future Jobs Fund.

Contributors also raised a number of concerns around the ability of SME and niche apprenticeship providers to respond to demand. A representative from a small third sector organisation called for processes to be streamlined, while another provider said that restricted access to the register meant that many specialist providers operating in growth sectors were having trouble accessing funding to expand their delivery.

Careers Advice and Guidance:

“Many young people have left schools and colleges without a next step plan or work experience. How will the government ensure that they reach all young people who need help this year?”

George, Youth Ambassador

The concern over careers guidance for the current cohort of leavers and future cohorts was shared by many participants, including Jan Elis, CE, Careers Development Institute, who stated that many young people will have nowhere to turn to for this advice with schools and colleges closed this summer. Tristram Hooley, Professor of Career Education, University of Derby, called for career guidance services to be scaled-up and funded over the next few months to prevent them from being swamped and to enable them to help young people (and adults) to navigate the labour market in this difficult time.

Members of the panel agreed that careers guidance was a key part of the skills ecosystem, as argued by Barry Sheerman MP and Sir John Hayes MP, in the Skills Commission’s [England’s Skills Puzzle](#) report. The Skills Commission are soon to launch [a new inquiry into improving careers guidance and support in England](#) with Lord Jim Knight and Nicola Richards MP.

For more information

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