



The **Found**
Generation

Tackling Youth Unemployment and Preventing a 'Lost Generation'.

PRACTICAL SOLUTIONS TO
UK YOUTH UNEMPLOYMENT

Andrew Taggart

July 2014

About Us

The Found Generation is a youth-led, cross-party, not for profit campaign group set up in 2012 which aims to tackle Britain's youth unemployment crisis and prevent the creation of a so-called "*lost generation*" of unemployed young people. We are a group of young people from a range of backgrounds – many of us have personal experience of youth unemployment – and we run The Found Generation on a voluntary basis in our spare time.

Our purpose is to campaign on behalf of young people for local and national politicians to implement a range of policies to reduce and prevent youth unemployment. Our policy proposals fall under four main themes:

1. Encouraging employers in the public, private and voluntary sectors to create more jobs and other opportunities for young people, and making it easier for them to do so.
2. Creating an education system which focuses on the skills, qualifications, careers advice, work experience and networking opportunities to prepare young people for employment or self-employment – particularly at school.
3. Creating a welfare system which gives unemployed young people much greater support to help them into work – particularly through improving Jobcentre Plus.
4. Improving the way youth employment policy is co-ordinated and consulted on in local and national government.

We promote these policies in a number of ways:

- By attending and/or speaking at events on youth unemployment. We have attended numerous events and have joined speaker panels at several events, such as the Oxford Education Conference (2014) and Youth Employment Convention (2014).
- By engaging with politicians and other stakeholders. We have spoken to a wide variety of people about how to tackle youth unemployment – including MPs, Lords, employers, academics, charities/voluntary sector organisations and other young people.
- By undertaking research, developing policy proposals and publishing our proposals. We have provided written and spoken evidence to the British Youth Council's Youth Select Committee on 'A Curriculum for Life' (2013), and to the NUS Commission on the Future of Work (2014).

We also actively promote greater cross-party consensus on youth unemployment across the major national political parties. For example, we were one of the only organisations to campaign for the establishment of an All-Party Parliamentary Group (APPG) on Youth Unemployment in the UK Parliament. An APPG on this subject has since been established.

We are grateful for the support of all our volunteers, supporters and backers. We are also grateful for the support of O2 Think Big.

More information can be found on our website (<http://www.thefoundgeneration.co.uk>) or we can be followed on Twitter at @TheFoundGenUK

Introduction

Youth unemployment is a major problem in the UK and it has been for some time. Economic cycles and changes of Government have had only a limited impact on efforts to tackle the problem and have not got to grips with the underlying issues. It has been well-documented (for example by the ACEVO Commission on Youth Unemployment) that youth unemployment was beginning to rise from the mid-2000s, despite a broadly positive economic outlook at the time.

Although youth unemployment has fallen in recent months, it is still high, and young people are still significantly more likely to be unemployed than adults. The Prince's Trust, the ACEVO Commission on Youth Unemployment, the Work Foundation, the University and College Union and others have all established that high youth unemployment costs huge amounts of taxpayers' money and is highly damaging to our economy, to our society and to the prospects and fortunes of our young people. So there is no cause for complacency – there is a great deal more that needs to be done.

The Found Generation, as a group of young people with an interest in youth unemployment, have researched the issue extensively since we were founded in 2012 and we have also had a range of discussions with MPs, employers, young people and others. In all our research and discussions, we have lost count of how many brilliant ideas we have come across to tackle youth unemployment. However, not enough of these ideas have been implemented by the Government. Even when they have implemented initiatives on this issue, a number of them have failed to live up to expectations e.g. the Youth Contract.

In this report, we therefore propose four specific policy solutions to the Government, drawing on our personal experiences of youth unemployment; and on our months and years of research and discussions on the issue.

These policies will not solve youth unemployment on their own. What we are putting forward is a set of practical, low-cost policies which are backed by evidence; which are supported by a range of stakeholders; and which have at least some level of cross-party support from national and/or local politicians. Each policy is also backed by a set of case studies, where we highlight examples of how our proposals – or parts of them – have already been implemented and the success they have already achieved. These range from the success of the Norwich for Jobs campaign, which has been creating many more jobs and apprenticeships for local young people in Norwich; to the Youth Friendly Badge initiative, which is already winning the backing of numerous MPs, local authorities and businesses in its goal to encourage organisations to be 'youth friendly'.

We believe that these proposals cannot be challenged as being disruptive or difficult to implement, because they are practical proposals which already exist in some form and can be implemented quickly – they do not require an Act of Parliament. Nor are the proposals too expensive, because the evidence shows they are all low-cost policies which could save large amounts of taxpayers' money. The evidence is also clear that these proposals have already been proven to work on a smaller scale and that they have backing from employers; charities & voluntary organisations; academic experts; young people; and politicians – including Government Ministers themselves in some cases.

It is now up to the Government to act on and implement our proposals.

Andrew Taggart
The Found Generation
July 2014

Executive Summary

Proposal 1: Expanding the use of public sector procurement to create jobs for young people

We believe that many more public sector procurement contracts should include clauses which ensure that contractors are encouraged (not required) to employ more young people, and that the contractor will be accountable for this to the public authority with which they are contracting. This could cover apprenticeships or traineeships as well as graduate schemes and permanent jobs.

A single Government minister should be clearly accountable for rolling this out across local and national government and the public sector generally. The wording of these provisions in procurement contracts and any accountability mechanisms should be decided by the relevant public sector body which is undertaking the procurement process.

Proposal 2: Backing a national 'kitemark' to recognise "youth friendly" employers

We recommend that the UK Government should back a national 'kitemark' to recognise all organisations which commit to offering young people a job, apprenticeship or traineeship; or who offer them other opportunities such as work experience/internships, mentoring or speaking in schools. This kitemark should be free to apply for; should recognise and reward good practice where it exists; and should promote the provision of additional opportunities for young people, both within the organisation and to their suppliers, contractors etc.

The easiest way to do this would be to give full backing to the "*Youth Friendly Badge*" kitemark, set up by the not-for-profit Youth Employment UK campaign. The Badge has already received extensive backing from businesses, local authorities and MPs.

Proposal 3: Creating a cross-government youth employment unit or agency in the UK Government, headed by a Minister for Youth Employment

We propose the creation of a cross-departmental unit or agency on youth unemployment in the UK Government, headed by a 'Minister for Youth Employment'. This could be a new ministerial post, like the Minister for Youth Employment position which existed until recently in Scotland, or it could be added to an existing Minister's portfolio, like the UK Government's Minister for Cities role.

The Minister and their unit/agency should both have ultimate cross-departmental responsibility for co-ordinating the Government's policies on youth unemployment and should have all appropriate staff, funding and powers to discharge their duties effectively. This should include establishing mechanisms to properly consult young people on policies relating to youth unemployment.

Proposal 4: Encouraging the creation of more local partnerships – including representation for young people – to co-ordinate the fight against youth unemployment in local areas

We call on the UK Government, MPs and local councils to encourage the creation of more local youth employment partnerships to co-ordinate efforts to tackle youth unemployment in local communities. These partnerships should include local councils, MPs, Local Enterprise Partnerships, Jobcentre Plus branches, employers, educational institutions and voluntary sector organisations. These partnerships should also include representation for young people and local media outlets, and should be offered some funding or have powers devolved to them from the Government if appropriate.

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Proposal 1: Expanding the use of public sector procurement to create jobs for young people

“The public sector should make more use of its procurement spend, requiring contractors to provide apprenticeships for young people or giving them preference over other bidders through ‘social clauses’ in contracts. Some agencies already do this: for instance, Kent County Council will include in contracts worth more than £1 million a requirement that the provider deliver one apprenticeship per £1 million spend on labour.”

ACEVO Commission on Youth Unemployment, February 2012¹

“While we concede that some flexibility is required (for example around the sector and nature of the work contracted), we recommend that Central Government, Local Government and other publicly funded bodies should seek to achieve at least one additional apprenticeship for every £1m awarded through public procurement as a benchmark. We have been told by the TUC that this is current policy in some construction procurement arrangements.”

House of Commons Business, Innovation and Skills Select Committee, October 2012²

“...apprenticeships are central to the Government's plans, and we therefore support the use of public procurement to promote the take-up of apprenticeships where appropriate. This means where such a policy represents good value for money and can be delivered in a way which is flexible, proportionate and not overly prescriptive.”

Matthew Hancock MP, Skills Minister, April 2013³

“I believe that all Departments should replicate the Department for Work and Pensions’ new model procurement contract, which encourages, but does not compel, their contractors to hire apprentices as at least 5% of the work force. That has resulted in the employment of nearly 2,000 extra apprentices who deliver goods and services to the DWP. It is revenue-neutral and should be extended across Whitehall.”

Robert Halfon MP, June 2013⁴

“It is vital that we have more quality apprenticeship opportunities, particularly for young people, especially at a time when nearly 1 million of them are still out of work. Surely it is common sense that the Government and public authorities are uniquely placed to use the leverage of the money they already spend on procurement to help promote skills training and provide new apprenticeship opportunities. This should be part of the procurement process, where appropriate”

Andrew Gwynne MP, November 2013⁵

¹ The ACEVO Commission on Youth Unemployment, *Youth unemployment: the crisis we cannot afford* (2012). Available at: http://www.cesi.org.uk/sites/default/files/event_downloads/ACEVO_report.pdf

² House of Commons Business, Innovation and Skills Committee, *Apprenticeships*, 5th Report of Session 2012-2013. Available at: <http://www.publications.parliament.uk/pa/cm201213/cmselect/cmbis/83/83.pdf>

³ Matthew Hancock MP, *House of Commons Hansard*, 22 April 2013, Column 715W. Available at: <http://www.publications.parliament.uk/pa/cm201213/cmhansrd/cm130422/text/130422w0006.htm>

⁴ Robert Halfon MP, *House of Commons Hansard*, 4 June 2013, Column 135WH. Available at: <http://www.publications.parliament.uk/pa/cm201314/cmhansrd/cm130604/halltext/130604h0001.htm>

⁵ Andrew Gwynne MP, *House of Commons Hansard*, 1 November 2013, Column 1199. Available at: <http://www.publications.parliament.uk/pa/cm201314/cmhansrd/cm131101/debtext/131101-0001.htm>

The challenge

According to a recent report from the House of Commons Public Administration Select Committee⁶, the public sector spends about £227 billion a year of taxpayers' money on purchasing goods and services from external sources. According to the House of Commons Communities and Local Government Select Committee, local government procurement alone covers about £45 billion of this sum – over a quarter of its annual expenditure.⁷ This spending – and the process by which the money is awarded – is called “*procurement*”. Procurement through the Government or the public sector involves a detailed, technical process of specifying requirements, seeking and evaluating bids, negotiating and awarding government contracts and then managing the operation of the contracts.

£227 billion a year is a phenomenal amount of taxpayers' money, so it is important that this money is used as effectively as possible to support the economy, jobs and growth. However, the Public Administration Select Committee argued in its report that “*there is a widespread view that government procurement has not been used to support the UK economy as effectively as possible*”.⁸ In addition, the Local Government Select Committee has argued that although some councils are ensuring their procurement spend supported social and economic objectives such as job creation, many other councils “*were not maximising opportunities to embed social value in their procurement approaches*”.⁹

We agree, and we believe that there is an opportunity to use public sector procurement to support social and economic objectives more effectively – specifically by helping to tackle youth unemployment.

Our proposed solution

We believe that the public sector should do much more to ensure that public sector procurement contracts include clauses which encourage contractors to employ young people, and that the contractor will be accountable for this to the public authority with which they are contracting. This could cover apprenticeship or traineeship opportunities as well as graduate schemes and permanent jobs. This could be applied generally or to contracts above a certain threshold (for example contracts which exceed a total value of £1 million).

Responsibility for ensuring this is rolled out across as many public sector bodies, Government departments and local authorities as possible should be given to a single Government Minister so that it is clear who has responsibility for the policy.

We do not propose a particular set of words to be used in procurement contracts – that would be at the discretion of the relevant public sector body. However, we would suggest that a good starting point would be considering the wording of clauses which are already used by the Department for Work and Pensions, or by local authorities such as the London Borough of Lewisham.

⁶ House of Commons Public Administration Select Committee, *Government Procurement*, 6th Report of Session 2013-14. Available at:

<http://www.publications.parliament.uk/pa/cm201314/cmselect/cmpublicadm/123/123.pdf>

⁷ House of Commons Communities and Local Government Select Committee, *Local government procurement*, 6th Report of Session 2013-14. Available at:

<http://www.publications.parliament.uk/pa/cm201314/cmselect/cmcomloc/712/712.pdf>

⁸ See footnote 6.

⁹ See footnote 7.

Our reasoning

There have been numerous calls over the last few years – from across the political spectrum – for public sector procurement to be used more effectively to reduce unemployment, and particularly youth unemployment. These include:

- the ACEVO Commission on Youth Unemployment¹⁰
- the Work Foundation¹¹
- the UK Commission for Employment and Skills¹²
- the Government's Social Mobility and Child Poverty Commission¹³
- the Labour Party¹⁴
- at least three cross-party House of Commons Select Committees: the Business, Innovation and Skills Select Committee¹⁵, the Public Administration Select Committee¹⁶ and the Communities and Local Government Select Committee¹⁷
- a number of individual MPs - these range from Conservative MP Robert Halfon (see Case Study 1), to Labour MPs Catherine McKinnell and Andrew Gwynne, both of whom proposed Bills in Parliament on this subject¹⁸
- other youth unemployment campaign groups¹⁹

We have drawn on these proposals and also on evidence of where the public sector is taking steps in this area when devising our specific proposal (see our Case Studies). We have chosen to advance our specific proposal for several main reasons:

1. It is reasonable to ask procurement contractors to hire young people in return for receiving large amounts of taxpayers' money

If you are a contractor under a public sector procurement contract, and you are receiving large amounts of taxpayer's money from the Government, both the Government and the taxpayer have a right to expect that this money will be spent as far as possible with the interests of the taxpayer and

¹⁰ See footnote 1.

¹¹ The Work Foundation, *Beyond the business case: The employer's role in tackling youth unemployment* (July 2013). Available at: <http://www.theworkfoundation.com/Reports/336/Beyond-the-business-case-The-employers-role-in-tackling-youth-unemployment>

¹² UK Commission for Employment and Skills, *The Youth Inquiry: Employers' perspectives on tackling youth unemployment* (March 2011). Available at: <https://www.gov.uk/government/publications/ukces-youth-inquiry>

¹³ Social Mobility and Child Poverty Commission, *Social Mobility: The Next Steps* (July 2013). Available at: <https://www.gov.uk/government/publications/social-mobility-the-next-steps>

¹⁴ For example, see Gordon Marsden MP, *House of Commons Hansard*, 12 March 2013, Columns 225-235. Available at: <http://www.publications.parliament.uk/pa/cm201213/cmhansrd/cm130312/debtext/130312-0003.htm>

¹⁵ See footnote 2.

¹⁶ See footnote 6.

¹⁷ House of Commons Communities and Local Government Select Committee, *Local government procurement*, 6th Report of Session 2013-14. Available at: <http://www.publications.parliament.uk/pa/cm201314/cmselect/cmcomloc/712/712.pdf>

¹⁸ <http://services.parliament.uk/bills/2013-14/apprenticeshipsandskillspublicprocurementcontracts.html> and <http://services.parliament.uk/bills/2010-12/apprenticeshipsandskillspublicprocurementcontracts.html>. See also this Early Day Motion (EDM) backing one of the proposed Bills, signed by a number of MPs: <http://www.parliament.uk/edm/2010-12/692>

¹⁹ See for example: <http://www.yeuk.org.uk/wp-content/uploads/2014/04/Campaign-Pack.pdf> and <http://millionjobs.org.uk/wp-content/uploads/2013/09/MILLION-JOBS-MANIFESTO.pdf>

the country as a whole in mind. Encouraging contractors to each play a small part in tackling the national youth unemployment crisis in return for this money is perfectly reasonable.

This is particularly important when the vast majority of employers do not offer apprenticeships²⁰ and only around 1 in 4 of UK employers (27%) offer young people jobs or work experience.²¹ These numbers could be significantly boosted through these proposals and would push the Coalition Government a step closer to achieving their – recently discovered – goal of “*Full Employment*”.²²

2. Our proposal does not require contractors to hire young people – it encourages them to do so

This policy is, as Skills Minister Matthew Hancock MP might have put it, “*flexible, proportionate and not overly prescriptive*”.

Our solution would **not** force or require contractors to offer young people a job or apprenticeship. As our Case Studies illustrate, there are better ways of encouraging or incentivising contractors to offer more opportunities, particularly to young people, without restricting free enterprise – for example by asking contractors and sub-contractors to “*take all reasonable steps*” or to use their “*best endeavours*”.

What our solution will do is incentivise contractors to think about their responsibility to society and to the country, particularly to the young people in the local communities they work in, and will require them to account for their efforts to employ young people to the public body with which they are contracting. The public body supervising the procurement contract could, for example, set a percentage target or some other target for the contractor to aim for. Our Case Studies suggest that this could be an effective policy which would lead to increased opportunities for young people.

3. The policy represents good value for taxpayers

This policy also fits Matthew Hancock MP’s requirement that it “*represents good value for money*”. We fully recognise and appreciate that taxpayers must achieve value for money from public sector procurement and that this is a critical aim of the whole procurement process. But our solution does not compromise this aim – it should incur little or no further cost to the taxpayer (indeed it could be revenue-neutral), and our Case Studies suggest the policy could even save significant amounts of taxpayers’ money in the short-term.

Even if our proposal did cost a small amount of additional taxpayer’s money in the short-term (e.g. due to a slightly more expensive procurement contract), it is worth bearing in mind the longer-term savings to the taxpayer which could be achieved by helping more young people into work. Quite apart from being the right thing to do, on a practical level helping a young person into work reduces the astonishing amounts of taxpayers’ money which are spent on both the direct costs (such as welfare benefits) and indirect costs (such as treating depression or other health conditions) of youth unemployment.²³

²⁰ See for example: <https://www.gov.uk/government/speeches/deputy-prime-ministers-speech-at-the-cbi-presidents-dinner>

²¹ UK Commission for Employment and Skills, *Scaling the Youth Employment Challenge* (March 2013). Available at: <https://www.gov.uk/government/publications/scaling-the-youth-employment-challenge>

²² See <https://www.gov.uk/government/speeches/chancellor-speaks-on-tax-and-benefits>

²³ For example, see the ACEVO Commission’s analysis (footnote 1). See also <http://www.ucu.org.uk/6729>; http://www.princes-trust.org.uk/about_the_trust/what_we_do/research.aspx; and <http://www.theworkfoundation.com/Reports/294/Off-the-Map-The-geography-of-NEETs>

Case Studies

We are pleased to see that some parts of the public sector are already using public sector procurement to encourage contractors to reduce youth unemployment – and apparently without incurring any consequences under EU law (or UK law). Our case studies illustrate how the policy could work in practice.

Case Study 1: The Department for Work and Pensions

In July 2011, the Department for Work and Pensions (DWP) published an Apprenticeship and Skills Requirements Contract Schedule, which makes a number of requirements of DWP contractors. In particular, it requires that the contractor and any sub-contractors to “*take all reasonable steps*” to ensure that at least 5% of their employees are on a formal apprenticeship programme.²⁴

The contractor must also provide an Apprenticeships and Skills Report setting out the numbers of apprentices within 6 months of the date on which the contract begins, and then once a year afterwards. An explanation is required from the contractor if they have not met the 5% target.²⁵

Preliminary data suggests that around 2,000 apprentices have already been employed by DWP contractors, leading to a success rate of at least one apprentice employed for every £2 million of procurement spending by the Department.²⁶

Conservative MP Robert Halfon has argued that the DWP scheme could be expanded to all central Government departments and to local authorities without requiring legislation, and that it would lead to an estimated 120,000 apprenticeships (assuming the local authorities and other Government departments had a similar ratio of apprenticeships to procurement spending compared to the DWP). While not all of these apprenticeships would go to young people (16-24 year olds), he estimates that about 72,000 would do, leading to a cut in youth unemployment of approximately 7%.²⁷

²⁴ See <http://www.publications.parliament.uk/pa/cm201314/cmselect/cmpubadm/123/123vw.pdf> at Ev w117 to Ev W120; or at <http://www.scribd.com/doc/80111605/Public-Procurement-and-Apprenticeships-by-Robert-Halfon-MP>

²⁵ Ibid

²⁶ Ibid

²⁷ Ibid

Case Study 2: Local authorities

There are a number of cases where local authorities of differing political backgrounds have used public sector procurement to help tackle youth unemployment. For example:

- Leeds City Council place employment and skills obligations on contractors in procurement contracts worth over £100,000. This has led to the creation of 82 apprenticeships related to the construction of Leeds Arena.²⁸
- Essex County Council has created at least 200 new apprenticeships using clauses in public procurement contracts, while still managing to cut their procurement spending.²⁹
- Manchester City Council actively encourages businesses within its supply chain to take on apprentices and local unemployed people as part of their sustainable procurement strategy. Over 60 young people have started their working career as an apprentice through working on the Manchester City Council Town Hall extension.³⁰
- Lewisham Borough Council in London requires contractors, suppliers and service providers to use their “*best endeavours*” to provide work placements and apprenticeships for young people in Lewisham³¹ and the council has won an award from London Councils for their work in this area.³²
- Harrow Borough Council in London has created at least 40 apprenticeships in their supply chain since introducing their Sustainable Procurement Policy in 2012.³³

²⁸ The Smith Institute, *Apprenticeships: how local government is making a difference - best practice examples from Labour councils in England* (July 2013). Available at <http://www.smith-institute.org.uk/file/Apprenticeships%20-%20how%20local%20government%20is%20making%20a%20difference.pdf>. See also <http://liambyrne.co.uk/wp-content/uploads/Road-to-Full-Employment-Youth-Jobs-Taskforce.pdf>

²⁹ See footnotes 7 and 24. See also:

<http://data.parliament.uk/writtenevidence/WrittenEvidence.svc/EvidencePdf/1813>

³⁰ See footnote 28.

³¹ See <https://www.lewisham.gov.uk/mayorandcouncil/overview-scrutiny/Documents/InterimReportFairnessOctober2011.pdf> at para 4.13 and Appendix A; <http://www.lewisham.gov.uk/mayorandcouncil/overview-scrutiny/Overview-and-Scrutiny-Reports/Documents/Fairness%20in%20procurement%20review.pdf> at para 5.13 and Appendix A; and <http://www.lewisham.gov.uk/myservices/business/tendersandcontracts/Documents/CodeofPracticeContractors.pdf> at para 2.1.2

³² See footnote 28.

³³ See footnote 7. See also:

<http://data.parliament.uk/writtenevidence/WrittenEvidence.svc/EvidencePdf/1833>

Proposal 2: Backing a national 'kitemark' to recognise "youth friendly" employers

"This all paints quite a bleak picture. But there are sound business as well as social reasons why employers should open up more opportunities for young people. And those employers who do are overwhelmingly satisfied with them. The trouble is that not enough of us are offering young people opportunities – through jobs, apprenticeships or work experience...That's why we are calling for every UK business to adopt a youth policy: the most successful businesses recognise the value of growing their own talent. And most companies can do at least one thing for young people in their community – from offering apprenticeships, hosting some form of work experience, visiting schools to give talks, offering teachers or college lecturers a workplace visit or mentoring a young person."

Valerie Todd, UK Commission for Employment and Skills, July 2012³⁴

"Government should support a kitemark system for employers good at employing and engaging with young people. This would recognise employers who employ many young people, who have youth-friendly recruitment practices, and who make efforts to engage with young people more broadly.

This could be achieved by supporting a third sector organisation in delivering a kitemark system. For example, the organisation Youth Employment UK already runs a system awarding employers a 'Youth Friendly Badge' if they can demonstrate a commitment to supporting youth employment."

The Work Foundation, July 2013³⁵

"...tonight I want to set out this challenge: there are around 5 million businesses now operating in this country and it doesn't take an economist to work out that if we could get just 20% of them to create one new job or apprenticeship in the next 2 years we'd reach our target of a million new jobs. After all, only 100 thousand of those 5 million employers presently even offer apprenticeships."

The Rt Hon Nick Clegg MP, Deputy Prime Minister, July 2013³⁶

"Youth unemployment remains at consistently high levels. In order to have a long-term and sustainable impact on youth unemployment the UK business community must be encouraged to invest in the training, skills and experience of the UK's 16-24 year olds.

UK employers have the ability through talking to students in schools, offering work experience and taking on apprentices to make the biggest difference to youth unemployment and the economy. Encouraging and supporting UK employers of all sizes to adopt 'youth friendly' behaviour is at the heart of Youth Employment UK CIC and the purpose of the free national Youth Friendly Badge."

Youth Employment UK, June 2014³⁷

³⁴ UK Commission for Employment and Skills, *The Youth Employment Challenge* (July 2012). Available at: <https://www.gov.uk/government/publications/the-youth-employment-challenge>

³⁵ The Work Foundation, *Beyond the business case: The employer's role in tackling youth unemployment* (July 2013). Available at: <http://www.theworkfoundation.com/Reports/336/Beyond-the-business-case-The-employers-role-in-tackling-youth-unemployment>

³⁶ See <https://www.gov.uk/government/speeches/deputy-prime-ministers-speech-at-the-cbi-presidents-dinner>

³⁷ See http://issuu.com/youthemploymentukcic/docs/yeuk-magazine_jun2014_final

The challenge

We have long argued that the UK Government needs to take action on a number of different areas of policy in order to successfully tackle youth unemployment. However, arguably the most important of these areas – in the short-term, at least – is working with employers to make more jobs, apprenticeships and other opportunities available for young people. While it is important to take action on the ‘supply’ side (i.e. doing more to prepare young people for the workplace), real success in tackling youth unemployment in the short-term will largely depend upon taking action on the ‘demand’ side of the issue i.e. ensuring employers offer more job opportunities to young people. This is a point which has been well made by organisations such as the UK Commission for Employment and Skills (UKCES)³⁸ and the Chartered Institute of Personnel and Development (CIPD)³⁹ among others.

Of course, many employers already employ young people, and many of these employers run very good graduate schemes, apprenticeship schemes and work experience schemes for young people. But it is often easy to forget that many more employers do not run such schemes or do not hire young people at all. According to UKCES figures from 2012, just over a quarter (27%) of employers had recruited a young person or had offered a young person work experience or an internship in the past year.⁴⁰ To put that in context, UKCES statistics suggest that in 2007, 40% of employers had hired a young person in the past year.⁴¹ In addition, only a small minority of employers offer apprenticeships.⁴²

Our proposed solution

We recommend that the UK Government should give its full backing to a national ‘kitemark’ to recognise all organisations (whether public, private or voluntary sector) who commit to offering young people a job, apprenticeship or traineeship; or who offer them other opportunities such as work experience/internships, mentoring or speaking in schools. This kitemark should be free to apply for, and should recognise and reward good practice where it exists, as well as promoting the provision of additional opportunities for young people.

The kitemark should include a number of additional ‘asks’ of those it is awarded to, including a requirement that anyone awarded the kitemark should promote it to their suppliers and contractors – making it an ideal way to reach out to smaller businesses.

The easiest way to implement this policy would be to give full Government backing to the “*Youth Friendly Badge*” kitemark, which has been created and run by the not-for-profit Youth Employment UK campaign and which has already been adopted by employers ranging from small businesses to large companies like Santander and Tesco.

³⁸ UK Commission for Employment and Skills, *The Youth Inquiry: Employers’ perspectives on tackling youth unemployment* (March 2011). Available at: <https://www.gov.uk/government/publications/ukces-youth-inquiry>

³⁹ Chartered Institute of Personnel and Development (CIPD), *Engaging Employers in Tackling Youth Unemployment* (May 2012). Available at: <http://www.cipd.co.uk/publicpolicy/policy-reports/engaging-employers-youth-unemployment.aspx>

⁴⁰ UK Commission for Employment and Skills, *Scaling the Youth Employment Challenge* (March 2013). Available at: <https://www.gov.uk/government/publications/scaling-the-youth-employment-challenge>

⁴¹ Ibid

⁴² <https://www.gov.uk/government/speeches/deputy-prime-ministers-speech-at-the-cbi-presidents-dinner>; and <https://www.gov.uk/government/speeches/matthew-hancocks-speech-on-world-class-apprenticeships>

Our reasoning

This proposal, or elements of it, has been backed by organisations including the Work Foundation⁴³, the CIPD⁴⁴, and also by businesses, MPs, local authorities and even Government Ministers.⁴⁵ It is also worth remembering that UKCES have called for employers to have a “*youth policy*”, which would be part of our proposal.⁴⁶

This proposal is the right one for three reasons.

1. It is suitable for small businesses as well as large ones

Statistics suggest that over 99% of businesses in the UK are small or medium sized enterprises (SMEs), defined as businesses employing less than 250 people; and that 95% of all businesses are micro-businesses (those employing less than 10 people).⁴⁷ These smaller businesses therefore make up the overwhelming majority of UK employers and any solution to youth unemployment needs to take into account their needs. These businesses have less formal recruitment and CSR policies, less money and less time than larger businesses – so to tackle youth unemployment we need policies that encourage and incentivise these small businesses to hire young people or to provide other opportunities for them.

Our proposal for a national kitemark is one such policy idea which could do this as it would be free to sign up for and it would require SMEs to do only a small number of activities – the Youth Friendly Badge for example asks employers to commit to a minimum of at least two ‘youth friendly’ activities per year.⁴⁸ This could range from offering two jobs or apprenticeships to young people; to undertaking two activities such as mentoring unemployed young people for an hour a week or giving talks in local schools. While these may not seem like much at first, they do make a difference, and asking for a small commitment through the Badge initially will open the doors of these businesses to young people and expose them to young people. If these experiences are positive they may then choose to do more later on.

2. It has the potential for scale

Our proposal includes a requirement for those awarded the kitemark to promote it to their suppliers and contractors. This provision means that our proposal has the potential to be a truly national kitemark, taken up by thousands of small and large employers around the country, by public sector bodies, by Government departments and local authorities, and by charities and voluntary organisations.

If the kitemark achieves that level of success, it could have a big impact on efforts to tackle youth unemployment, partly by creating more jobs, apprenticeships and work experience opportunities for young people; and partly by providing additional experience or support to young people to boost their level of employability and improve their chances of finding work.

⁴³ See footnote 35.

⁴⁴ See footnote 39. See also Chartered Institute of Personnel and Development (CIPD), *Employers are from Mars, young people are from Venus: addressing the young people/jobs mismatch* (April 2013). Available at: <http://www.cipd.co.uk/publicpolicy/policy-reports/mars-venus-jobs-mismatch.aspx>

⁴⁵ See Case Studies.

⁴⁶ See footnote 40.

⁴⁷ See <http://www.parliament.uk/briefing-papers/SN06152/business-statistics>

⁴⁸ See Case Studies.

It is worth noting that, according to UKCES, 20% of the employers who do not offer work experience to young people do not offer work experience because they have never been approached to offer it.⁴⁹ The large number of organisations which have already applied to the Youth Friendly Badge initiative also provides further evidence of the untapped potential out there.⁵⁰

It is also worth noting that the Youth Friendly Badge went through an extensive development process which included consultation with a number of employers.⁵¹

3. It is a low-cost policy

The kitemark we propose would be free to apply for and adopt, meaning little or no additional cost for the taxpayer or for employers. For example, the Youth Friendly Badge is free to apply for and to adopt.⁵²

As explored elsewhere in this report, the kitemark could also save money for taxpayers in the longer-term, as there will be a reduced need to pay benefits or to combat health problems like depression when a young person is employed rather than rather than unemployed.

⁴⁹ See footnote 40.

⁵⁰ See Case Studies.

⁵¹ See Case Studies.

⁵² See Case Studies.

Case Studies

Case Study 3: The Youth Friendly Badge

In 2012, the Youth Employment UK (YEUK)⁵³ campaign was founded. YEUK is a campaign and membership organisation which is constituted as a not-for-profit, community interest company; which aims to 'join the dots' of various efforts to combat UK youth unemployment. It was founded by Laura-Jane Rawlings, an experienced recruiter and careers coach, due to her concern at the UK's youth unemployment crisis and her determination to improve opportunities for young people in the UK, including her children. It has a group of young ambassadors and an Advisory Board. The Found Generation is represented on the YEUK Advisory Board.⁵⁴

One of the campaign's main initiatives has been to design a national badge or kitemark for youth friendly employers, called the **Youth Friendly Badge**. Launched in April 2013⁵⁵, the purpose of the Badge is to publicly celebrate and recognise the commitment of employers who are being '*youth friendly*' by offering jobs, apprenticeships or traineeships to young people; or offering other opportunities to support them into employment such as work experience, careers talks or mentoring.⁵⁶ The Badge has been created under a Creative Commons licence.⁵⁷ It is designed to be equally applicable to large and small employers; and a number of employers have had an input into the Badge's development process.⁵⁸

To be awarded the badge, all an employer has to do is meet several requirements:

1. They must sign up to YEUK's Positive Youth Charter. All this means for employers is that they sign up to the following statement of principles: "*By signing this charter I agree to the continued development of mine and my organisations skills, attitudes and behaviours in respect to the recruitment, support and engagement of young people.*"⁵⁹
2. They must run a minimum of two "*youth friendly*" activities per year. This includes a wide range of possible activities to support young people such as careers talks in schools, offering work experience, mentoring and more, as well as jobs, apprenticeships and traineeships.⁶⁰
3. Finally, the employer must compare their organisation's behaviours against eight specified "*Youth Friendly behaviours*" to see how much their organisation supports young people within their operation. If they meet six or more of the criteria, the employer is certified and awarded the Youth Friendly Badge at Bronze level. If they meet seven of the criteria they are awarded the Badge at Silver level. If they meet all eight of the criteria, they are awarded the Badge at Gold level.

⁵³ <http://www.yeuk.org.uk>

⁵⁴ <http://www.yeuk.org.uk/advisory-board/>

⁵⁵ <http://www.yeuk.org.uk/wp-content/uploads/2014/04/Campaign-Pack.pdf>

⁵⁶ <http://www.yeuk.org.uk/wp-content/uploads/2014/04/Youth-Friendly-Badge-CC.pdf>

⁵⁷ Ibid

⁵⁸ <http://www.yeuk.org.uk/making-the-uk-the-most-youth-friendly-place-to-work/>

⁵⁹ <http://www.yeuk.org.uk/wp-content/uploads/2012/04/Positive-Youth-Charter.pdf>

⁶⁰ <http://www.yeuk.org.uk/wp-content/uploads/2014/04/Youth-Friendly-Badge-CC.pdf>;
<http://www.yeuk.org.uk/making-the-uk-the-most-youth-friendly-place-to-work/>

Since being launched in 2013, the Youth Friendly Badge has already obtained the backing of employers including Santander, Tesco, UK Power Networks, UK Youth and Kent County Council, as well as Skills Minister Matthew Hancock MP.⁶¹ As of 29 June 2014, Youth Employment UK have had a total of 768 applications for the Youth Friendly Badge, and have certified a number of Badge holders including MPs, SMEs, large companies, charities and youth organisations.⁶²

There are already examples of good practice appearing. For example, Kent County Council is taking a number of steps to promote the Badge, including in its procurement process.⁶³ In Corby, Northamptonshire, both the local council (Corby Borough Council) and local MP (Andy Sawford) have adopted the badge and are taking steps in conjunction with other organisations to make Corby a “*youth friendly town*”.⁶⁴

As part of its promotion of the Badge, YEUK is running “#YouthFriendlyMP” campaign, encouraging MPs to sign up for and promote the Badge, with organisations ranging from The Found Generation to the All-Party Parliamentary Group on Youth Unemployment backing the campaign.⁶⁵

YEUK is also due to run an awards ceremony in November 2014 in order to acknowledge and celebrate the best examples of good practice among employers who have signed up to the Youth Friendly Badge. The awards are scheduled to be presented by Matthew Hancock MP.⁶⁶

⁶¹ <http://www.yeuk.org.uk/national-campaign-encourage-mps-support-youth-employment/> and <http://www.yeuk.org.uk/wp-content/uploads/2014/04/Campaign-Pack.pdf>

⁶² <http://www.yeuk.org.uk/youth-friendly-update/>

⁶³ Ibid

⁶⁴ Ibid

⁶⁵ <http://www.yeuk.org.uk/national-campaign-encourage-mps-support-youth-employment/>; <http://www.yeuk.org.uk/youthfriendlymp-campaign-2014/>

⁶⁶ <http://www.yeuk.org.uk/youthfriendly/youth-friendly-awards-2014/>

Case Study 4: Social Mobility Business Compact/Mission Opening Doors

In April 2011 the Deputy Prime Minister, Nick Clegg MP, announced a business ‘compact’ on social mobility – a set of duties that businesses could sign up to in order to improve social mobility in their organisations and more generally by offering fair and open access to their jobs and professions for young people, regardless of who they are or where they come from. It was first announced as part of the UK Government’s social mobility strategy.⁶⁷

As part of the Compact, businesses were asked to commit to three requirements⁶⁸:

1. Support communities and local schools by participating in mentoring schemes for young people and encouraging staff to talk about their careers at least once a year.
2. Improve skills and create jobs by providing opportunities for all young people to get a foot on the ladder – by advertising work experience opportunities in local schools rather than through informal networks, and to offer internships openly and transparently as well as providing financial support to interns.
3. Improve quality of life and well-being by recruiting openly and fairly, ensuring non-discrimination – for example by increasing the use of name-blank and school-blank applications.

The Compact does not appear to involve any cost to sign up to it.⁶⁹ Over 150 businesses and organisations have signed up to the Compact.⁷⁰

In June 2013, the Deputy Prime Minister launched the Opening Doors Awards, chaired by leading businessman James Caan, to businesses who have signed up to the Compact.⁷¹

⁶⁷ HM Government, *Opening Doors, Breaking Barriers: A Strategy for Social Mobility* (April 2011). Available at: <https://www.gov.uk/government/publications/opening-doors-breaking-barriers-a-strategy-for-social-mobility>.

⁶⁸ Ibid. See also

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/282646/Social_Mobility_Business_Compact_Factsheet_November_2013.pdf

⁶⁹ <https://www.gov.uk/government/news/social-mobility-help-young-people-on-the-road-to-employment>

⁷⁰ <https://www.gov.uk/government/case-studies/business-compact-signatories>

⁷¹ <https://www.gov.uk/government/news/deputy-prime-minister-calls-in-the-dragon-to-open-up-the-jobs-market-for-young-people>

Proposal 3: Creating a cross-government youth employment unit or agency in the UK Government, headed by a Minister for Youth Employment

“Alongside this, successive governments have sought to understand and address – with limited success – an underlying structural issue that has led to youth unemployment never falling below 500,000 in the last twenty years, and at least one in seven young people being out of work and out of full-time learning. Indeed youth unemployment rose by over 100,000 between 2004 and 2008, and was above 1997 levels before the downturn even began.”

Centre for Economic and Social Inclusion, November 2011⁷²

“Sat at home, trying to figure out what to do with the rest of their life, the average school leaver doesn’t have a clue about which government departments or agencies look after the schemes that are out there to help them...What we want is a simpler, easier to use system that lays down a clear route ahead into work for our young people and gives businesses a coherent offer to find the workers they need.

For example, what if instead of the usual five different conversations you need to have with government to sort out your businesses’ recruitment, apprenticeship and training needs, you could have just one: focussed at the national level for large employers and at the local level for SMEs?”

The Rt Hon Nick Clegg MP, Deputy Prime Minister, July 2013⁷³

“Britain needs a vision for the youth labour market that recognises that the NEET problem is structural and long-term, not the result of economic ups and downs.

Responsibility shared is responsibility easily avoided. Making NEETs history requires effort, momentum and accountability – from the top down. Currently, the responsibility for preventing and for dealing with NEETs is disjointed and spread thin across Whitehall. The Department for Education (DfE), the Department for Work & Pensions (DWP), and the Department for Business, Innovation & Skills (BIS) are all supposed to play a role in pushing the skills agenda and equipping young people with the opportunities to successfully enter education or training post-16. Meanwhile DWP picks up the pieces of those who’ve fallen through the cracks and become NEET. And the bill for the consequences of failures along the way is shared between them and the Department of Health, the Home Office and society as a whole.

This has to stop. Britain’s NEET problem will not be resolved until the Government’s interventions are co-ordinated and until there is a clear stream of accountability for failure and for success.”

Impetus-PEF, January 2014⁷⁴

⁷² Centre for Economic and Social Inclusion, *Youth unemployment: A million reasons to act?* (November 2011). Available at:

http://www.cesi.org.uk/sites/default/files/publications/Young_people_and_unemployment_FINAL.pdf

⁷³ See <https://www.gov.uk/government/speeches/deputy-prime-ministers-speech-at-the-cbi-presidents-dinner>

⁷⁴ Impetus Private Equity Foundation, *Make NEETs History in 2014* (January 2014). Available at: http://impetus-pef.org.uk/wp-content/uploads/2014/01/Make-NEETs-History-Report_ImpetusPEF_January-2014.pdf

The challenge

It is well-established that youth unemployment in the UK has been a major problem for at least the last decade or so, and that to a certain extent it always has been, regardless of the state of the economy or which Government is in power.⁷⁵ In short, it is to some extent a **structural problem**.

We believe that one of the major reasons that youth unemployment has continued to be a problem is that there is no central UK Government department or Minister with sole responsibility for joining up the various policy areas which are required to prevent youth unemployment occurring and to tackle it when it does occur. A number of different government departments and ministers are involved in overseeing policies in this area – in particular the Department for Education (DfE); the Department for Business, Innovation & Skills (BIS); and the Department for Work & Pensions (DWP).⁷⁶ It is therefore unclear where the buck stops and ultimate responsibility lies, or where young people or employers should be looking for help. A major report from the House of Commons Work and Pensions Select Committee in 2012 highlighted significant concerns in relation to the lack of co-ordination of youth unemployment policy, with the MPs on the committee arguing that: *“It is clear that the problem is not a lack of provision for young people and employers but rather over-complexity and confusion about where to begin looking for appropriate support and information.”*⁷⁷

This is not some theoretical problem – there is evidence to suggest that this situation leads to delays, confusion and duplication, and generally undermines efforts to tackle youth unemployment. The Work and Pensions Select Committee report found that taxpayers’ money was not being used in a cost-effective manner under the current system, with the scale of duplication and complexity of the system causing an unnecessary waste of money, as well as confusion for young people and employers.⁷⁸

Unfortunately, the situation does not appear to have improved since. For example, there have been significant problems with the Government’s flagship *“traineeships”* scheme for young people (the responsibility of BIS) due to problems with benefits rules and Jobcentre Plus (the responsibility of DWP). In particular, the DWP was supposed to bring in an exemption to certain rules relating to Jobseeker’s Allowance for young people on traineeships, but this did not happen until March 2014, several months after traineeships were first introduced. This led to an initial low level of interest in traineeships and extensive criticism from traineeship providers and industry bodies.⁷⁹ Concerns have also been raised about remaining issues in relation to benefits rules and varying levels of support from Jobcentre Plus.⁸⁰

⁷⁵ See for example: The ACEVO Commission on Youth Unemployment, *Youth unemployment: the crisis we cannot afford* (2012). Available at:

http://www.cesi.org.uk/sites/default/files/event_downloads/ACEVO_report.pdf

⁷⁶ See footnotes _ 2011 Cesi report, and _ Impetus PEF report. See also Centre for Economic and Social Inclusion, *Hidden Talents: Analysis of fragmentation of services to young people* (January 2012), available at: <http://www.cesi.org.uk/publications/hidden-talents-analysis-fragmentation-services-young-people>

⁷⁷ House of Commons Work and Pensions Select Committee, *Youth Unemployment and the Youth Contract*, 2nd Report of Session 2012-13. Available at:

<http://www.publications.parliament.uk/pa/cm201213/cmselect/cmworpen/151/151.pdf>

⁷⁸ Ibid

⁷⁹ See for example: <http://feweek.co.uk/2014/01/24/delays-in-traineeship-benefits-exemption-branded-a-mess>;

<http://feweek.co.uk/2014/03/28/traineeship-figures-deeply-disappointing>; and

<http://feweek.co.uk/2014/04/11/traineeships-are-making-a-difference-despite-slow-uptake>

⁸⁰ <http://feweek.co.uk/2014/04/11/traineeships-are-making-a-difference-despite-slow-uptake>

The fact that we have a Coalition Government rather than a single-party government could also be an extra barrier to action, further compounding the problems we have already highlighted. For example, a report in the Financial Times last year suggested that Sir Jeremy Heywood, the Cabinet Secretary, had been asked to undertake a review of the Government's policies on youth unemployment, despite the fact that youth unemployment is a politically sensitive area and a review of this sort would normally be done by a government minister. The Financial Times further reported that this decision was a compromise after an internal dispute between the Conservatives and Liberal Democrats about who should be in charge of tackling youth unemployment.⁸¹ If the 2015 General Election leads to a result where no party has an overall majority, this kind of problem will continue rather than go away.

Our proposed solution

We propose the creation of a cross-departmental unit or agency on youth unemployment in the UK Government, headed by a 'Minister for Youth Employment', with responsibility for co-ordinating government policies on youth unemployment across Government departments.

This ministerial post could be implemented in one of two ways. It could be either: (a) a new ministerial post divided between some or all of BIS, DfE and DWP (similar to the Minister for Youth Employment position which existed until recently in the Scottish Government); or (b) a new cross-governmental ministerial portfolio which is added to an existing Minister's job (along the lines of the Minister for Cities role in the UK Government). Indeed one option could be adding the cross-government portfolio to the responsibilities of the current Minister of State for Employment at the DWP.

Either way, the Minister and their unit/agency should both have ultimate cross-departmental responsibility for co-ordinating the Government's policies on youth unemployment (particularly with regard to the activities of DWP, DfE, and BIS) and should both be granted sufficient staff, resources, responsibilities and powers by the UK Government to ensure that they are able to discharge their responsibilities effectively. For example, we would suggest that the Minister for Youth Employment should be empowered to attend Cabinet meetings, and that there should be a standing item on the Cabinet agenda on youth unemployment; along the lines of the systems operated by the Scottish Government.

We also suggest that this unit/agency and the Minister in charge of it should create mechanisms to ensure young people are fully consulted and taken account of in relation to youth employment policy across all Government departments, and to ensure that all policies relating to youth unemployment are assessed and 'youth proofed' to determine their effect on young people.

⁸¹ Financial Times, *Cabinet secretary to lead review of youth unemployment in UK*, 15 September 2013. Available at: www.ft.com/cms/s/0/7dbae31e-1e04-11e3-85e0-00144feab7de.html#axzz2f2bEpGik

Our reasoning

In coming up with this proposed solution we have drawn inspiration from the existing practices highlighted in our Case Studies and also from a number of similar proposals. These include proposals from the Work Foundation⁸², the Centre for Economic and Social Inclusion⁸³, the Government's Social Mobility and Child Poverty Commission⁸⁴ and the Youthforia (North West Youth Forum) Youth Employment Commission.⁸⁵ In addition to recommending a single Government minister or 'champion' for youth employment, the Youthforia Commission also recommended that the Government should:

*"Create mechanisms to youth proof, test out, and review youth employment policy with young people at national level, to facilitate coherence between policies and design of the end user experience. This could be implemented in a similar manner to the current British Youth Council National Scrutiny Panel."*⁸⁶

It is particularly noteworthy that these recommendations have been made by Youthforia, as they are, like us, a group of young people. We fully endorse them as part of our proposal for a Minister for Youth Employment, although we believe there should be additional mechanisms to consult young people like ourselves, instead of just through a system like the British Youth Council (BYC) National Scrutiny Panel.

A number of politicians have also expressed support for a Minister for Youth Employment or have shown that they are open to the idea, including Lord Roberts of Llandudno⁸⁷, a former President of the Liberal Democrats in Wales; and Lord McFall of Alcluith⁸⁸, a former Labour MP and former Chair of the House of Commons Treasury Select Committee. In addition, the House of Commons Work and Pensions Select Committee – although stopping just short of formally endorsing a Minister for Youth Employment or a cross-government unit on the issue – did argue in their 2012 report that *"there is a very strong case for consolidation of funding streams and delivery bodies and improved cross-departmental working"* on youth unemployment.⁸⁹

Let us be absolutely clear –we are fully aware that this proposal would not tackle youth unemployment on its own and we do not argue that it will. We are also aware that both of the options we propose would involve some level of reorganisation within Government and that this would cause some disruption. But we believe that implementing our proposal, or at least the cross-departmental unit/agency part of it, has significant benefits which would outweigh any short-term inconvenience or disruption. These are:

⁸² The Work Foundation, *Short-term crisis - long-term problem? Addressing the youth employment challenge* (June 2012). Available at: <http://www.theworkfoundation.com/Reports/314/Shortterm-crisis-longterm-problem-Addressing-the-youth-employment-challenge>

⁸³ See footnote 72.

⁸⁴ Social Mobility and Child Poverty Commission, *Social Mobility: The Next Steps* (July 2013). Available at: <https://www.gov.uk/government/publications/social-mobility-the-next-steps>

⁸⁵ Youthforia: The North West Youth Forum, *Simple Truths – The Youthforia Youth Employment Commission Report* (2014). The report can be accessed from: <http://www.cypnow.co.uk/cyp/news/1144957/minister-champion-youth-employment>

⁸⁶ Ibid

⁸⁷ Lord Roberts of Llandudno, *House of Lords Hansard*, 14 Jun 2012, Column 1430. Available at: <http://www.publications.parliament.uk/pa/ld201213/ldhansrd/text/120614-0001.htm>

⁸⁸ Lord McFall of Alcluith, *House of Lords Hansard*, 14 Jun 2012, Column 1441. Available at: <http://www.publications.parliament.uk/pa/ld201213/ldhansrd/text/120614-0001.htm>

⁸⁹ See footnote 77.

1. It would improve co-ordination of Government policy on youth unemployment

This is a key benefit, as tackling youth unemployment requires co-ordinated action on numerous areas at the same time. For example, it will be difficult to encourage companies to create thousands of new jobs for young people, or to offer those jobs to young people from the UK, if the education and welfare systems in the UK do not properly prepare young people for those jobs – as is the situation at the moment.

It will also ensure that policy is better thought out and co-ordinated, and could reduce duplication, waste and inefficiency. Many of the problems we identified earlier in this section would be removed or at least mitigated. For example, in relation to the traineeships example above, we find it difficult to imagine that these problems would be occurring if there was a cross-government Minister for Youth Employment in place, backed by a cross-departmental unit/agency, with powers over both traineeships and benefits for young people (covering both DWP and BIS).

2. It would mean Government time could be more effectively spent on tackling youth unemployment

There are also significant benefits to having a government minister whose sole responsibility is tackling youth unemployment, unburdened by other ministerial responsibilities or commitments. They would have more time to speak to relevant individuals and organisations (including young people); and they would be able to take appropriate action through different government departments at the same time and better co-ordinate their activities.

It would also mean at least one Government Minister and their officials are able to get to grips with all the major reports, research, evidence, best practice and ideas on the subject. During our work on youth unemployment we have lost count of the number of conferences, debates, seminars and other events on youth unemployment which we have attended. Very rarely, if ever, is a Government Minister present at these events. We have also lost count of the number of reports, research papers and other documents which we have read in relation to youth unemployment. For a busy minister with other commitments it will be understandably difficult to read or digest all the relevant reports and studies on this area or to attend all the events where new ideas are proposed. This problem would be mitigated by our proposal.

3. It would mean there is a clear first point of contact and would provide greater accountability

Having a cross-government unit or agency headed by a Minister for Youth Employment would ensure that young people, employers, stakeholders, local authorities and other government departments or agencies will have a single, clear first point of contact in relation to who is responsible for tackling youth unemployment.

It would also have the added benefit of ensuring greater accountability – partly by ensuring someone will be judged solely on their success or failure on tackling youth unemployment, partly by ensuring someone clearly has the ultimate responsibility for youth employment policy instead of letting departments, agencies and others attempt to dodge their responsibilities by passing them onto others. For example, in January 2014, in an article by FE Week highlighted on how benefits rules are undermining traineeships, the DWP declined to comment, saying it was the responsibility of BIS.⁹⁰ Instead of passing the buck, as has happened in this case and other cases, we need someone in Government to step up, take responsibility and work across departments to avoid these problems.

⁹⁰ See <http://feweeek.co.uk/2014/01/24/delays-in-traineeship-benefits-exemption-branded-a-mess/>

Case Studies

This will be seen by some as a radical proposal which would require a large re-organisation within the UK Government. However, our case studies below show that this policy has already been introduced in Scotland, and that the UK Government has already taken steps which are not very far from what we are proposing.

Case Study 5: The Scottish Government

In December 2011, the Scottish Government announced the creation of a dedicated Minister for Youth Employment – the first time such an appointment has ever been made either in Scotland or the UK generally.⁹¹ The post went to Angela Constance MSP.⁹² Constance had official responsibility for co-ordinating cross-government activity on youth unemployment and was responsible for her own budget.⁹³

In her role as Minister for Youth Employment, Ms Constance was allowed to attend meetings of the Cabinet of the Scottish Government and was directly accountable to the First Minister, Alex Salmond MSP.⁹⁴ Unlike most Ministers in the Scottish Government, she was also accountable to not one, but two Cabinet Secretaries⁹⁵ (the equivalent of Secretaries of State in the UK Government).

The ministerial position was introduced by the Scottish Government as a result of the recommendations of the Smith Group, which argued that youth unemployment was of such significance that *“it should be tackled through a dedicated ministerial portfolio, rather than an 'add-on' to a wider brief. This would provide the appropriate level of accountability for a national priority”*.⁹⁶ We agree, and believe these arguments apply with equal if not greater force to the rest of the UK.

As of April 2014, Angela Constance MSP has been promoted to the Scottish Cabinet as Cabinet Secretary for Training, Youth and Women’s Employment. This position replaces her previous role, and she retains full responsibility for youth employment across the Scottish Government.⁹⁷

We also understand that there is, or was, a standing item on the Scottish Cabinet’s meeting agenda on youth unemployment – in other words that the issue would be raised and discussed at every Scottish Cabinet meeting.

⁹¹ <http://www.scotland.gov.uk/News/Releases/2011/12/01105458>

⁹² <http://www.scotland.gov.uk/News/Releases/2011/12/07083420>

⁹³ Ibid and see also <http://www.bbc.co.uk/news/uk-scotland-scotland-politics-15984120>

⁹⁴ <http://www.scotland.gov.uk/News/Releases/2011/12/07083420>

⁹⁵ Ibid

⁹⁶ <http://www.scotland.gov.uk/Publications/2011/11/SmithGroupReport>

⁹⁷ See <http://www.scotland.gov.uk/About/People/14944/Scottish-Cabinet/AngelaConstanceMSP> and http://www.scottish.parliament.uk/parliamentarybusiness/28862.aspx?r=9110&mode=html#iob_82273

Case Study 6: The UK Government

At the time of writing, the UK Government has a Minister of State for Employment, Esther McVey MP. However, her role covers unemployment generally, not just youth unemployment, meaning that we do not have a dedicated cross-government ministerial portfolio on youth unemployment at UK level as is the case in Scotland. Nor is her role a cross-government role – she is a Minister in the Department for Work and Pensions (DWP).⁹⁸ This means that key departments such as BIS and DfE are left out.

In addition, at the time of writing the UK Government has a Minister of State for Skills and Enterprise, Matthew Hancock MP. Although Mr Hancock is a Minister in both the Department for Business, Innovation and Skills and the Department for Education, and is responsible for key areas like apprenticeships, he is not a Minister in the DWP, nor does his portfolio cover employment or welfare policies.⁹⁹

Although we have no doubt that the two Ministers work closely together, it is not the same as having a single, cross-government Minister or unit who the buck clearly stops with. Recent precedents established by the UK Government suggest our proposal for a single Minister for Youth Employment would be a much easier proposal to implement in the UK Government than many would initially assume.

For example, the Cabinet Office now has cross-government responsibilities involving certain aspects of youth policy and strategy (e.g. youth services), led by Minister for Civil Society, Nick Hurd MP.¹⁰⁰ These responsibilities have moved from the Department for Education to the Cabinet Office – something which would inevitably have meant a disruptive re-organisation. If this type of internal re-organisation can be done for other areas of youth policy generally, there is no reason why this cannot be done for youth employment policy.

Nor would creating a post of ‘Minister for Youth Employment’ be the first time the Coalition Government has created an entirely new ministerial, cross-government portfolio, supported by a cross-government unit or agency. In July 2011, Greg Clark MP, Minister for Decentralisation in the Department for Communities and Local Government, was also given the cross-government portfolio of “*Minister for Cities*” in addition to his existing portfolio, making him responsible for developing and overseeing Government policy on cities across departments.¹⁰¹ He also became a Minister in the Department for Business, Innovation and Skills as a result.¹⁰² In this role he has been responsible for Government initiatives such as City Deals, supported by a cross-government Cities Policy Unit.¹⁰³

Mr Clark was moved to the position of Financial Secretary to the Treasury and was more recently moved again to become a Minister of State at the Cabinet Office, but he appears to have retained his cross-government role in relation to cities.¹⁰⁴

⁹⁸ See <https://www.gov.uk/government/ministers/minister-of-state-employment>; and <https://www.gov.uk/government/people/esther-mcvey>

⁹⁹ <https://www.gov.uk/government/ministers/minister-of-state-for-skills-and-enterprise>; and <https://www.gov.uk/government/people/matthew-hancock>

¹⁰⁰ <https://www.gov.uk/government/news/cabinet-office-to-take-on-responsibility-for-cross-government-youth-policy>

¹⁰¹ <https://www.gov.uk/government/news/government-renews-focus-on-cities--2>

¹⁰² Ibid

¹⁰³ <https://www.gov.uk/government/policies/giving-more-power-back-to-cities-through-city-deals>

¹⁰⁴ <https://www.gov.uk/government/people/greg-clark>

Proposal 4: Encouraging the creation of more local partnerships – including representation for young people – to co-ordinate the fight against youth unemployment in local areas

“...it simply cannot be right that so many businesses tell us they can’t fill their vacancies while so many talented young men and women are out of work. So the City Deals create new ways for councils, local businesses and colleges and schools to bridge that gap, matching young people to jobs and using local knowledge to tackle skills gaps...where young people are really struggling to find work, cities will be able to bring local services together, so that instead of being passed from pillar to post between the job centre, the town hall, the careers adviser, all of that can be done under one roof where it makes sense to do so.”

The Rt Hon Nick Clegg MP, Deputy Prime Minister, December 2011¹⁰⁵

“Many of the people we spoke to who want to act on youth unemployment (charities, employers, councils, youth workers) were crying out for better coordination of effort, and ways to work with each other”

ACEVO Commission on Youth Unemployment, February 2012¹⁰⁶

“It’s clear that nationally-driven attempts to tackle youth unemployment aren’t working. While there are a number of good initiatives, Government has sidelined councils and incentivised a series of services like schools, colleges and voluntary sector providers to work in isolation of each other, with no clarity on who is responsible for leading the offer to young people on the ground.

We know the level of success that local organisations, such as councils, businesses and education providers, can achieve when working together, but this is being hampered by successive centrally-driven Government approaches...We would now urge Government to give local authorities and their partners the powers to ‘own the problem’ and become the link between young people and local employers. By introducing a local approach to addressing youth unemployment councils and their partners will be better able to spot and offer early help to young people struggling at school, train young people in skills to take local jobs in local labour markets, help improve the performance of the Work Programme for the hardest to reach, and target job subsidies to local businesses offering the best opportunities for young people”

Local Government Association, August 2013¹⁰⁷

“No one agency alone can tackle youth unemployment. It requires co-ordinated action from a range of organisations, including: policy makers; educators and training providers; employment support agencies; voluntary and community organisations; business representative organisations and businesses themselves.”

The Work Foundation, April 2014¹⁰⁸

¹⁰⁵ <https://www.gov.uk/government/speeches/do-it-your-way-deputy-prime-minister-launches-new-city-deals-speech-transcript>

¹⁰⁶ The ACEVO Commission on Youth Unemployment, *Youth unemployment: the crisis we cannot afford* (2012). Available at: http://www.cesi.org.uk/sites/default/files/event_downloads/ACEVO_report.pdf

¹⁰⁷ http://www.local.gov.uk/media-releases/-/journal_content/56/10180/4104124/NEWS

¹⁰⁸ The Work Foundation, *The geography of youth unemployment: a route map for change* (April 2014).

Available at: <http://www.theworkfoundation.com/Reports/360/The-Geography-of-Youth-Unemployment-A-route-map-for-change>

The challenge

We have already discussed how the UK Government can improve how it co-ordinates and applies policies on youth unemployment on a national basis. However, it is important to remember that youth unemployment is just as much of a local problem as a national problem, if not more so. It is well-established that youth unemployment varies significantly across the country – even within local authorities there can be significant differences in levels of youth unemployment from one area to another.¹⁰⁹

We have already identified serious concerns around the lack of co-ordination of policy on youth unemployment with regard to the UK Government. There is also a similar problem at local level. In any one area there are numerous different organisations, agencies and individuals who will have some responsibility for tackling youth unemployment in that area e.g. the local council; Jobcentre Plus; schools, colleges and universities; training providers; local enterprise partnerships; employers; and voluntary sector organisations.

This lack of local co-ordination causes unnecessary complexity, confusion, inefficiency and duplication of work, and means that unemployed young people often end up being, as the ACEVO Commission put it, “*the concern of all and the responsibility of none*”.¹¹⁰ For example, the Commission cited a scheme in Worcestershire which identified at least 24 different local organisations and agencies which apparently had a meaningful impact on young people not in education, employment or training. On the face of it this would not necessarily be a problem, but many of these organisations had no contact with one another and were even duplicating each other’s activities.¹¹¹ Nor is that necessarily the worst case scenario. In the Shoreditch area of London alone, one estimate suggests that there are around 70 different organisations engaging with young people who are not in education, employment or training¹¹², and a contributor to the ACEVO Commission told them that a review had found 200 schemes working with young people not in employment, education or training in a single London borough alone.¹¹³

Tackling this lack of local co-ordination is also important from a financial perspective as huge amounts of taxpayers’ money are being spent on tackling youth unemployment without the desired outcomes being achieved. For example, when discussing the 24 organisations in Worcestershire dealing with young people not in education, employment or training, the ACEVO Commission pointed out that the organisations together were spending more than £8 million per year on services (of which about £400,000 was spent on administration) and more than £9 million on benefits.¹¹⁴ On a national level, the Local Government Association has calculated that the current system of interventions to tackle youth unemployment covers a total of 35 different national schemes, which span 13 different age boundaries, at a cost to the taxpayer of around £15 billion a year.¹¹⁵ It is clear that this money needs to be spent much more effectively.

¹⁰⁹ See footnotes 106 and 108. See also Local Government Association, *Hidden talents II: re-engaging young people, the local offer* (January 2013). Available at:

http://www.local.gov.uk/c/document_library/get_file?uuid=a571cac1-b8a4-4858-8039-b9bf5b0d2e9b&groupId=10180

¹¹⁰ See footnote 106.

¹¹¹ Ibid

¹¹² The Work Foundation, *Short-term crisis - long-term problem? Addressing the youth employment challenge* (June 2012). Available at: <http://www.theworkfoundation.com/Reports/314/Shortterm-crisis-longterm-problem-Addressing-the-youth-employment-challenge>

¹¹³ See footnote 106.

¹¹⁴ Ibid

¹¹⁵ See footnote 107.

There are Government policies already in place which are making some progress on tackling these problems, particularly City Deals¹¹⁶ and Local Enterprise Partnerships (LEPs).¹¹⁷ At least some of these City Deals in particular are expected to lead to positive steps to tackle youth unemployment – for example we are supportive of the proposal for a Youth Jobcentre in Ipswich¹¹⁸ and proposals for a personalised casework support service for young people in Ipswich and Leicestershire.¹¹⁹ However, City Deals do not just cover youth unemployment. In addition, by their very nature they can only cover certain areas, namely cities and the areas around them – the first wave included just 6 cities and their wider areas, with the second wave bringing that number up to 20.¹²⁰

Although LEPs are more widespread, they have their own disadvantages. As with City Deals, LEPs have various responsibilities besides youth unemployment. In addition, although LEPs have highly qualified Boards of Directors, few if any of those Boards appear to include a single young person.¹²¹ As young people ourselves, we believe that it is important that young people are fully represented in the management of initiatives which aim to tackle youth unemployment; and for young people to be consulted by them as and when it is appropriate to do so.

Our proposed solution

We therefore call on the UK Government, MPs and local councils to actively participate in and incentivise the creation of local partnerships with the purpose of co-ordinating policy and initiatives to reduce youth unemployment at a local level. These could be established along the lines of the Youth Employment Partnerships proposed by the ACEVO Commission on Youth Unemployment, or the Youth Transition Partnerships proposed by the Social Mobility and Child Poverty Commission, but there should be some flexibility in how they work and they should be locally designed as far as possible.

These partnerships should include representation from appropriate organisations in local communities including local councils, MPs, Local Enterprise Partnerships, Jobcentre Plus, employers, educational institutions and voluntary sector organisations, as well as young people – it is absolutely crucial that young people are fully represented. If possible they should also involve media outlets to help to promote their local plans and campaigns e.g. local newspapers, radio stations or community websites.

The Government should further consider offering local partnerships the opportunity to apply for extra powers and/or funding in order to carry out their duties – as proposed by the ACEVO Commission and others.

¹¹⁶ For more information see: <http://www.parliament.uk/business/publications/research/briefing-papers/SN05955/community-budgets-and-city-deals>; and <https://www.gov.uk/government/policies/giving-more-power-back-to-cities-through-city-deals>

¹¹⁷ For more information see: <https://www.gov.uk/government/policies/supporting-economic-growth-through-local-enterprise-partnerships-and-enterprise-zones>

¹¹⁸ <https://www.gov.uk/government/news/greater-ipswich-city-deal-signed>

¹¹⁹ See <https://www.gov.uk/government/news/city-deal-creates-thousands-of-new-jobs-and-apprenticeships-in-leicestershire>; and <https://www.gov.uk/government/news/greater-ipswich-city-deal-signed>

¹²⁰ <https://www.gov.uk/government/policies/giving-more-power-back-to-cities-through-city-deals>

¹²¹ See for example http://www.liverpoollep.org/about_lep/our_board.aspx; <http://www.oxfordshirelep.org.uk/cms/content/people>; <http://www.london.gov.uk/priorities/business-economy/working-in-partnership/london-enterprise-panel/about-lep/members-0>; and <http://centrefenterprise.com/board-director/>

Our reasoning

This idea is not a new one and has been recommended in various forms by numerous experts. In particular, the ACEVO Commission on Youth Unemployment in 2012 proposed the creation of Youth Employment Partnerships in areas with particularly high levels of youth unemployment.¹²² The intention behind these partnerships was to bring together young people and organisations from the private, public and voluntary sectors to co-ordinate action on youth unemployment in local communities. The Commission envisaged that these partnerships could strike ‘deals’ with Whitehall and possibly even be given powers to trial new ideas in areas of particularly high youth unemployment, such as reducing business rates for businesses who employ young people.¹²³

This idea has also been echoed by the Government’s Social Mobility and Child Poverty Commission and by the Work Foundation, which have both recommended the creation of Youth Transition Partnerships. These would bring together local authorities, local enterprise partnerships, schools and colleges; employers and charities to support successful youth transitions and create clearer pathways into work in local areas. They would be supported by pooling or aligning of budgets in areas such as skills, apprenticeships, traineeships and relevant employment support funding; could potentially be set up under the umbrella of initiatives such as City Deals; and would have a flexible approach to membership and functions.¹²⁴ The Work Foundation made further detailed recommendations in relation to how these partnerships could work including proposed funding arrangements.¹²⁵

There are a number of good reasons why much more should be done to encourage and incentivise local initiatives to improve the co-ordination of youth employment policy and funding at a local level in the way we have proposed.

1. Youth unemployment varies between local areas – so it requires local solutions

As we have established, youth unemployment can vary significantly between local areas. While national policy solutions are important, they will therefore not be enough on their own to deal with this problem on the ground, especially if proposed solutions are not implemented properly in local areas. As the Local Government Association and others have pointed out, local councils, schools, Jobcentres, businesses, voluntary organisations and others are often better placed than national Government departments or agencies to analyse and deal with local skills gaps and other issues which prevent young people from getting into work.¹²⁶

There are a number of examples of initiatives which have proven successful in tackling youth unemployment without needing a formal structure such as an LEP or a City Deal behind it, or without being part of a national network of partnerships constituted in the same format (like LEPs). Yet these local initiatives are already making significant progress in improving co-ordination of local youth employment policy and services; getting young people into employment; and tackling skills gaps in local communities.¹²⁷

¹²² See footnote 106.

¹²³ Ibid

¹²⁴ See footnote 108. See also Social Mobility and Child Poverty Commission, *Social Mobility: The Next Steps* (July 2013). Available at: <https://www.gov.uk/government/publications/social-mobility-the-next-steps>

¹²⁵ See footnote 108.

¹²⁶ See footnote 107.

¹²⁷ See Case Studies.

2. Local initiatives could achieve better outcomes for young people compared to national programmes and save taxpayers' money in the process

We have already explored the extensive costs to the taxpayer of the current system – costs which could be reduced or avoided under the proposals we are making. There is also evidence to suggest that devolving control of national schemes like the Youth Contract to a local level – perhaps to these local partnerships or initiatives – might help to achieve better outcomes for young people (and save money) than the present situation where national schemes are run across the country with only limited input from councils and other local organisations. For example, Local Government Association figures suggest that local initiatives in areas like Leeds, Bradford, Wakefield, Newcastle and Gateshead have achieved significantly better results than the results being achieved by the UK Government's Youth Contract.¹²⁸ The LGA believe that based on what these local areas are achieving, a devolved Youth Contract across England could help twice the number of young people into work or learning as it is currently helping.¹²⁹ As will be clear from our Case Studies, the local initiatives which we profile are also achieving very positive outcomes.

The LGA have argued that devolving powers to local authorities and local partnerships to deal with youth unemployment has the potential, based on what some local partnerships and initiatives have been achieving, to reduce youth unemployment by 20 per cent and deliver savings for taxpayers of £1.25 billion every year, as well as contributing an additional £15 billion to the economy over a ten-year period.¹³⁰ In addition, a report by the LGA and Ernst & Young has suggested that devolving more national decisions to local areas through the use of "*community budgets*" could save billions of pounds across local and central government. The report suggested that if implemented, this approach could deliver savings of between £1 billion and £1.7 billion of taxpayers' money per year from government spending on getting people – including young people – into work.¹³¹

3. Better co-ordinating local services might help to tackle local and national skills gaps and to improve the transition from education to employment for young people

One of the reasons we have a high level of youth unemployment in the UK is that too often the education system fails to prepare young people for the world of work, or to ensure that young people make a successful transition from education to employment. This is not a controversial point – it has been identified as a major problem by organisations and groups ranging from the ACEVO Commission¹³² to City and Guilds, who argue that "*The link between education and employment is critical to tackling the issue of youth unemployment*".¹³³

A connected problem is the fact that we face large skills gaps in this country. In a number of sectors, there are not enough potential employees – particularly young people – with the skills that employers require.

¹²⁸ http://www.local.gov.uk/media-releases/-/journal_content/56/10180/4033970/NEWS

¹²⁹ http://www.local.gov.uk/media-releases/-/journal_content/56/10180/4104124/NEWS

¹³⁰ http://www.local.gov.uk/c/document_library/get_file?uuid=a571cac1-b8a4-4858-8039-b9bf5b0d2e9b&groupId=10180

¹³¹ Ernst & Young LLP, *Local Government Association - Whole Place Community Budgets: A Review of the Potential for Aggregation* (January 2013). Available at: <http://www.lgcplus.com/Journals/2013/01/10/c/l/x/LGA-and-EY-Community-Budgets-Report-.pdf>

¹³² See footnote 106.

¹³³ City & Guilds, *Ways into work: views of children and young people on education and employment* (May 2012). Available at: https://www.cityandguilds.com/~/_media/Documents/About-us/CityandGuildsWaysintoWorkViewsofYoungPeopleReportpdf.ashx

For example, the Centre for Economic and Social Inclusion undertook research for the Local Government Association which compared the skills gained by young people and the jobs available to them in local areas. The research, published in 2012, shows that across England there is an oversupply of skills in sectors such as hairdressing & beauty, and hospitality; and at the same time there is an undersupply in others, such as in construction and the automotive industries.¹³⁴ Business leaders also regularly warn of a shortage of young people with relevant skills in areas such as engineering.¹³⁵

There is no single solution that will tackle either or both of these problems. However, one of the reasons why these problems exist is that there are not enough connections between employers and educational establishments. This is clearly apparent from the reports we have already cited and also from other reports. For example, a recent inquiry by the Education, Skills and Children's Services Select Committee of Buckinghamshire County Council found that local partnerships between schools, employers and councils are crucial to reducing youth unemployment at a local level.¹³⁶

Local partnerships as discussed in this section could make some progress towards tackling this problem by bringing together local schools and colleges with employers, to ensure they work more closely together on preparing young people for the workplace and the transition from education to employment, as well as filling local and national skills gaps. This could be done through a number of ways: e.g. asking employers into schools and colleges to give talks, asking them to get involved with a formal enterprise education curriculum, asking them to get involved with an extra-curricular enterprise activity like Young Enterprise, or asking them to offer careers advice or work experience to students.

This is not a revolutionary idea. Positive initiatives such as University Technical Colleges are already beginning to take steps to address these problems.¹³⁷ But, as we discuss below in one of our case studies, a local initiative is already happening in Birmingham which aims to take further action in exactly this area and which could be a model for other local areas to follow.¹³⁸

¹³⁴ Centre for Economic and Social Inclusion & Local Government Association, *Hidden Talents: Skills mismatch analysis* (June 2012). Available at: http://www.cesi.org.uk/sites/default/files/publications/CESI_Hidden_Talents_Skills_Mismatch.pdf. For example, more than 94,000 people completed hair and beauty courses in 2012, despite there being just 18,000 new jobs in the sector, while in the construction sector around 123,000 people were trained for around 275,000 advertised jobs – more than two jobs for every qualified person.

¹³⁵ See e.g. <http://www.bbc.co.uk/news/uk-20942015>; <http://www.bbc.co.uk/news/business-27764671> and <http://www.bbc.co.uk/news/uk-england-london-27966401>

¹³⁶ Buckinghamshire County Council - Education, Skills and Children's Services Select Committee, *Young People Ready for Work: Supporting young people to be ready for work in Buckinghamshire* (April 2014). Available at: <https://democracy.buckscc.gov.uk/documents/s48872/Young%20People%20Ready%20for%20Work%20Report%20April%202014.pdf>

¹³⁷ More information on University Technical Colleges is available at <http://www.utcolleges.org/>

¹³⁸ See Case Studies.

Case Studies

Case Study 7: Norwich for Jobs

Launched on 25 January 2013, the Norwich for Jobs campaign is a voluntary project which aims to reduce youth unemployment in Norwich by working with local employers and other organisations to halve the number of young people registered as unemployed in Norwich Job Centre by January 2015, a target which the group aims to achieve by helping to create 1,000 new jobs for young people in Norwich.¹³⁹ The group was co-founded and is chaired by Chloe Smith, Conservative MP for Norwich North¹⁴⁰.

Norwich for Jobs works closely with a number of partners and supporters including City College Norwich; Norfolk County Council; Norwich City Council; Norfolk Chamber of Commerce; the Eastern Daily Press and Norwich Evening News; Jobcentre Plus; the Federation of Small Businesses and the Prince's Trust – as well as numerous local employers.¹⁴¹ It also has a Young Persons Panel, allowing young people a direct input into the activities of the campaign's Employers Panel and Steering Group. This is a great example of the kind of local co-ordination and youth representation we are calling for.

The initiative has the backing of the Prime Minister and has been hailed by Employment Minister Esther McVey MP as a scheme which could be expanded across the country.¹⁴²

The Norwich for Jobs campaign has already achieved remarkable results. As of the end of March 2014, 1032 jobs or apprenticeships and 344 work experience placements had been pledged to young people, with 684 young people beginning these paid opportunities and 144 beginning work experience placements so far.¹⁴³ Since January 2013, the official 18-24 unemployment count for Norwich has also dropped from 2030 to 1295.¹⁴⁴

¹³⁹ <http://www.norwichforjobs.org.uk/>

¹⁴⁰ See <http://www.norwichforjobs.org.uk/news/norwich-jobs-campaign-gathers-pace-backing-key-figures> and <http://www.norwichforjobs.org.uk/employer-pledge>

¹⁴¹ See <http://www.norwichforjobs.org.uk/partners>; and <http://www.norwichforjobs.org.uk/employer-pledge>

¹⁴² See <http://www.norwichforjobs.org.uk/progress>; and http://www.edp24.co.uk/business/norwich_for_jobs_campaign_is_a_shining_example_says_minister_1_3015_788

¹⁴³ <http://www.norwichforjobs.org.uk/progress>

¹⁴⁴ Ibid

Case Study 8: Ladder for London

The Ladder for London campaign¹⁴⁵ is an initiative launched by the London Evening Standard newspaper in September 2012 in conjunction with City Gateway. The campaign aims to tackle youth unemployment in London by persuading companies to offer apprenticeships to unemployed young people in the city.

The campaign has already made a big difference, creating well over 1,000 apprenticeships for young people in London¹⁴⁶. These apprenticeships have been created by a huge range of employers.¹⁴⁷

Many of the employers taking on these young apprentices have taken on apprentices for the first time because of the Ladder for London campaign. These include Metro Bank, which pledged to take on a total of 150 apprentices through the scheme over a period of three years.¹⁴⁸

According to Will Gore, Deputy Managing Editor of the London Evening Standard: *"the idea has caught on, which is perhaps the most significant marker of its success. With luck, there will soon be a 'Ladder for Leeds', a 'Ladder for Liverpool' and myriad 'Ladders' elsewhere."*¹⁴⁹

¹⁴⁵ <http://www.standard.co.uk/staticpage/londonladder/> and

<http://www.citygateway.org.uk/apprenticeships/ladder-for-london>

¹⁴⁶ See <http://www.standard.co.uk/news/london/one-thousand-lives-changed-our-campaign-smashes-goal-for-apprenticeships-in-a-year-8917380.html> and <http://www.inma.org/blogs/ideas/post.cfm/london-evening-standard-tackles-youth-unemployment-sparks-social-debate>

¹⁴⁷ <http://www.standard.co.uk/news/work/ladder-for-london-roll-of-honour-8214623.html>

¹⁴⁸ <http://www.standard.co.uk/news/work/i-saw-misery-of-joblessness-in-my-pit-village-so-im-hiring-150-apprentices-8224209.html>

¹⁴⁹ <http://www.inma.org/blogs/ideas/post.cfm/london-evening-standard-tackles-youth-unemployment-sparks-social-debate>

Case Study 9: The Birmingham Bacculaureate

Children in a number of Birmingham state schools now have the chance to study for a locally designed qualification in addition to their GCSEs, known as the “*Birmingham Bacculaureate*” – sometimes summarised as “*BBAC*” or “*BBacc*”. The qualification is currently being piloted in a number of schools across Birmingham before being rolled out across the city¹⁵⁰. The Birmingham Bacculaureate has the backing of a range of employers¹⁵¹ as well as Birmingham City Council.¹⁵²

Crucially, the Birmingham Bacculaureate has been designed in consultation with universities and business groups, to ensure that young people leaving school have the skills required by the local labour market in Birmingham. This has meant the qualification has been designed to fill the local skills gaps identified by local businesses, ranging from engineering and computing skills to the ability to make curry dishes such as balti, a dish which Birmingham is famous for.¹⁵³

The Birmingham Bacculaureate was based on the approach used by Small Heath School, a state secondary school in Birmingham, which has a proven record of success in preparing its pupils for the workplace. The school has embedded so-called “*employability skills*” into their curriculum and has a number of innovations such as membership of the Confederation of British Industry – an unusual accolade for a school. The Economist reports that in 2012, 223 of the school’s 224 leavers went into employment, education or training – an impressive feat considering the school is based in a deprived area of Birmingham which has a high level of youth unemployment among school leavers¹⁵⁴.

¹⁵⁰ See <http://www.skillsforbirmingham.com/index.html>; <http://www.skillsforbirmingham.com/about.html>; <http://www.skillsforbirmingham.com/partners.html> and <http://www.birminghampost.co.uk/news/local-news/skills-key-new-birmingham-baccalaureate-3906261>

¹⁵¹ <http://www.skillsforbirmingham.com/partners.html>; and http://www.skillsforbirmingham.com/supporting_employers.html

¹⁵² <http://www.birminghammail.co.uk/news/local-news/birmingham-baccalaureate-launched-3012370>

¹⁵³ Skills for Birmingham: *Young, skilled & ready: educating an employable generation for Birmingham* (May 2013). Available at: <http://www.skillsforbirmingham.com/SFB-Report.pdf>. See also <http://www.birminghampost.co.uk/news/local-news/skills-key-new-birmingham-baccalaureate-3906261>; and <http://www.skillsforbirmingham.com/bbac.html>

¹⁵⁴ The Economist, *The Birmingham Bacculaureate: Capitalists in the Classroom* (12 October 2013). Available at: <http://www.economist.com/node/21587817>