

Appendix 2

'Skewed training system failing young people' – LGA press release

England's skewed approach to training is failing young people by churning out armies of hair and beauty workers, personal trainers and media professionals – all qualified for jobs that don't exist – while not producing enough people with skills where there are jobs, new research by the Local Government Association reveals.

The report, which is released today, shows that despite the recession many businesses are crying out for more young people trained to be electricians, plumbers, engineers and environmental officers than the system is creating.

However, last year more than 94,000 people completed hair and beauty courses despite there being just 18,000 new jobs in the sector, meaning there were five people qualified for every job. Of these, more than 60 per cent – 57,280 people – were 16 to 18-years-old.

More than double the number of people were trained to work in hospitality, sport and leisure than there were jobs advertised in these fields, with 97,000 people training to fill just 43,000 positions in roles such as personal trainers and tour guides.

Applications to work in media were also heavily over subscribed, with colleges training more than 83,000 people to fill 65,000 jobs in broadcasting, journalism and public relations.

Last year, fewer than 40,000 people trained to fill around 72,000 new jobs in the building and engineering trades. Similarly, in the construction sector around 123,000 people, including just 44,000 16 to 18-year-olds, were trained for around 275,000 advertised jobs – more than two jobs for every qualified person.

The environmental industry created an estimated 89,000 jobs last year, but only 27,000 young people were trained to take them. There was also an inadequate supply of training for textile designers, accountants and jobs in the automotive industry.

It means that despite rising unemployment and more than £4 billion being spent on Further Education last year, as many as 17 per cent of job vacancies in England are now directly attributable to skills shortages.

The LGA is warning that this huge 'skills mismatch' is the result of colleges receiving funding from Whitehall based on studying and passing qualifications rather than on job outcomes, particularly local work. This in turn is resulting in tens of thousands of students being steered onto popular courses that they can easily pass but that are unlikely to help them into future employment.

The LGA is now calling for Government to look at how devolving responsibility for education, skills and training to local partnerships – made up of local authorities, schools, colleges and employers – will allow them to match skills training with local jobs.

As champions of young people in their area, councils can offer:

- Matching of education and skills provision to local labour market need, reducing disengagement, slashing the level of skills mismatch, and saving public money.
- The creation of clear progression routes for individuals not going to university, with local employers playing a central role in preparing young people for work.
- The involvement of young people in the design, scrutiny and delivery of all education and skills provision in their area.

- Integration with additional support for identifying young people most likely to disengage and joining up support to reengage them.

Cllr David Simmonds, Chair of the LGA's Children and Young People Board, said:

"Incentivising colleges to steer students onto low-prospect courses, rather than those that will help them gain meaningful employment, is indefensible. Young people can make a brilliant career out of hairdressing or personal training but the huge number of students studying these skills swamps the number of jobs available each year.

"A nationally driven one-size-fits-all approach doesn't work. We need a shift in training priorities which prizes and rewards those that help students toward meaningful careers. It's not right that young people trying to secure a good future are being deceived by a system that fails to look at what is best for them, or the taxpayer, and instead focuses on a bums-on-seats approach to education.

"Failure to get this right is not only disastrous for young people, but for taxpayers too. Young people who are trying to get on the career ladder are instead finding themselves without a job and potentially falling into long-term unemployment. This can have scarring effects that last a lifetime and have a huge cost to the taxpayer in welfare and benefits."

The research also shows that a national approach to training is not effective and that local partners must have a bigger role.

Cllr Peter Box, Chairman of the LGA's Economy and Transport Board, said: "This is simple stuff which other countries manage to get right. We are teaching too many young people the wrong skills and we can't go on pretending that all courses are intrinsically the same and have the same long term prospects. Too many courses are effectively leading young people nowhere, while there are real skill shortages in other areas

"Ensuring we get this right is also crucial to small businesses which are the drivers of the local – and ultimately the national – economy, and rely on local people having appropriate skills. Central government is in no position to understand this and provide young people with the skills they need. Only councils can bring colleges and employers together to address this locally, but they must have the tools to do so."

The research also revealed huge regional variations in the level of 'skills mismatch' across the country, further demonstrating that a nationally driven system is struggling to train people in the skills needed by local businesses.

- Basildon, Essex, has one of the largest oversupplies of hair and beauty skills with around 20 people trained for every job. A total of 530 people trained for just 28 jobs last year. However, the area has an undersupply of skills in almost every other sector.
- Daventry trained 810 teenagers as bricklayers, roofers and plumbers for just 462 jobs.
- Nottingham has a massive oversupply of hospitality staff, travel agents and other leisure and travel skills, training 1,140 people for 61 jobs – 20 people for every job.
- However, many places have large undersupplies of skills. Windsor and Maidenhead needs more hairdressers, with only 20 teenagers training for 43 vacancies.
- In Harrogate, only 70 teenagers were trained for 387 jobs in leisure and tourism.
- In Cambridge, there is a massive undersupply of trained construction workers such as bricklayers, roofers and plumbers. Just 50 people trained for more than 2,000 vacancies last year.