

## Youth employment and skills update

### Purpose

For discussion and direction on the development of a youth participation policy.

### Summary

This paper provides an update on the development of a youth participation policy and an employment and skills update, including the impact of Covid-19 on young peoples' employment and skills. A precis of the youth participation report with its recommendations for lobbying the Government, along with an action plan on how this piece of policy work will be developed. This work forms part of our wider Work Local ambition.

The youth participation policy work is jointly developed by City Regions, People and Places and Children and Young People Boards to ensure read-across.

### Recommendation

That the City Regions /People and Places/ Children and Young People Board:

1. Consider the draft youth participation publication and provide comments on its recommendations **(para 9)**.
2. Provide a steer to officers on whether the policy, action plan and next steps are moving in the right direction **(para 31)**.

### Action

Officers to further develop our policy position in line with Members' steer.

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## Background

1. The LGA skills and employment work, Work Local, is jointly led by the Children and Young People Board, People and Places Board and the City Regions Board. Our [Work Local: Making our vision a reality](#) sets out a framework to bring together careers advice and guidance, employment, skills, apprenticeships and business support for young people, adults and employers. It aims to make the current national system more integrated and localised, and for the sector to benefit from a devolution deal process that offers freedoms and flexibilities.
2. Last year, we presented a paper to the Board setting out the challenges of the current system for young people and the importance of improving youth participation in education, employment and training; alongside an action plan on how the Work Local ambitions for young people will be progressed.
3. The item updates members on LGA work since then and seeks a steer on how to position and progress this policy work with the Government and stakeholders.

## Youth participation policy

4. The Board agreed the action plan. To advance the policy detail for improving youth participation, three roundtable / engagement events were planned. These included:
  - a sector roundtable for councils and combined authorities;
  - a roundtable geared at stakeholders;
  - an engagement event specifically aimed at young people.
5. The aim being to draw together the findings from each event and publish a youth participation report.
6. The sector roundtable took place in January 2020, chaired by Cllr Kevin Bentley, Chairman, LGA People and Places Board. The event focused on broadening the discussion on how the employment and skills offer could be improved to support young people; and to secure agreement on the LGA proposal for improving youth participation.
7. The second roundtable aimed to engage stakeholders on the youth participation agenda to better understand and explore how current funding and programmes could be more effectively aligned to meet the needs of young people and businesses; and to develop alliances for youth participation policy reform. This was planned to take place in March 2020 with Cllr Sir Richard Leese CBE, Chair, LGA City Regions Board. Due to the Covid-19 crisis the event had to be cancelled and instead extensive discussions took place with leading education, employment and skills organisations on this agenda.
8. The young people engagement events were in the process of being confirmed for April 2020 but did not take place due to the crisis situation. The Youth Employment UK 'Youth Voice Census' annual report, which explores young people's (aged 14 -24 years old) views on a range of issues related to education, work and the areas in which they live, has provided valuable insights on young peoples' views for the youth participation policy work.

9. Following the engagement activities and discussions, a draft report has been produced for publication. The report integrates the findings and provides clear evidence, featuring case studies from different areas, and recommendations to the Government for improving youth participation. Due to the Covid-19 pandemic and its disproportionate impact on young people, the report has been adapted with a crisis lens to reflect its challenges. A precis of the report is attached (**see Annex A**).
10. The full draft report has been circulated to Members of all three boards (Children and Young People, City Regions, and People and Places) for comments. **Members are requested to consider and provide comments by 18<sup>th</sup> September 2020 to [bushra.jamil@local.gov.uk](mailto:bushra.jamil@local.gov.uk).**

### 11. Next Steps

- We will continue to work the Whitehall departments, in particular DfE and DWP, and engage with stakeholders to progress this piece of work.
- We have established good working relationships with a number of organisations, including the Youth Employment Group organisations and will capitalise on these to raise awareness and build alliances.
- Parliamentary engagement on this agenda is in train with the planning of an APPG event.
- We intend to create and capitalise on media opportunities to shine a light on this issue/ report recommendations.

**An action plan below provides further details and timescales on how this project and the wider youth participation policy work will be progressed.**

### Improvement work

12. Improving youth participation in education, employment and training (EET) as part of their statutory duties is key for councils. The Covid-19 crisis will have an adverse effect on young people's ability to transition into education or employment effectively. Therefore, a small amount of funding (£15k) has been allocated to better understand the barriers/challenges for councils in fulfilling their statutory duties for young people, for instance, in relation to NEETs and to explore solutions. We intend to commission this project in the Autumn. The project will support the sector (six to eight areas) through action learning. A report with case studies will capture the learning and a subsequent online resource and toolkit will support councils to commission and deliver services that enhance the current offer for young people. **Members are asked to consider the proposal and provide comments.**

### The impact of Covid-19 on young people

13. While youth unemployment prior to Covid-19 crisis has fallen and youth participation in education and training rates for 16 -18-year olds has held around the 86.1 per cent mark, the number of NEET young people in the UK remains stubbornly high at 765,000 on the latest count this month. This shows that the system is not working for all young people – too many are falling between the gaps and need better support. The Covid-19 crisis is likely to further affect this group's chances to get on in life, alongside those newly impacted by the crisis.
14. The Resolution Foundation estimates that the crisis could nearly double youth unemployment as a further 600,000 could find themselves unemployed this year.

While the Learning and Work Institute predicts that at least 500,000 young people (16-24-year olds) will become long term unemployed over the next eighteen months. This September, 800,000 young people will be leaving schools, colleges and universities, hoping to join the labour market. The Sutton Trust reveals 19 per cent of young people that were due to attend university this year are considering withdrawing.

15. The latest data on apprenticeships shows that the crisis had a significant impact on the number of starts in May 2020 – a drop of 60 per cent compared to May 2019. Over recent years apprenticeship starts were low for young people and needed to be improved, but they have been hit the hardest, with the number of starts for 16-18 year olds reducing by 79 per cent and Level 2 apprenticeships falling by 74 per cent compared to the same time last year. The Social Mobility Commission shows that the apprenticeship system is failing disadvantaged young people in England.
16. These figures paint a grim picture for young people for September and beyond. Councils and combined authorities alongside their providers are concerned with the disproportionate impact of the crisis on young people. Localised funding is needed to address these issues.
17. The Government has provided local government with funding to respond to the Covid-19 crisis, however these were unringfenced allocations which provided much needed emergency funds to support frontline services which were immediately impacted by Covid-19 such as adult social care and homelessness. No funding has been specifically provided to support young people.
18. The Government's prompt action and recent announcements of investment in skills and measures to create jobs, apprenticeships and opportunities for young people are welcome. However, these can only be successful if they are localised by building on the local intelligence and delivery models, working in partnership with employers and providers. Labour market interventions, such as the Expanded Youth Offer, Kickstart Scheme and Traineeships need to be linked to other local services where a more integrated and cross cutting support is required (health, mental health, homelessness etc). This approach would deliver better outcomes for individuals than standalone interventions.
19. Our offer is that locally and democratically elected councils and combined authorities should be the natural partners of Government to make sure join up happens. The LGA's [Work Local](#) proposals offer a ready solution to establish a local skills and job offer that meets the needs of businesses and young people.

### **House of Lords Employment and Covid-19 Inquiry**

20. The House of Lords Economic Affairs Committee launched a new inquiry into employment and Covid-19 this summer and the LGA has made a submission. The focus of the inquiry is to examine the effects of the Covid-19 pandemic on the labour market and consider what urgent measures are needed to protect and create jobs. It will also look at how the labour market may change as a result of the pandemic in the longer term and make recommendations to the Government. We have used this an opportunity to reiterate our recovery asks (for adults and young people) and Work Local ambitions.

### Collaboration with other organisations

21. In response to the early intelligence of Covid-19 crisis suggesting that the effects of unemployment were likely to be disproportionately experienced by young people and the disadvantaged, [Impetus](#), [Youth Futures Foundation](#), [Youth Employment UK](#), [the Institute for Employment Studies](#) and [The Prince's Trust](#) formed the Youth Employment Group (YEG) in April 2020.
22. The YEG aims to bring together key leaders and experts around the youth employment sector to provide a response and keep a watching brief on youth employment. This consists of monitoring the situation, sharing insights and making coordinated asks of the Government using common sets of figures.
23. The LGA was invited to join as a member of the Group. To date, the LGA has participated as an observer, along with some councils/combined authorities. However, the LGA has contributed to the working group recommendations.
24. In June 2020 the YEG called for an [Opportunity Guarantee](#), which was subsequently announced by the Prime Minister. Further recommendations are currently being finalised and will be published shortly. **Members will be kept informed of any further collaboration with the YEG and future announcements.**

### NEET Ministerial roundtable

25. The LGA was been invited to a roundtable on 3<sup>rd</sup> September, convened by Gillian Keegan MP, Minister for Apprenticeships and Skills, the Department for Education (DfE). It involved officials from DfE and the Department of Work and Pensions (DWP), external organisations (Chairs of the Youth Employment Group), plus young people ambassadors. The roundtable discussion focused on 16-25-year olds, those not in education, employment or training (NEET) and those at risk of NEET. Cllr Kevin Bentley, Chairman, LGA People and Places Board, along with a sector representative from Nottingham City Council and two LGA officials attend the event.
26. The Covid-19 crisis is likely to have significant consequences for youth unemployment which will impact on the education and training offer locally. This will be a concern for the Minister. Therefore, the Minister was particularly keen to hear from young people and the LGA about what is happening on the ground, including the issues young people are facing and how that can result in becoming NEET, the key challenges/barriers in supporting NEETs, and what the solutions and ideas are to better address this.
27. The LGA representatives used the opportunity to reiterate our Work Local and green economic recovery proposals, and to work in partnership with Government to back the economic recovery for employers and young people's needs.
28. As a follow-up **we propose Cllr Kevin Bentley sends an invitation to the Minister to attend one of our future People and Places board meetings to have a discussion on improving youth participation.**

### Media and PR

29. To shine a light on our calls for the devolution of careers advice, post-16 and skills budgets and powers to local areas to improve provision for young people, the LGA

issued a [press release](#) in May 2020. This also coincided with NEET quarterly data release showing an annual increase in the number of young people (aged 16 to 24 years) to 771,000 in the UK, which gained some traction from national press.

30. During the Covid-19 crisis Cllr Kevin Bentley, Chairman, LGA People and Places Board highlighted in a First magazine [feature](#) the plight of young people and the need for more employment and skills support to aid the economic recovery. It was an opportunity to set out our asks of Government, including greater Apprenticeship flexibilities and extension of the September Guarantee. This piece was part of a double [feature](#) with Cllr Abi Brown, Leader of Stoke-on-Trent City Council and Vice-Chair, City Regions Board on economic and skills recovery. The article talked about getting the message over to politicians and senior officials across Government; Cllr Abi Brown spoke on these issues on behalf of the LGA at the Learning and Work Institute’s Employment and Skills Convention in July 2020.

### Action plan

31. Following the board’s approval, we will continue to progress this piece of work both with the sector and stakeholders, the key activities together with the timescales are detailed below:

Activity	Timescale
Launch E2E Education-2-Employment: Supporting youth participation for the present and next generation publication	Oct 2020
Invite Gillian Keegan MP, Minister for Apprenticeships and Skills, the Department for Education to speak at the People and Places Board	Nov 2020
Webinars on improving youth participation	Autumn 2020
APPG on improving youth participation/impact of Covid-19	Autumn 2020
Step up engagement with stakeholders to build an alliance to support our youth participation recommendations	Autumn 2020 - Spring 2021
Further collaboration with the sector/stakeholders/YEG to understand the impact of Covid-19 and explore solutions	Autumn 2020 – Spring 2021
Series of First articles on youth participation topics, including emerging Covid-19 challenges	Autumn 2020 – Spring 2021
Improvement project <ul style="list-style-type: none"> <li>• Commission the project– Autumn 2020</li> <li>• Case study report published – Spring 2021</li> <li>• Online resource and Toolkit – Summer 2021</li> </ul>	Autumn 2020 – Summer 2021
NEET annual figures press release to shine a light on the importance of good careers advice and guidance and devolution to support statutory duties	Feb 2021

**Members are asked to consider and comment on a) youth participation publication (Annex A) precis and its recommendations (para 9), b) proposed activity in the summary action plan (para 31) and provide a steer on the development of this piece of work.**

### Next steps

- The proposed activities in the action plan will be progressed with the sector and stakeholders to develop this policy further.

- Following the Board's considerations and comments on the contents of this paper and the full youth participation report, officers will provide regular updates on the development of this policy/ activities at future boards meetings.

### **Financial implications**

32. To be covered through the existing Budget.

### **Implications for Wales**

33. Skills and employment are devolved matters. The LGA liaises with WLGA colleagues.

## **Annex A**

### **E2E**

#### **Education-2-Employment: Supporting youth participation for the present and next generation**

Improving youth participation in education, employment and training (EET) is a key priority for councils and combined authorities. Alongside their role in helping economies to thrive by ensuring the future workforce skills, they have several statutory duties relating to youth participation; to ensure all young people up to the age of 18 (25 for those with learning difficulties) participate in education or training.

While youth participation in education and training rates for 16 -18-year olds have remained around [86.1 per cent mark](#) the challenge for local government have remained over recent years. Councils continue to hold statutory duties for young people engagement in high quality education and training but lack the appropriate formal levers – power and resources – to undertake these responsibilities effectively. Most of the provision for young people is still nationally commissioned by Whitehall departments mainly (Department for Education - DfE and the Department of Work and Pensions - DWP) without conducting assessments of local need.

Prior to COVID-19 pandemic hit our country, there were many challenges for young people in relation to employment and skills and these will have been exacerbated with the current situation. The crisis has disproportionately impacted young people – those in school and colleges, on apprenticeships or in sectors mostly bearing the brunt of the crisis.

The Government's recent announcements of Opportunity Guarantee measures, including Kickstart Scheme are welcome and will it will greatly help towards supporting young people through this difficult period. Nonetheless, in order to be successful, these suite of initiatives need to be localised by building on the local intelligence and delivery models, working in partnership with councils, employers and providers.

This is a unique opportunity to be '[Re-thinking local](#)' to unlock the full potential of local and national partners across the country to support economic recovery. The Government needs to work in partnership with local government to deliver its recovery ambitions and the forthcoming devolution agenda.

Over the last six months, the LGA has worked with the sector and many of the leading education, employment and skills organisations across England on this agenda. Several organisations took part in discussions, including Association of Employment and Learning Providers (AELP), Association of School and College Leaders (ASCL), National Youth Agency (NYA), Youth Future Foundation (YFF), Youth Employment UK (YEUK), Edge Foundation and Impetus. The sessions focussed on the challenges of the current system for supporting young people into education, employment and training (EET); exploring the potential solutions to addressing the challenges; and LGA's proposals for improving youth participation.

The discussions revealed that many of these organisations share our concerns about a confusing system, lack of coherence and join-up both at a national and local level. Equally, many of them share our ambition for a more aligned employment and skills system that allows young people to make an effective transition from education to employment; and meet the skills demand of employers now and in the future. The crisis has created an urgency for employment and skills reforms to aid the economic recovery of areas. Consequently, we need an offer that backs economic recovery, employers and young people's needs.

The key recommendations draw on our work with the sector, stakeholders and incorporate the views of young people. Many of these were developed before the COVID-19 crisis but still hold relevance today. We have set out our asks together with our offer to the Government for reform. In addition, we have, where possible, integrated the Governments recent announcements (July 2020) on the Opportunity Guarantee measures and Kickstart Scheme (September 2020).

### **Summary key recommendations**

**We recommend this is needed [immediately](#):**

1. Set up a Youth Employment and Skills Taskforce and appoint a Youth Minister.
2. Work with councils and combined authorities to localise investment in the new active labour programmes for those out of work.
3. Work in partnership with councils and combined authorities to plan and deliver the Kickstart Scheme.



4. Grant additional powers and resources to councils and combined authorities to extend the September Guarantee offer.
5. Grant Apprenticeship flexibilities to increase the number of young people starts and completions.
6. Provide greater investment and incentives for employer to promote the take-up of T Levels.
7. Establish data sharing protocols to open-up access and share Government departments' evidence, including granular and longitudinal data.

**We recommend this is needed [by 2022](#):**

8. Trial at least one Work Local pathfinder in each region across England.
9. Establish an integrated Youth Employment and Skills (YES) Service.
10. Give councils and combined authorities the power and resources to co-design and co-commission a local career offer.
11. Provide dedicated careers / transition support funding for secondary schools (and academies) to fulfil their responsibilities.
12. Give councils and combined authorities' the tools and resources to enable them to plan a coherent post-16 offer.
13. Provide a multi-year flexible funding pot to give additional support to secure/ sustain employment or training.