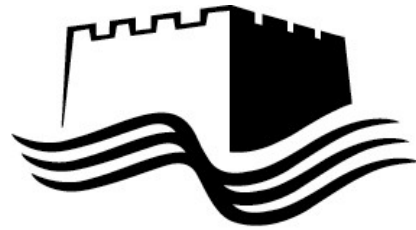


**Removing barriers to youth employment**

**Scrutiny Working Group Report**



**TOWER HAMLETS**

**London Borough of Tower Hamlets  
June 2013**

## **Acknowledgements**

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The Working Group would like to thank all the officers and partners that supported this review. Most importantly we would like to thank all of the young adults who attended the focus groups and offered their input to the review. These views and perspectives have been fundamental in shaping the final recommendations of this report.

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## Chair's Foreword

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The Coalition Government's welfare reform changes currently being implemented has placed a greater need to be in employment as benefits are reduced and access to them tightened. At the same time, the continuing economic recession has made getting a job more difficult for everyone and especially for young people, who may need additional investment in terms of individual support and guidance, job specific training and 'employability' skills.

The Government has not intervened in the UK job market of late, and has instead relied on encouraging corporate and financial growth as the way to bring prosperity and employment. Furthermore, I believe that no serious attempts have been made to consider how we get young people ready for work. There have been some partially successful schemes over the years, but there has been nothing that changes things for the better permanently. If such a scheme was found it would have a lasting impact that would ensure that it naturally continued under its own steam and thus take away the need to intervene at all.

It is my belief that our young people are administered to. They live in a world that tells them what to do constantly; to not speak but listen; do as they're told. When it comes to choosing they are not ready. They find themselves in a position where they have to choose; where they have to monitor themselves and know best. They are invariably influenced by parents, peers and teachers. Even with the best will, the advice given is not always in the young persons' best interests. Many give up here as they do not get the support, and cannot navigate their own way.

However, improving employment opportunities for young people in the borough has been a council key priority for a number of years. The council and other partners in the borough have a strong track record of providing access to jobs for local people, be that by direct employment, or by supporting them gain the necessary skills and qualifications to successfully compete in the open market.

As there has been a recent revival of the use of apprenticeships as a mechanism to address the youth employment issue and significant resources have been invested in developing and promoting them., The review group therefore felt it should focus its investigation on whether the council was doing everything in its power to ensure that these opportunities were maximised for our youth, although I don't necessarily agree with the focus being completely on apprenticeships. I especially wanted to seek out and listen to young people's views about what they felt would help them in their preparedness for apprenticeship work and their employability. I also spoke to young people about their experiences so far and how useful they felt training providers had been in supporting them.

I have highlighted the widespread use of mentoring, the need for greater information, and the refreshing the council's role, as issues I feel are particularly important in tackling youth unemployment.

- **Mentoring:** In researching the issue, I believe that there is a real need to provide mentors for every young person. Young people need a resource that they can rely on that focuses on helping them to develop as a person in their own right. I would like to see this effected through a coordinated, universal mentoring resource that is available to young people through the course of their secondary school life. With mentor encouragement, young people can

consider their options, gain confidence and motivation. Without mentoring opportunities, young people will not always gain the insight needed to see what educational training and careers are available to them, they are also less able to weather problems and issues faced on their journey; something that often derails even the most able academic person.

- **Information:** I have found that there is a huge opportunity to improve the quality and accessibility of the information available for young people, helping them to understand what happens at the end of their school career. I would like to see detailed and easy to understand information made available to young people on what to expect if you are going to look for work. This should include how to look for work, what the DWP will do, how the council can support them, how Skillsmatch and other providers can support them in getting a job, and what happens with benefits (benefits, training, housing). This will all help to provide a more rounded picture to prepare young people for adulthood.
- **Council's role:** I would like to see the council adopt a more custodial approach with partners to ensure the best outcomes are obtained for the boroughs young people. The better and more coherent the council is in what the opportunities are, the better it knows what else might be needed. It will be then be better able to influence funding in the borough, draw providers together and be able to effect results for youngsters.

These issues and others are further explored within the report. Please read the following review with the above in mind. If the council can review current processes to see what steps could be achieved towards the ideal what would be a real boost to our young people's chances for ongoing success at work.

I am grateful to my colleagues on Overview and Scrutiny for agreeing to prioritise a scrutiny review which looked into reducing barriers to youth employment. The Working Group's evidence gathering involved speaking to many individuals and organisations to reflect the complexity of the issues we were dealing with. Our recommendations are based on the evidence given by young people, Council officers, Towerskills, and school representatives. I would like to thank my fellow Panel members, Cllr Helal Abbas and Cllr John Pierce, who contributed their time and ideas. I would also like to thank all the young people, organisations and individuals that contributed their time and effort to this Review.

Please read the following review with the above in mind. If the council can review current processes to see what steps could be achieved towards the ideal what would be a real boost to our young people's chances for ongoing success at work.

**Councillor Ann Jackson**  
**Chair of Working Group and Chair, Overview and Scrutiny Committee**

## **Summary of recommendations**

### **Recommendation 1**

Increase access to independent information advice and guidance for young people

### **Recommendation 2**

Support the development of a universal mentoring scheme

### **Recommendation 3**

Work with the Education Business Partnership and businesses to improve the work experience offer for young people at school

### **Recommendation 4**

Increase employment opportunities of young people through introductory work experience

### **Recommendation 5**

Improve online information about apprenticeships and other employment opportunities

### **Recommendation 6**

Raise awareness and improve the perception of apprenticeships in schools

### **Recommendation 7**

Support businesses to improve the quality of the opportunities they offer so they can become accredited apprenticeships

### **Recommendation 8**

Clarify the role of the council in the apprenticeship agenda and build on relationships with providers through the employment and enterprise task group

## INTRODUCTION

- 1.1 In recent years, the Overview and Scrutiny Committee has undertaken two reviews of youth unemployment: one on graduate unemployment in 2006/07 and another on reducing worklessness amongst young adults aged 18-24 in 2009/10. The Overview and Scrutiny Committee were keen to take a fresh look at this issue to explore what the council and its partners can do to reduce youth unemployment in the borough. The Committee felt that it was appropriate to revisit this issue as, since the last reviews, the continuing global recession has depressed employment further especially for young people.
- 1.2 Improving employment opportunities for residents in general, and for young people in particular, has been a local priority for a number of years. The Mayor is delivering his pledge to create job opportunities to tackle youth unemployment. In addition, there are a number of multi-agency partnership groups which aim to tackle youth unemployment in the borough.
- 1.3 There are a plethora of organisations in Tower Hamlets which support young people in their options post 16. Statutory or publically funded organisations such as schools and the careers service provide support to young people throughout secondary school. Support for school leavers is provided through further or higher education institutes, the Council's Skillsmatch service, and Jobcentre Plus. Some information, advice and guidance is also available from the careers service for young adults outside of the school environment. The third sector plays a vital role in supporting young people in their transition from school to work especially for those who are furthest away from the jobs market. In addition, businesses play a central part in offering insight and exposure to the world of work as well as supplying job opportunities accessible for young people.

### The role of the council

- 1.4 The council is a major employer, employing over 8,000 staff, and has an annual budget of over £1 billion. It is therefore well placed and committed to providing and facilitating employment opportunities for local people. This ambition is articulated in a number of key strategies, such as the Employment Strategy, the Children and Families Plan, and the Procurement Strategy. The council has a strong track record of providing local people with access to employment in the public sector. This involves work experience, apprenticeships, entry level posts and graduate jobs as well as career progression opportunities for targeted groups.
- 1.5 Furthermore, by working with businesses and providing employment training and job brokerage services, the council aims to secure economic benefits for local residents. Through its procurement policy, the council has inserted clauses into several major contracts to ensure employment and apprenticeship opportunities. There is a commitment to adopt this approach for all major contracts going forward.
- 1.6 The review group heard that the council's contribution to the total borough spend on information, advice and guidance, capacity building and employment preparation work is approximately 5%. Given its limited financial resources, the council's role as an influencer and an enabler is

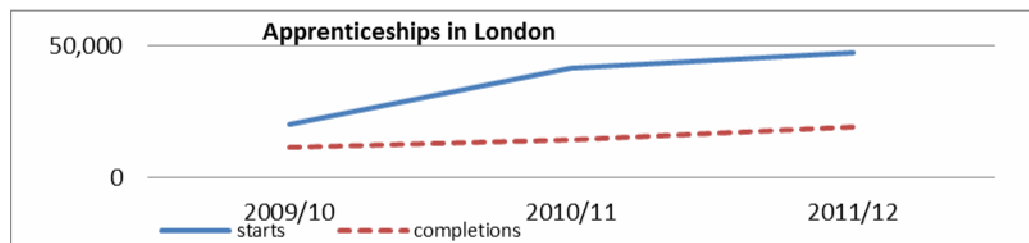
crucial in helping young people to effectively access both pre job support and job opportunities.

- 1.7 A central tenet of national policy to tackle youth unemployment is the apprenticeship route. The Government promotes this agenda as being good both for business and for young people. Much of this review focuses on apprenticeship opportunities in Tower Hamlets.

### Apprenticeships

- 1.8 Members identified the crucial role that businesses can play in supporting young people to become work-ready. This is done in a number of ways including mentoring, providing work experience, apprenticeships and direct employment. Given the national emphasis on apprenticeships, the working group chose to investigate the apprenticeship route in particular, focusing on what the council could do to facilitate appropriate support for young people to successfully compete in the job market.

- 1.9 Apprenticeships are time limited jobs with in-built education training and progression opportunities. They are promoted as an alternative to full time higher education. Apprenticeships have undergone a renaissance in the past few years. The huge growth in the number apprenticeship opportunities both nationally and regionally (figure 1) is a response to concerns about skills shortages which businesses have themselves identified as a barrier to young people accessing jobs. The training element of apprenticeships is designed to reflect the vocational and academic qualifications that businesses are asking for.



**Figure 1: Apprenticeships in London**

- 1.10 The National Apprenticeship Service promotes the benefits of apprenticeships for businesses as: increasing productivity, improving competitiveness, and creating a committed and competent workforce which suits business needs. In addition, they promote the cost benefit of hiring apprentices. The National Apprenticeship Service has responsibility for the delivery of apprenticeships throughout England. This includes services for employers, learners, and a web-based vacancy matching system. The service is also responsible for promoting apprenticeships and their value to employers, learners and the country as a whole.
- 1.11 There has been a sustained media campaign to raise awareness of apprenticeship opportunities. The Mayor of London, the Mayor of Tower Hamlets and many organisations and private businesses have been promoting the apprenticeship route into employment for young people. The Mayor of London has committed to increase the number of apprentices



across London to 250,000 by 2016, building on the 88,630 new apprenticeship starts over the last two years.<sup>1</sup>

- 1.12 For National Apprenticeship week (March 2013), the council hosted an event ‘celebrating employment and opportunity’ at the Town Hall, celebrating the achievements of local people including apprentices, graduates, interns, jobseekers and trainees. Awareness raising events have also been held around the borough for young school leavers who are considering becoming an apprentice.

## **2 OBJECTIVES OF REVIEW**

- 2.1 The objective of this review was to investigate how the council and its partners could improve the support provided to young people to become work-ready, and help remove barriers to employment.**

- 2.2 As part of the review, a progress report was provided on the two recent scrutiny reviews on youth unemployment to understand which recommendations had been successfully implemented and where learning from the previous reviews could be used as a basis of recommendations going forward.

- 2.3 The progress report identified the importance of apprenticeships as a key route for young people into work. Initial analysis into the apprenticeship offer found complexity within the system which could be confusing to young people. The scrutiny working group therefore chose to focus on apprenticeships. They wanted to ask how the council could add value and maximise the potential of the apprenticeship agenda for local young people.

- 2.4 The review set out to investigate the following areas:
- The demand for apprenticeships by young people.
  - The supply of good quality apprenticeships and how this can be stimulated.
  - Supporting young people to access opportunities and be competitive in the labour market: how can the council add value to this agenda?

## **3 METHODOLOGY**

The following methodology for the review was agreed by the working group:

- 3.1 Introductory meeting
- The working group received a progress report on previous scrutiny reviews of youth unemployment.
  - The group also received a presentation on the local labour market and job opportunities for young people from the council’s economic development service.
  - This aided in setting the scene. The scope of the review was refined at this point to focus on apprenticeships because of both their high profile and their huge potential to reduce local youth unemployment.

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<sup>1</sup> <http://www.london.gov.uk/priorities/business-economy/apprenticeships>

- 3.2 Focus Group meetings
- Focus groups with young people of different ages, being supported by various institutions including schools, Skillsmatch and Towerskills (training provider).
  - The young people were consulted on their experience of navigating the post-16 options available to them. They were also asked about their perception of apprenticeships.
- 3.3 Meeting with the Young People Preparing for Adulthood Task Group
- The Chair attended this partnership group to seek their views on issues in the apprenticeship 'system' and any action the council and its partners could take to support the reduction of youth unemployment.
- 3.4 Visit to Tower Hamlets College (Towerskills)
- The Chair visited Towerskills to hear about their work in preparing young people to undertake successful apprenticeships.
  - This included a visit to an apprenticeship screening session where applicants are interviewed for apprenticeship positions by businesses.
- 3.5 Concluding meeting: adding value to the apprenticeship agenda
- Officers from Learning and Achievement, the careers service and those working on apprenticeships discussed how to raise awareness and improve the perception of apprenticeships within schools.

## 4 BACKGROUND

4.1 This section provides a brief profile of young unemployed people in Tower Hamlets. An analysis of recommendations arising from the previous scrutiny reviews and how they have been implemented is summarised, the full report is appended to this report.

### 4.2 Profile of young unemployed people and local employment opportunities

4.2.1 There has been a general downward trend in youth unemployment rates in Tower Hamlets, bucking the London trend. This could be attributed to the increase in job opportunities available in the borough, a return to education or a reaction to the recent changes in welfare benefits – more Tower Hamlets residents are affected by the benefit cap than in many other areas.

4.2.2

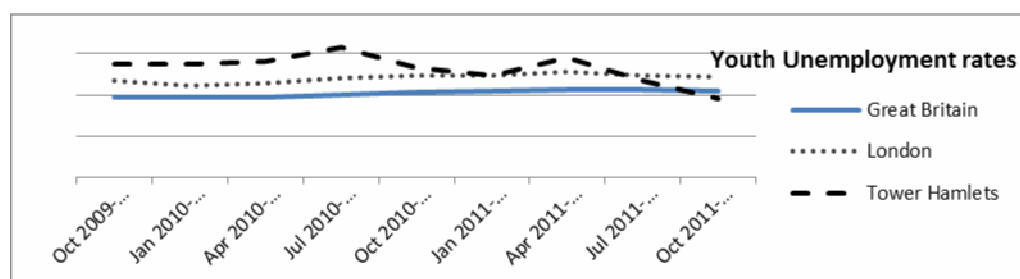
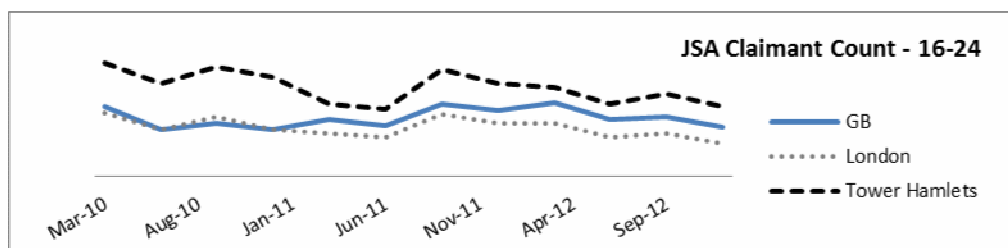


Figure 2: Youth Unemployment Rates



**Figure 3: JSA Claimant Count 16-24**

Data from the Office for National Statistics (September 2012) identified 4,100 young people in Tower Hamlets aged 16-24 as unemployed, representing 19.1% of the cohort. This is lower than the London and national average, although may reflect the high student population which is included in the figures.

4.2.3 However, the percentage of young unemployed residents claiming Job Seekers Allowance is higher than both the London and national average. Not all unemployed people can claim this benefit and it also excludes students who are not actively seeking work.

4.2.4 The borough's NEET rate is 5.6% which is below the London average, however many other London boroughs have a significantly worse NEET rate than Tower Hamlets. NEETs are young people in school years 12-14 equivalent (encompassing 16-19 year olds) who are not in employment, education or training. Since the beginning of 2012, between 250 and 400 young people have been identified as being NEET, out of a cohort of around 17,600<sup>2</sup>. The majority of NEETs are in year 14 (46%) followed by year 13 (31%) both of which are currently outside of the statutory school age.

4.2.5 The majority of NEETs are so for three months or less. Where the reason why a young person is NEET is known, most said that they were seeking employment, education or training. The borough's NEET Reduction Strategy outlines the activities taken to reduce the number of NEETs, including support provided by the Careers Service and targeted youth support such as the Positive Activities for Young People (PAYP) programme.

#### Local employment opportunities

4.2.6 The Office for National Statistics estimates there are 328,000 people employed in the borough. This accounts for around 5.4% of all employment in London, with only Westminster, the City of London and Camden having more jobs.

4.2.7 The majority of people employed in Tower Hamlets are working in the financial and insurance industries (32%), in business administration and support activities (11.7%), professional services (9.7%), information and communication (9.7%), health (6.8%) and accommodation and food services (4.6%). However given the number of people who commute into Tower Hamlets for work, these statistics are not necessarily a reflection of the jobs undertaken by the borough's young residents.

<sup>2</sup>Data from 15billion December 2012.

- 4.2.8 The economic development team presented the working group with information on the economic and job situation, both globally, London wide and specific to Tower Hamlets. The group heard that the borough has both a higher job density ratio compared to London (1.28 in Tower Hamlets compared to 0.88 in London), and a higher median gross weekly pay (£643 in Tower Hamlets compared to £610 in London). The higher gross weekly pay is attributed to the large number of well-paid jobs available in the Canary Wharf and City Fringe employment hubs.
- 4.2.11 The review group received analysis of Jobcentre Plus and Skillsmatch statistics relating to December 2012. They showed a disparity between the jobs sought and the jobs available to residents in the borough. Nearly half of the young people registered with Skillsmatch are seeking office work, and work in the service industries is the second most popular. However just under 10% were placed into office work. The majority were placed in the service industries (retail, hospitality and transport), followed by skilled trades such as security. Jobcentre Plus statistics show that the top job sought by workless people in the borough relates to sales and retail, with 2,930 people registering their interest in this, compared with just 45 vacancies in this sector advertised through Jobcentre Plus. 995 people sought general office assistant/clerk roles, yet there less than 25 vacancies of this nature. This would support the councils' offering more guidance to young people on what work was available and this is looked at in more depth in section 5.5.15.

### **4.3 Learning from the past: an analytical review of previous scrutiny recommendations**

- 4.3.1 The Overview and Scrutiny Committee has previously undertaken two reviews of youth unemployment:
- Graduate Unemployment (2006/07) and
  - Reducing Worklessness Amongst Young Adults 18-24 (2009/10).
- 4.3.2 Analysis of progress arising from these two reviews was undertaken as a starting point for the current review. A progress report considered the key changes which have impacted on the implementation of recommendations, including changes in national policy, budget reductions, and council directorate restructures. The most recent scrutiny review was approved by Cabinet in February 2010, three months before the general election brought in a change of Government and a significant reduction in public sector funding. Furthermore, the double-dip recession has depressed the UK economy and the jobs market since 2008, the year after the first review.
- 4.3.3 Reducing Worklessness Amongst Young Adults (09/10) looked at how the council can support young adults in improving their chances of securing employment, focusing on the information and guidance available, the number of providers in the borough, and examining the role of the third sector in reducing worklessness. Graduate Unemployment (06/07) investigated graduate underemployment and employment in Tower Hamlets, exploring the perception that local graduates face more barriers in accessing appropriate employment opportunities than graduates in other areas. It also looked at the problems that arise when graduates attempt to make the transition from education to employment. The majority of recommendations were implemented either fully or partially, but the report identified a number of areas where further progress could be made.

## Evaluation of recommendations

- 4.3.6 The previous reviews looked at both improving the quality of, and increasing the number of apprenticeships both within the council and with the council's partners. There has been good progress in achieving this objective and the council has significantly improved both the range of job training activities and the number of local young people accessing them. However, given the council's reduced resources, it was recognised that it is not feasible to increase the number of apprenticeship placements directly employed within the council.
- 4.3.7 Both reviews investigated improving communications with young adults and widening the reach of less traditional methods of employment-related training and advice. The progress report found that there is currently no specific communications strategy which publicises the third sector employment support available in the borough, although the council is working to address this. There are communication links between Skillsmatch, Job Centre Plus and some third sector organisations, but these are not comprehensive. Promotion by and of the third sector through council channels is ad-hoc, and on an individual basis rather than as a collective, which may impact on their visibility to young people.
- 4.3.8 The Tower Hamlets Council for Voluntary Service website promotes the third sector offer. However, its search facility is limited and it is not easy for people seeking employment to undertake independent job searching. Officers advised the working group that both the AMP (the council's website aimed at young people) and the Skillsmatch websites are due to be re-developed to improve their look, content and links to other sites. The intention is for the AMP website to show up to date training and apprenticeship opportunities.
- 4.3.9 The previous reviews looked at how to improve information, advice and guidance within schools so young people are better informed and reduce their risk of becoming unemployed in the future. As part of their curriculum, schools work with young people to develop their career management and employability skills. However, pressure on curriculum time means that employability skills development can be patchy and does not always lead to accreditation. The council continues to act as an influencer in shaping the careers and employability curriculum of schools through various partnership groups. It has been recognised that there is a need to provide more information to young people so they can make informed and realistic decision on their progression routes, matching their skills, abilities and aspirations to the opportunities available.

## **5. KEY FINDINGS**

- 5.1 There were three areas which the review sought to investigate, these are considered in turn in this section:
- The demand for apprenticeships by young people.
  - The supply of good quality apprenticeships and how this can be stimulated.
  - Supporting young people to access opportunities and be competitive in the labour market: how can the council add value to this agenda?

5.2 A summary of employment support provision for young people including contributors of post-16 support and a description of apprenticeships was mapped to support the review.

### **5.3 Understanding the demand for apprenticeships from young people**

#### Perception of apprenticeships

5.3.1 The review group heard evidence from several contributors that many people had a low perception of apprenticeships. This needs to be raised to make them an attractive option to young people.

5.3.2 In the focus groups, young people of varying ages gave their impressions of apprenticeships as a way of accessing employment. A significant number held positive views about apprenticeships and were planning to take this route after completing their GCSEs. The young people in the focus groups who were already apprentices had a positive experience and they felt that their employers were supportive. However some young people were under the impression that apprenticeship work would be boring, these views were based on work experience they had completed in the past. Others felt that taking the apprenticeship route at a young age would be too narrowing career-wise.

5.3.3 A high proportion of the young people perceived apprenticeships as 'cheap labour' and they reported this was a view their parents held also. The difference between the apprenticeship minimum wage of £2.65 and the national minimum wage for 16-18 year olds of £3.68 for 16-17 year olds and £4.98 for 18-20 year olds is seen as evidence of this. The working group heard that many businesses request apprentices who are aged between 16-18 years old, because they often attract higher funding which means lower initial costs to the business.

5.3.4 Anecdotal evidence suggests that many teachers have a poor perception of apprenticeships and tend to encourage academically gifted pupils to continue onto A Levels and progress to higher education. With the raising of the participation age to 18, many secondary schools have increased and widely advertised their post-16 offer to compete with the other options open to young people.

5.3.5 The review group heard about the emerging apprenticeship opportunities in and around the borough. The construction industry, a growth area in terms of opportunities available, is often overlooked by young people who wrongly perceive it as temporary work, limited to manual labour, and therefore not a good career opportunity.

5.3.6 Section 5.5.14 looks at how the council could improve employment opportunities for young people in the borough by improving the perception of apprenticeships to ensure they are considered as a credible post-16 option.

**5.4 Understanding the supply of good quality apprenticeships and how this can be stimulated and simplified.**

Growth

5.4.1 There has been a huge growth in the number of apprenticeship opportunities available for young people in recent years. Statistics from london.gov show that the number of apprenticeship opportunities in London has more than doubled.

	2009/10		2010/11		2011/12	
	England	London	England	London	England	London
Number of apprenticeship starts	279,700	20,350	453,000	41,400	515,000	47,230
Number of apprenticeship completions	171,500	11,780	198,800	14,550	231,300	19,240

**Table 1: Apprenticeships in London and England**

5.4.2 However, the number of apprenticeship completions has not grown at the same rate. This may be explained by a time lag in reporting, by the lack of support, such as screening, to ensure suitability or the lack of in-post support available to some apprentices. It could also be because young people have not understood the structure of apprenticeships, under-estimating the training and education element of the placement.

5.4.3 The review group heard from the Careers Service that access to apprenticeships was increasing year on year locally. Data from the National Apprenticeship Service website shows that approximately 1,080 young people started an apprenticeship in 2011/12, and 1,750 young people who already were undertaking an apprenticeship. The local completion rate, at around 68%, is better than the national and regional average.

Age	Level	Apprenticeship starts			Apprenticeship participation		
		2009/10	2010/11	2011/12	2009/10	2010/11	2011/12
16-18	Intermediate	267	404	414	409	557	611
	Advanced	53	82	91	81	126	131
	<b>Total</b>	<b>320</b>	<b>486</b>	<b>505</b>	<b>490</b>	<b>683</b>	<b>742</b>
19-24	Intermediate	224	382	397	331	538	664
	Advanced	88	161	183	150	259	343
	Higher	<5	<5	<5	<5	<5	5
	<b>Total</b>	<b>313</b>	<b>545</b>	<b>583</b>	<b>482</b>	<b>800</b>	<b>1,012</b>

**Table 2: Apprenticeships in Tower Hamlets**

5.4.4 The review group heard about the various levels of apprenticeship opportunities. Intermediate is Level 2 (GCSE level), advanced is Level 3 (A Level level), and higher is Level 4 (Foundation Degree level). Apprenticeships are available to masters degree level (level 7) and these are geared towards older age groups. In Tower Hamlets there are around 560 apprenticeship starts and 1,000 participants aged 25+.

- 5.4.5 National Apprenticeship Service data shows the 25 different sectors that young people from the borough are employed in. A breakdown of apprenticeships by sector for 2011/12 shows that the majority work in<sup>3</sup> lifelong learning, adult social care, hospitality, leisure, travel and tourism, construction, health care and building services and engineering.

Encouraging local businesses to offer more apprenticeship opportunities to local young people

- 5.4.6 Several contributors felt that there was scope to increase the number of apprenticeships offered by the businesses in Canary Wharf and the City Fringe, as well as in other business sector. The review group heard about the range of measures being put in place by the council to lessen the bureaucratic burden for businesses wishing to hire an apprentice, such as supporting their set up on the National Apprenticeship Service website. Both the council and Towerskills encourage businesses to offer an apprenticeship on a trial basis to mitigate against mis-matching. The council also encourages businesses to ring-fence a percentage of their apprenticeship opportunities for young people from Tower Hamlets.
- 5.4.7 However, the economic development service stressed that the engagement, relationship building and influencing of businesses, necessary to develop these apprenticeship opportunities, is a time consuming and delicate process. This negotiation can be difficult given the current economic climate and businesses ability to afford to hire apprentices. The review group Chair felt that the service could initially focus negotiations in priority growth areas in the borough, such as construction as this could encourage better outcomes and job success for young people.
- 5.4.8 The role and responsibilities of local business, particularly in creating employment opportunities for Tower Hamlets residents is a key concern of the Tower Hamlets Fairness Commission. It is anticipated that their report and recommendations will also address this issue.

Skills and qualifications

- 5.4.9 Young people from Tower Hamlets need to be able to compete effectively with both national and international job seekers in the London job market. The review group heard that although many businesses are committed to local recruitment, their primary goal is to recruit people who will best support their business to grow and make a profit.
- 5.4.10 The Office for National Statistics Annual Population Survey 2011 shows that the number of young people in Tower Hamlets obtaining higher level qualifications has improved and there are less people with no qualifications. There are more young people resident in Tower Hamlets with a degree or equivalent than London on average; however this data does not identify whether those educated to degree level or higher grew up in the borough. The GCSE 5 A\*-C including Maths and English rate is above the national average but below the average for London. At A Level however, the average

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<sup>3</sup> These sector categories are self-selected by the apprenticeship provider and are not scientific; the majority of young people are doing an apprenticeship where the sector has not been disclosed.



point score per pupil in the borough is below both the national and London average. A concurrent scrutiny review of post-16 attainment is considering this issue in more detail.

## **5.5 Supporting young people to access opportunities and be competitive in the labour market: how can the council add value to this agenda?**

### Support in schools for young people preparing for work

- 5.5.1 The review group heard from the Young People Preparing for Adulthood (YPPA) task group who said they wanted to see access to careers, mentoring and work experience opportunities increased for young people. This would enable more young people to gain a better understanding of a wider variety of jobs and improve their knowledge of how to conduct themselves in the work place.
- 5.5.2 Since September 2012, although local authorities retain their duty to encourage, enable or assist young people's participation in education or training, schools have been allowed to provide or procure this service independently. A recent publication commissioned by the GLA and London Councils argued there was a role for local authorities to become careers services champions, encouraging schools to purchase or provide impartial careers guidance to all pupils. They also argued councils should share and encourage best practice between schools.
- 5.5.3 The review group heard that, depending on how and where young people accessed their post-16 options, there was a risk that they could be steered into a solution which was inappropriate to them. The careers service suggested that, through partnership agreements with providers of post-16 support, there should be a formal referral mechanism for any young person who was unsure of their next steps to the careers service for independent information, advice and guidance.

<b>Recommendation 1:</b> Increase access to independent information advice and guidance for young people.
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- 5.5.4 The YPPA task group and the careers service spoke of the positive outcomes for young people who have a mentor. There are a wide range of mentoring programmes provided both through intermediary organisations and by individual businesses directly engaged with schools. These views were reinforced by Year 11 pupils from Stepney Green Maths, Computing and Science College who spoke positively about the business mentors they had been linked with, although some pupils expressed a desire to have a mentor who worked in the career of their interest.
- 5.5.5 The review group were supportive of the current initiative from the Mayor which provides an 1:1 careers interview and action plan for all young people in Year 11. Recognising that this funding was no longer available, the review group thought that providing universal access to mentors could support young people in working towards their career goals. Ideally every year 11 pupil should have an opportunity to work with a mentor. The review group therefore asked that the council explore the option of commissioning the voluntary organisations currently undertaking this role, the CVS, or a partnership of several organisations, to drive the recruitment of mentors and provide training

to them, with support from the council's careers service. This could be co-ordinated through the Apprenticeship Task Groups and should involve the development of some sort of portal which matches mentors and mentees, as well as a set of standards with clear expectations of both mentors and mentees.

- 5.5.6 The review group Chair further investigated how the mentoring offer could be realized by speaking to the Tower Hamlets Council for Voluntary Service (CVS) and looking into the work of the East London Business Alliance (ELBA). The Chair commented that she felt that an ideal situation would be that professionals volunteered to be mentors, chosen in the needed thriving job fields identified by the council and also wanted by young people. A professional mentoring plan is then drawn up and followed. This would then lead to the young person being able to join their mentors company for work experience. Drawing up job descriptions would ensure that the work experience was seen by both the young person and the company as credible and worthwhile. Besides better outcomes and enthusiasm for work experience than there is presently, it also could potentially open doors for the young person to apply for a job with that company at a later stage. The Chair felt that the Careers Service could be involved in the process by helping with mentoring supervision.

**Recommendation 2:** Support the development of a universal mentoring scheme

- 5.5.6 The review group heard from some young people whose negative impression of the work experience they had undertaken had led them to believe that apprenticeships would be the same. Furthermore, contributors to the review felt that many young people were too immature to successfully participate in an apprenticeship as they lack basic life skills such as punctuality, attendance, being well presented, being able to work in a team, and a positive attitude.
- 5.5.7 The Schools Apprenticeship Liaison Officer advised the review group of a new work experience model being piloted from September 2013 which aims to support less mature young people's transition into apprenticeship work. The pilot will provide the opportunity to spend one day per week, for a whole term, at Carillion. This would be available to 17 and 18 year olds and would contribute towards their BTEC coursework. The pilot will test whether this model makes it easier for employers to develop a programme of work activities for young people, which the young people would, in turn, find more stimulating. The review group expressed an interest in hearing more pilot about the pilot after its first year.

**Recommendation 3:** Work with the Education Business Partnership and businesses to improve the work experience offer for young people at school

- 5.5.8 Evidence was about the work experience available to young people who had left school and were unemployed. This is arranged by Skillsmatch through its 'routeway to work' initiative, and by Jobcentre Plus. All young people who are interested in working in construction undergo work experience prior to being applying for a position in the industry. The council has introduced work experience requirements of businesses as part of its contract procurement

and planning negotiations. The aim is that once introduced that young person, the business will be willing to offer them employment.

**Recommendation 4:** Increase employment opportunities for young people through introductory work experience.

### Information

- 5.5.9 All apprenticeship positions are advertised online on the National Apprenticeship Service website. However, a mapping exercise found that there were a number of routes into them:
- Applying directly through the National Apprenticeship Service website where the majority of apprenticeship opportunities are advertised by private businesses.
  - Applying through a training provider who also advertise opportunities;
  - Being referred by Jobcentre Plus to a training provider, via the Department for Work and Pensions Youth Contract.
  - Through the council's Skillsmatch service. Small employers recruit directly from the service and apprenticeships opportunities arising from the Council's procurement obligations and Section 106 agreements are facilitated by this service.
  - Applying directly to a business or organisation offering apprenticeships such as the council. Some businesses and organisations recruit apprentices directly, managing the recruitment, selection and training themselves.
- 5.5.10 Amongst the YPPA task group there was a consensus that a comprehensive and easily accessible directory of apprenticeships and post-16 support should be produced. This echoed the findings of past scrutiny recommendations. The YPPA task group argued that the process of applying for an apprenticeship should be made much clearer, specifically that in order to apply for an apprenticeship position, young people should use the National Apprenticeship Service website.
- 5.5.11 The review group felt the most appropriate host of this information was the council's website. This would enable easy maintenance and ensure it reached a wide audience. Information on how to access local support to become 'apprenticeship ready' should be included as well providing links to the National Apprenticeship Service, Skillsmatch, the AMP website and other training providers. It should also include some broader information about the economic development work undertaken by the council.
- 5.5.12 The review group heard evidence from the youth service about the innovative ways in which they communicate with young people through social media, and felt that social media, such as Facebook and text alerts should complement the council website in promoting this information.
- 5.5.13 Mirroring the findings from previous scrutiny reviews into youth unemployment, the review group thought that the user-friendliness and functionality of the Skillsmatch and AMP websites should be improved. During focus group discussions with young people, the review group found that the AMP website was not well known or used. There is currently no information on the AMP website about apprenticeships and this should be addressed. The 2012/13 Young Mayor spoke about his project to refresh the AMP

website with the aim of developing it to include a searchable tool with live training and job information. The aim is to employ an apprentice (paid from the Young Mayor's budget) to update this information on a daily basis. It is not clear if this will be carried forward under the new Young Mayor.

**Recommendation 5:** Improve online information about apprenticeships and other employment opportunities

#### Awareness

- 5.5.14 A lack of awareness and poor perception of apprenticeships in schools, and amongst parents and young people was identified as an issue by a number of contributors to the review. The Learning and Achievement Service stressed the need to improve understanding of apprenticeships so they are seen in an equal light to the traditional university route. It should be emphasised that they are jobs with built in education and training, leading to recognised qualifications. The range of educational levels available within the apprenticeship offer should be highlighted, to discourage the view that they are inferior to the traditional higher education route. This could be achieved by providing training to staff, focusing on the opportunities available for more academically able young people, at levels 3, 4 and above.
- 5.5.15 The review group also thought more could be done to promote different sectors, for example the construction and catering industries. The group considered it vital to produce briefings for schools on the local labour market, broadening staff and young people's understanding of the future job opportunities available.
- 5.5.16 The Learning and Achievement service also highlighted the role of the parental engagement team in communicating to parents about the apprenticeship agenda. This information should also be communicated to anyone else who works with young people and are an influence, such as youth workers.

**Recommendation 6:** Raise awareness and improve the perception of apprenticeships in schools.

#### Improving the apprenticeship offer

- 5.5.17 Apprenticeships have to adhere to a set of minimum standards which cover hours, duration, English and maths requirements and new learning and skills expectations. These are set out by the National Apprenticeship Service. Work to further improve on these standards has been identified as a key issue in making them a more attractive option to young people.
- 5.5.18 The council and some training providers support businesses to raise the quality of their job opportunities to ensure education and training provided in-work was of a high standard and fully met the standards set out by the National Apprenticeship Service. Towerskills have a due diligence test they aim to undertake with all businesses they work with. The council are also developing an apprentice quality standard for businesses to adhere to. Towerskills welcomed the opportunity to work in partnership with the council to develop a borough-wide quality standard for apprenticeships for young people from the borough, regardless of who they were registered with.

Apprentices who drop out because of a poor experience are hard to replace, adversely affecting the experience of the business and the young person.

- 5.5.18 With regard to wages, the review group heard how the council and Towerskills encourage businesses to offer more than the statutory apprenticeship rate, although businesses are under no obligation to do this. Towerskills encourages businesses to offer at least £5.00 per hour but they are financially unable to top up wages for those who can't. The council are able to offer some financial incentives in the form of top ups for apprenticeships who are paid the statutory apprenticeship wage. The council has pledged that apprentices employed directly by the council or its contractors will be paid the London Living Wage of £8.55 per hour.

**Recommendation 7:** Support businesses to improve the quality of the opportunities they offer so they can become accredited apprenticeships.

#### Supporting apprentices to complete their apprenticeships

- 5.5.19 National Apprenticeship Service data indicates that young people from Tower Hamlets have a better apprenticeship completion rate than the London average. The review group heard evidence on the importance of providing pre-apprenticeship support, such as that provided by the council and its partners. It ensures young people find the right opportunity for them, and supported to prepare through short courses and training which will help them secure a position. There is strong competition for good apprenticeships; nationally around 20,000 young people per month are unsuccessful in their application.
- 5.5.20 The Director of Towerskills spoke about how they support young people into apprenticeship positions. Towerskills provides a brochure for both employers and employees outlining the process, role and responsibilities of each, setting out what each party can expect from Towerskills as a training provider. The brochure is tailored to specific job sectors or to organisations which are recruiting several positions. A rigorous selection procedure has been put in place to help ensure that only candidates with the appropriate skills and qualifications are put forward for interview. Candidates are asked to undertake a two week employability programme to help them to understand the structure and demands of an apprenticeship role. The programme also reinforces key competencies such as time management, teamwork and communication skills. At a Towerskills event the review group Chair spoke to young people who had successfully undertaken this two week programme and had been invited to be interviewed by businesses wishing to hire apprentices.
- 5.5.21 Towerskills also advised the review group of the job coaches they were offering to some apprentices who had been identified as being in need of in-work support. The job coach provides intensive business and life skills to support young people for a few weeks until they find their feet at work. They had supported many young people to continue their employment by providing practical support such as ensuring young people were able to prepare the route to work so that they could get to work on time, and how to manage working relationships with colleagues. Towerskills believe all apprentices would benefit from having a job coach, but they don't currently have the capacity to offer this.

### The co-ordinating role of the council

- 5.5.22 The review group felt that the complexity within the apprenticeship 'system' had created some tensions between providers of post-16 support and the council. The number of providers in the borough offering pre-apprenticeship support; the different apprenticeship opportunities available through different providers; and the funding available to provide pre-apprenticeship support and in-apprenticeship training all helped to create an air of competition within the borough.
- 5.5.23 There is also a misconception by some partners of the council's role in the apprenticeship agenda. The previous target-driven approach to delivering job outputs has contributed to the perception that the Skillsmatch service is in competition with other providers of post-16 support in the borough. However, they now achieve their aims by supporting any local young people into work. Any vacancies for jobs 'hosted' by Skillsmatch, including apprenticeships or work experience, are advertised to a range of providers, including Jobcentre Plus, training providers funded by the council, registered social landlords and Towerskills.
- 5.5.24 The review group also found that, despite problems in the system, partners recognised the importance of working in a coordinated way to support young people into apprenticeship opportunities. A number of working groups have been established to bring together key partners to support this activity. These include the Apprenticeship Task Group, the Young People Preparing for Adulthood Task Group, and the Employment and Enterprise Task Group. However, these groups are in the early stages of development and work undertaken by these groups has not yet been fully embedded. The review group felt that because the issue of tackling youth unemployment was split over two service areas (Education, Social Care & Wellbeing, and Development & Renewal) and several working groups, this caused a fragmented approach to the issue. The review group felt that there should be an overarching group which had sole responsibility for youth unemployment.
- 5.5.25 Progress has been made by the council to develop its role as a strategic facilitator of apprenticeship opportunities, and the review group are keen that this is developed further. This has already begun through a number of activities:
- Liaising with businesses to promote apprenticeships.
  - Identifying young people who could benefit from being on an apprenticeship programme.
  - Ensuring support is in place for apprentices.
  - Tracking and monitoring apprentices and report progress to the Apprenticeship Task Group.
- 5.5.26 In its work liaising with training providers, the economic development service have found that there is still some reluctance to share information on apprenticeship opportunities as well as details of young people who have been placed or are receiving pre-apprenticeship support. Construction was highlighted as one area where there are tensions because of perceived competition. The review group heard about Operation Janus, a borough-wide approach to capitalising on construction as a growth industry, led by Towerskills. It brings together the economic development service, Jobcentre

Plus and construction employers. They are assessing the feasibility of creating a construction academy for local young people to enable them to upskill and access opportunities within the construction industry. The review group also heard about the construction desk managed by Skillsmatch which deals directly with a number of smaller contractors and in collaboration with partners for large projects, to broker job and apprenticeships opportunities for residents, providing training specific to the construction industry to facilitate access. The Skillsmatch construction desk is in the process of obtaining the National Skills Academy for Construction accreditation award. Towerskills indicated that they felt that the construction desk at Skillsmatch was undermining the Operation Janus partnership working described above.

- 5.5.27 The review group believe the council should prioritise providing clarity to its partners on its role as a coordinator and emphasise that the council encourages partnership working, cross-referral, advocating for opportunities, and supports the sharing of resources. This should be done in conjunction with a drive to push forward the Apprenticeship Task Group and the establishment of the Employment and Enterprise Task Group in order to further build relationships with all providers and maximise outcomes for young people.

<p><b>Recommendation 8:</b> Clarify the role of the council in the apprenticeship agenda and build on relationships with providers through the employment and enterprise task group.</p>
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## 6. CONCLUSION

- 6.1 Apprenticeships have been developed by the Coalition Government as a key route into employment for young people. The economy in Tower Hamlets' economic hubs such as Canary Wharf and the City Fringe has shown resilience over the recession period compared to many other areas in London. The council and its partners are well placed to play a key role in supporting young people to take advantage of these opportunities on their doorstep and elsewhere across London.
- 6.2 The way the apprenticeship framework has been established has not helped to make this route into employment either clear or attractive. Many schools, parents and young people themselves have misconceptions about apprenticeships. The council has a role to play in providing clear and accessible information which is widely available and publicised.
- 6.3 There is a need for businesses in the borough to further support young people's career choices and employability by increasing the opportunities for pupils and school leavers to gain access to mentors and by improving their work experience offer.
- 6.4 Apprenticeships have been presented as a solution to businesses concerns about skills shortages, both relating to industry qualifications and soft employability skills. The council and other key providers of post-16 support have been working to address the lack of employability skills that some young people possess, by offering pre-apprenticeship training. They are also providing some in-work support in order to help young people sustain their apprenticeship. The council should support this good work by establishing itself as a facilitator and coordinator of apprenticeships, spreading good

practice and coordinating the supply and demand in order to maximise benefits for the borough's young people.