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Financial services firms upbeat as business volumes rise

Events

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Big Picture

Queen’s Speech

In June, the coalition government unveiled its Parliamentary plans before the 2015 general elections. The speech, introducing 11 new bills in total, included sweeping pension reforms, widening second employment opportunities for those currently on zero-hours contracts, and a crackdown on employers who pay less than minimum wage.

The speech also reiterated plans to expand free school meals as well as affordable childcare options. Moreover, the speech highlighted the coalition’s dedication to opening more free schools as well as helping more schools transition to academies. Reforms to GCSEs and A levels as well as increasing the number of apprenticeship places to two million by the end of the Parliament were included in the Queen’s Speech.

Speaking on the pension reforms, which would allow those who retire to access their pensions as they see fit, Charles Cotton, Performance and Rewards Adviser at CIPD, said:

“Giving employees greater choice over what they do with their pension pots is to be welcomed, but it will be vitally important to ensure that people are made aware of the potential consequences of drawing down their pensions as they wish. Individuals need first and foremost to plan for a sustainable retirement, and avoid making decisions that could jeopardise their financial security when they stop working. It will therefore be important for savers to be given access to independent and objective advice before the point of retirement, so that they are well informed about the options available to them and how they stand to be affected.”

John Longworth, British Chamber of Commerce Director General, commented on the education and training aspects of the speech, saying:

“The government is right to focus on improving the quality of education for young people; however we would like to see greater ambition in preparing young people for employment, through comprehensive careers education.

“A lot of energy is being invested in promoting vocational training. Businesses would be even happier if the Departments for Business and Education could present a joined-up,
single system in relation to this type of training."

TUC General Secretary Frances O’Grady said:

“This is not a Queen’s Speech for people at work. It is missing anything that will allow them to share in the recovery with a proper wage increase. It has nothing to ensure properly funded public services, particularly the NHS. And there is nothing to rebalance the economy to ensure we create good jobs and a sustainable future."

Speech:  
http://bit.ly/1pE0BCI

Bleak job prospects for young outside full-time education

Young people not in full-time education are now less likely to be in work than people of other ages and their prospects are declining, despite the recent recovery in the jobs market, the TUC warned.

The TUC report, *Equitable Full Employment: A jobs recovery for all* looks at employment rates for different groups – including lone parents, disabled, black and Asian employees, as well as older and poorly qualified workers – and finds that in most cases their job prospects have improved over the last 17 years. Nonetheless, these groups remain far less likely to find work than the rest of the working population.

But this improvement is not being felt by young people who aren’t in full-time education, or who have basic or no qualifications. Their prospects have deteriorated rapidly over the same period.

The job situation facing young people outside full-time education is particularly alarming, says the TUC. Back in 1998, three-quarters of young people who weren’t studying were in work – higher than the employment rate for all workers at the time (71%). However, these youngsters’ job prospects fell behind that of other workers in mid-2005 and have continued to decline ever since.

The job chances of young people not in full-time education converged with workers aged 50-64 last summer – a remarkable turnaround given that they were 25% more likely to be in work than older workers back in 1998.

The TUC report also shows that fewer than half of those who have no qualifications are in work, while the employment rate for those who only have basic (level 1) qualifications has fallen to around 63%.

Unless action is taken, the prospects for low-skilled youngsters and unqualified people of all ages will continue to deteriorate, warns the TUC. This will make it impossible for any government to achieve full employment, despite all mainstream political parties now being committed to it.

The reduction in the ‘jobs disadvantage’ facing lone parents, disabled, black, Asian and older workers in the last two decades shows that strong growth and targeted government support can make a huge difference, says the TUC. It would like to see the government increase investment in schemes to unemployed and poorly qualified youngsters so that their fortunes can be turned around too.

The report makes a number of recommendations to help raise employment rates for young people not in full-time education, including:

- Offering targeted employment support programmes, such as a job guarantee for any young person out of work for at least six months
- Identifying low skills as a reason to provide more intensive employment support
Establishing bodies in each industrial sector so that government, unions and employers could work together to identify skills gaps, promote decent workplace standards and fair pay.

TUC General Secretary Frances O’Grady said: “All the mainstream political parties now support unions’ long-held commitment to full employment.

“But with job prospects for many young people, and poorly qualified people of all ages deteriorating, it will be impossible for any government to achieve this goal unless radical action is taken.

“Over the last two decades, we’ve learnt that strong growth and proper investment in employment programmes can make a huge difference to people’s job chances. But ministers seem keener on kicking struggling youngsters when they’re down and removing the safety net they need to learn new skills and find work.

“We need to increase funding for employment programmes, for example by guaranteeing a job or training to any young person who’s been out of work for six months or more. Spending more money on jobs support now will save money in the long run by getting more people in work and paying taxes.”


Caught in the middle

On Tuesday, 24 June, Prospects welcomed careers professionals from across London and the South East to debate careers education, information, advice and guidance best practice and delivery in schools – focussing on the role of employers and newly published statutory careers guidance requirements.

Held in Stratford, the event, Caught in the Middle, asked speakers and attendees to consider growing concern over the adequacy of current arrangements by which young people of school age receive careers education, advice and information.

Prospects Managing Director, Vincent McDonnell, chaired a panel of six speakers including Ian Ashman, Principal of Hackney Community College and Co-Chair of the Association of Colleges London Region; Adam Wilson, Senior Associate at FreshMinds; Katy Morris, Senior Researcher for Education & Employers Taskforce; Andy Gardner, Founder of Central London Careers Hub; John Taylor, Operations Manager for Prospects in Bexley and Marcus Jamieson-Pond, Head of Partnerships at plotr.co.uk. Members of the panel spoke about the current challenge and how their organisations are helping to bridge those gaps.

Attendees were then given the opportunity to discuss identified challenges, what careers guidance all young people should be entitled to, and what delivery should entail. Using handheld devices, attendees also had the opportunity during the event to submit their ideas on what should be included in ‘careers entitlement’ for young people.

Speaking at the event, John Taylor from Prospects also touched on the importance on user satisfaction, saying good careers guidance ultimately should ensure that “young people feel that they are valued, that their being listened to, that they have a careers professional who they feel will help them with their progression”.

Prospects welcomed young radio trainees from BANG Edutainment Ltd to the evening event who afterwards interviewed attendees, and conducted ‘vox pops’ in order to create an audio podcast capturing key themes and opinions shared at the event.

You can follow the
evening’s discussion and join in the continued conversation on Twitter at #careersentitlement

Schools

Black pupil attainment gap reduces

Black pupils have for several years been the lowest-performing ethnic group in England’s schools - but Department for Education statistics show that since 2010 the gap between their results and other pupils’ has narrowed in both primary school tests and GCSEs, and that they have achieved the largest improvements of children from any background.

Nationally, 58.1% of black pupils achieved five or more GCSEs at C or better including English and maths last year - up 2.8% on the previous year, and the gap between the poorest black pupils and all pupils has narrowed by 4.4% since 2009.

The progress black pupils make between the end of primary school and their GCSEs is also well above the national average with:

- 76.2% of black pupils making the expected level of progress in English in 2013 compared to 70.4% for all pupils
- 74.2% of pupils making the expected level of progress in maths compared to 70.7% of all pupils

It means the gap between black pupils’ and all pupils’ GCSE results has more than halved in just four years and is now just 2.5 percentage points - more than two-and-a-half times what it was in 2010 (5.8%).

And among the poorest black pupils, the gap has also closed markedly - 43.1% of black boys eligible for free school meals achieved five or more GCSEs at C or better including English and maths last year - up 2.8% on the previous year, and the gap between the poorest black pupils and all pupils has narrowed by 4.4% since 2009.

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More: http://bit.ly/1tRIbAP

Destination data to help parents choose schools

Parents and students can now see for themselves how successful their schools and colleges are at ensuring young people fulfil their potential, including how many progress on to top universities, thanks to new government data.

The destinations data is published so parents and students can make informed judgements about the performance of schools and colleges in their areas.

The figures reveal what young people went on to do after leaving school or college in 2011. The data captures how many go on to attend university, begin apprenticeships or training, or embark on a career.

Alongside the destinations of those leaving mainstream state education, these figures are the first to measure the destinations of students from independent schools, special schools and pupil referral units or other alternative provision. This reinforces the importance of ensuring all providers are held to account for helping their pupils fulfil their potential.

Data: http://bit.ly/1q7Q4Qh

Enterprise for all

BIS published Enterprise for all: The relevance of enterprise in education, Lord Young's third and final report on enterprise.

The report focuses on entrepreneurial spirit in education. The review covers the full breadth of
education and is aimed at education leaders, teachers and all those involved in policy and delivery of teaching and learning.

Lord Young’s recommendations mean that students will be able to rank university courses by their employment rates and earning potential. Other proposals in the report include:

- the introduction of a new Enterprise Passport – a digital record of all extra-curricular and enterprise-related activities that students take part in throughout their education
- a new national volunteer network of Enterprise Advisers co-ordinated by LEPs, working closely with school heads

Katja Hall, CBI Deputy-Director General, said:

“But we still need the government to address the perilous condition of our careers guidance system. Young people need to be aware of all the different work opportunities and routes to success available, so better advice and more business involvement will be key to achieving this.”


New money for councils to support families with SEND

Councils are to receive £45 million of new funding to help prepare for the biggest transformation of special educational needs and disabilities support in over 30 years.

The new money will support councils in giving young people and parents greater say over their personalised care and assistance. It will also put in place a new birth-to-25 system for children and young people with special educational needs and disabilities.

The government has also published a new easier-to-read code of practice, which offers practical advice for councils, schools and hospitals to ensure they are providing the new support for these children and young people.

The new code of practice sets out in one place the legal requirements that councils, schools and other organisations that support children and young people with SEND must follow.

Studies have found that the majority of parents piloting the new system feel more empowered and are happier with the services they are receiving. Councils are also making good progress in laying the groundwork for the new system.

The reforms - part of the Children and Families Act - will:

- replace statements and learning disability assessments with a new birth-to-25 education, health and care plan - setting out in one place all the support families will receive
- require better co-operation between councils and health services to make sure services for children and young people with SEND are jointly planned and commissioned
- give parents and young people with education, health and care plans the offer of a personal budget - putting families firmly in charge
- see councils publish a ‘local offer’ showing the support available to all disabled children and young people and their
families in the area - and those with special educational needs

- introduce mediation for disputes and trial giving children and young people the right to appeal if they are unhappy with their support
- introduce a new legal right for children and young people with an education, health and care plan to express a preference for state academies, free schools and further education colleges

New code:
http://bit.ly/1mEDGIM

Mental health behaviour guidance for schools

New guidance published by the government will help teachers better identify underlying mental health problems in young people – meaning fewer pupils will wrongly be labelled trouble-makers.

The guidance, created by the Department for Education in consultation with headteachers, mental health professors and the Department of Health, is designed to ensure teachers are confident in finding help for at-risk pupils.

Now the government is introducing Technical Awards, which have a higher requirement for external assessment, meaning young people can be sure they are rigorous and valuable. Pupils can study up to three Technical Awards alongside a minimum of five core GCSEs, which will ensure strong grounding in core skills like English and maths alongside vocational options.

From September 2015, Technical Awards will be the first step on a new vocational route available to young people through from the ages of 14 to 19:

- for 14- to 16-year-olds, pupils will be able to study Technical Awards alongside GCSEs
- for 16- to 19-year-olds, alongside or instead of A levels, students will be able to study Tech Levels - Tech Levels can be studied as part of the TechBacc, which also comprises an advanced maths qualification and extended research project
- after completing school and college, young people will be ready for an advanced apprenticeship, university or skilled employment

The announcement of Technical Awards marks the
The final stage of reform of vocational education for 14- to 16-year-olds.

The government also announced new vocational qualifications for 16- to 19-year-olds who wish to progress immediately into a skilled trade, or who wish to progress to a related Tech Level. The new Substantial Vocational Qualifications at level 2 will provide students seeking entry at a more basic level to a skilled trade or occupation with qualifications that are valued by employers.

They will meet tough new criteria, including rigorous assessment arrangements and a requirement for employers to be involved, for example through work placements or projects set by industry practitioners.


Nominations close for new headteacher boards

More than 160 excellent academy headteachers have applied to help the new regional schools commissioners provide support to almost 4,000 academy schools across England.

All members of the HTBs will be excellent headteachers with local knowledge and expertise. Four members of each HTB will be elected by their peers while two will be appointed by the RSC.

Schools Commissioner Frank Green said:

“All the regional commissioners are outstanding leaders who have a proven track record of transforming education.

“Supported by HTBs, they will be the powerful voice for education in their area, helping academies to thrive so that even more pupils can benefit from the success of the academies programme.”

New fund to expand cadet units in state schools

Thousands of school pupils will get the chance to be part of new cadet units thanks to a new £1 million bursary scheme, the Prime Minister has announced.

The scheme will directly help state schools with the running cost of a Combined Cadet Force (CCF) – mixed cadet units based in a school – using money raised from banks following the LIBOR scandal.

The government has committed to set up 100 new cadet units by 2015 and while the set up costs will be covered, schools have to fund running and staff costs as part of their curriculum funding.

Research shows children who have been cadets:

- increase their academic achievement and decrease anti-social behaviour through an improved attitude
- improve school attendance and classroom behaviour
- have higher self-esteem, self-confidence and organisational skills

New schools bring total number of free school places to 175,000

38 free schools, providing 22,000 places, have been approved by the former Education Secretary Michael Gove.

Free schools are brand new schools set up by parents, teachers and charities in response to demand from the local community. The announcement brings the total number of open and approved free schools to 331, creating 175,000 new places overall.

Around 24,000 pupils are already attending free schools just three years after the first school opened
its doors. 69% of open free schools have been rated ‘good’ or ‘outstanding’ under the new Ofsted framework, compared to 64% of all schools. Free schools are twice as likely to be ‘outstanding’, with 21% of open free schools rated ‘outstanding’ compared to 10% of all schools under the same framework.

New freedoms to help local areas support vulnerable children

Local authorities will be given new freedoms to encourage innovation and achieve better outcomes for vulnerable children.

Under new regulations, local authorities will be able to delegate social care functions to mutuals, community interest companies and other not-for-profit organisations to deliver children’s social care. The details are outlined in the government’s response to the consultation on powers to delegate social care functions published in June.

The new regulations, to be introduced in autumn 2014, are a response to local authorities who have been pressing for the freedom to try new approaches to improve services for vulnerable children.

Consultation response: http://bit.ly/1mQl7kv

Consultation on promoting British values in school

The Department for Education launched a consultation on strengthening powers to intervene in schools which are failing to actively promote British values.

Independent schools, including academies and free schools, are already required to encourage pupils to respect British values through the Independent School Standards. These proposals will strengthen this standard further, and provide a stronger basis for swift intervention in schools which are not actively promoting British values.

Currently there is no similar standard applied to local authority maintained schools. Ofsted will introduce an equivalent expectation on maintained schools through changes to the Ofsted framework later this year.

The government set out its definition of British values in the 2011 Prevent Strategy - values of:

- democracy
- the rule of law
- individual liberty
- mutual respect
- tolerance of those of different faiths and beliefs

and this definition has been used in the Independent School Standards since January 2013. This definition remains the same in the new standards.

It is expected these strengthened regulations will take effect in September 2014, and will sit alongside the requirements of the Equalities Act, which also apply to all types of school.

Comments on Part 2 (spiritual, moral, social and cultural development) and Part 4 (suitability of staff, supply staff and proprietors) should be submitted by 10am on Monday 4 August 2014.

For the remaining standards, comments should be submitted by 10am on Monday 18 August 2014.

Consultation: http://bit.ly/1rcRRYn

New rules to help children’s talents shine

Outdated and confusing rules surrounding how and when children can take part in public performances -
such as treading the boards in a local drama production or taking up a starring role in a film or TV show - are to be updated under proposals published in June.

The new rules will:

- replace the complex restrictions on the hours children can perform with a single set of limits - based on age groups - which cover all types of performances
- scrap the limit on the type of performances children can take part in over a single day or a week
- strengthen the number of breaks children must have during performances - making sure children get adequate rest

Consultation: http://bit.ly/1qCdkqa

Colleges & Training

OCR funds students in National Enterprise Challenge

OCR is funding students across the UK in this year’s Ryman’s National Enterprise Challenge, which seeks to inspire the next generation of entrepreneurs and assist young people in developing key life skills.

The challenges are tailor-made, real life business situations that offer students the opportunity to develop enterprising skills, leadership skills, time management, teamwork, confidence building, communication skills and public speaking. This year students will either be tasked with developing a new pencil case or a new flip flop for the social enterprise Gandy’s Flip Flops.

OCR has also recently developed its own bespoke set of qualifications to recognise achievement in the world of enterprise. ‘Being Entrepreneurial’ is a value for money qualification suite, based on programmes established in close consultation with current young entrepreneurs so that the course content matches the expectations of those looking to make the most of the opportunity.


Oldham to be UK’s first Digital Career College

Following official approval by the Career Colleges Trust, Oldham College will open the UK’s first Career College specialising in digital industries and technologies this September.

In January 2015, students will move into the College’s brand new £9 million digital skills building which will be dedicated to innovation and digital technology, with a high tech Fab Lab offering digital printing to fast track innovation and development.

Career Colleges, launched by Lord Baker last year, are a new innovation in employer-led education. They take advantage of the Government’s decision to allow FE colleges to recruit at 14, increasing the range and choice of opportunities for 14-19 year olds. A Career College provides the opportunity to combine academic and vocational studies within a specific
industry specialism, improving career prospects for young people in the local labour market.

Each Career College is supported by employers, who will help design and deliver the curriculum. Alongside rigorous academic teaching in maths, English and other core subjects, Career Colleges will offer ‘real-world’ challenges, coupled with work experience, enabling students to develop their wider employability skills.

More: www.oldham.ac.uk www.careercolleges.org.uk

NEC’s free online learning challenge

Online and distance learning provider the National Extension College (NEC) is giving people the chance to improve their knowledge and skills with its 2014 Learning Challenge. The initiative was launched during Adult Learners’ Week and continues until the Campaign for Learning’s Family Learning Festival in October.

One course is being released in each month of the challenge: Childcare in August; Spelling, Punctuation and Grammar in September; and Biology in October. Each course is a self-contained extract from a full NEC course and includes activities and self-assessments.

Sign up: http://bit.ly/1rsLOxC

Traineeship funding consultation

Traineeships are currently funded using the same arrangements as further education rather than a bespoke approach. The consultation proposes funding training providers on the basis of trainees’ progression to apprenticeships, jobs or further learning. Changes would be intended to encourage better results for young people and achieve a more consistent experience for 16 to 24 year olds on the programme.

The consultation is open until mid-August and the results will be announced in autumn 2014. The changes would take effect at the beginning of the 2015 to 2016 academic year.

It builds on recent changes the government has already announced and on early feedback from training providers, employers and trainees themselves. From March 2014 young people on benefits have been able to study for more than 16 hours per week on a traineeship. From August 2014, 24 year olds will be funded for the first time to undertake traineeships and providers will be given greater flexibility to arrange work placements.

Consultation: http://bit.ly/1ykINCA

MOOCs transforming the world of education

Energy Minister Matthew Hancock has commented about a research report on the use of MOOCs (Massive Open Online Courses) with school pupils aged 11 to 19 years.

The research, funded by the Department for Education, shows how MOOCs are of particular value to post-16 year-old students who want to combine education with work - such as those studying apprenticeships.

The findings from the research will be used by the Education Technology Action Group (ETAG) who are investigating ways to remove barriers to the effective use of online learning in education.

Matthew Hancock added:

“MOOCs are transforming the world of education, opening world-leading courses at highly prestigious universities - previously, only available to
a privileged few - to anyone in the world.

“This research shows they are also of particular benefit to further education where students are combining work and study.

“We will carefully consider the findings to see how we can use MOOCs to make further improvements to post-16 year-old study.”


Apprenticeship trailblazers continue to gain momentum

Energy Minister Matthew Hancock announced a new range of apprenticeships that will be developed by employers under the Trailblazer scheme. He also called for expressions of interest from groups of employers to become part of the third phase of Trailblazers.

The Apprenticeship Trailblazers, launched in October 2013, have gone from strength to strength. The first phase of Trailblazer sectors includes energy & utilities, digital industries, financial services, life sciences and industrial sciences. Businesses from each sector worked together and produced new concise employer-led standards for key apprenticeship roles in their industry. These were launched in March 2014 and the first apprenticeships under the new standards will be delivered in 2014/15.

Building on their success, the businesses involved will now work on standards for more occupations that they see as crucial to developing their workforce and that will provide new opportunities for young people. The new range of occupations includes:

- workplace pensions
- aerospace machinist
- IT practitioner
- laboratory and healthcare science
- investment operations

More: http://bit.ly/1oWgNQx

Universities

Academic success and employment outcomes

Academic success is not reflected in employment outcomes, say Manchester University researchers.

Recent findings published by the University of Manchester found that despite an increase in educational qualifications, ethnic minorities have not seen improved outcomes in the labour market.

The longitudinal study show ethnic minorities making greater investment in education than their White British peers. In secondary education, Chinese, Indian, Irish, Bangladeshi and Black African students are now outperforming their White British peers in obtaining 5 or more GCSEs at grade A* to C. All BME groups have significantly improved their access to universities, with the most disadvantaged groups (Pakistani and Bangladeshi) quadrupling their rates of degree level qualifications over the past twenty years to draw closer to that of the white population.

However, very few of these gains in education have translated into employment outcomes. Black male unemployment has remained persistently double that of Whites, and Black rates of unemployment reached 22% in the most deprived areas. Self-employment is often celebrated as a route for ethnic economic advancement, however for Pakistani men it is marked by disproportionate clustering in the transport sector. Images of Indian and Chinese entrepreneurship contrasts to their decreasing rates of self-employment. The impact of the recession has meant that Black women and men are particularly likely to experience
downwards mobility, with full-time employment rates for Black women falling across the decade. Surveys of British Muslim women have highlighted how employer discrimination rather than ‘traditional values’ are significant barriers to employment for those who wear the hijab and niqab.

The report was based on a conference titled Addressing ethnic inequalities in social mobility hosted by the Centre on Dynamics of Ethnicity.


Universities drive growth across the UK

Analysis of the latest data on interactions between universities and business (the Higher Education – Business and Community Interaction (HE-BCI) survey) shows the value placed on the knowledge and expertise of the UK’s publicly-funded universities and colleges. The total knowledge exchange investment has risen from £3.4 billion in 2011-12 to £3.6 billion in 2012-13, an increase of 5%.

Universities provide a competitive advantage to private enterprise, driving employment and GDP, while working with charities, hospital trusts and the public sector improves quality of life in the UK.

The report also covers enterprise, entrepreneurship, and public engagement. For example, recent UK graduates set up over 3,500 new enterprises in 2012-13 – 800 more than were reported the previous year. Nearly 1.8 million people took the opportunity to attend free public lectures across the academic spectrum.

Neil Carberry, CBI Director for Employment and Skills, said:

“Universities are powerful engines of economic growth, and are helping to rebalance the economy towards high-skill, high-value sectors. So it’s really encouraging to see levels of business investment in research continuing to rise strongly as more and more businesses engage with our world-class Higher Education sector. Businesses also benefit from the provision of consultancy services, training and professional development, and access to cutting edge facilities and equipment.”


Having a degree has ‘little impact’ on employment

Going to university makes virtually no difference to people’s overall chances of ending up with a job, a recent ONS study has concluded. An analysis of the workforce by the Office for National Statistics, concluded that having a degree rather than two A-levels or an equivalent qualification had ‘little impact’ on people’s likelihood of being employed.

The study also showed that having even a handful of GCSEs more than doubles people’s chances of being economically active. The analysis reveals that fewer than half (48.5%) of those with no qualifications were in employment compared with around 8 in 10 (80.7%) of those with at least one qualification, and that those with degree level or above qualification had similar employment rates to those with 2+ A Levels or equivalent. However, the most common occupation types, which give an indication of potential earnings, were different between these qualification levels.

According to the ONS report, There is a small difference in employment rates between the two
highest levels of qualification, 2+ A Levels or equivalent (83.5%) and degree level or above (85.3%). This suggests that having a degree level or above had little impact on the likelihood of being employed compared to having A Levels. However, the most common types of occupation varied between these qualification levels.

But graduates do have significantly higher earning power than those who did not go to university. According to the 2011 Annual Survey of Hours and Earnings average gross weekly earnings were £685.90 for ‘professional’ and £570.40 for ‘technical’ occupations, which were the most common occupation types for those with a degree level or above qualification.

However, average gross weekly earnings were £463.10 for ‘skilled trades’ and £333.80 for ‘caring and leisure’, which were the most common occupation types for those with 2+ A Levels or equivalent. This suggests that degree level or above qualifications could lead to a higher earning potential than A Levels.

All five local authorities with the highest employment rates for those with no qualifications were rural areas, with the highest rate in Eden at 67.2%, whereas all five with the lowest employment rates for those with no qualifications were urban areas, with four of these being in Inner London and the lowest being Tower Hamlets at 30.0%.

TUC General Secretary Frances O’Grady said:

“Qualifications have always been an important way to raise your income. Now they’re becoming essential to find any type of work.

“Millions of people today have little or no qualifications – including many who missed out on school and have never been given a second chance.”

More: http://bit.ly/1nTkXF0

Half UK graduates work in degree related field

New research reveals that only half of all UK graduates work in a field which relates to their degree after leaving university, and 96% of those under 24 have already changed careers once or more since graduating.

The survey of 2,000 graduates, conducted by New College of the Humanities, found that while nearly 50% of graduates chose a degree course to work specifically in a particular field, one in seven never found work in their chosen industry.

According to the findings, 93% of those surveyed have changed profession or industry once or more since leaving university, with over one in ten having switched more than three times. In addition, almost a third (29%) of 16-24 year olds only spent an average of three to six months in each job role.

The survey shows that while nearly a third of respondents cite financial reasons for changing jobs, one in ten have done so to start their own business. Additionally, the main reason for changing role or industry was for savvy graduates to acquire new skills and constantly learn (39%), with communication (62%) and creative skills (43%) deemed to be the most valuable transferable skills acquired in professional life.

Work

£30m to increase supply of engineers

Energy Minister Matthew Hancock announced a £30 million fund to increase the supply of engineers, to encourage more women into the sector and to address engineering skills shortages in smaller companies. The fund will enable engineering companies to establish training programmes to develop future engineers and boost the number of women in the profession.

£10 million of the fund will be directed to a call to ‘Developing Women Engineers’ and £10 million to a call to ‘Improving Engineering Careers’. A further £10 million will be made available in the autumn to develop engineering skills in smaller companies. The calls have been developed in consultation with professional institutions and leading engineering companies from across the sector.

‘Developing Women Engineers’ and ‘Improving Engineering Careers’ are the first of a series of focused calls, centred on priority sectors that play a key role in ensuring the UK’s global economic competitiveness. Prospective bidders are encouraged to explore how they can support employees, particularly women, looking to return to the sector and how individuals with relevant skills can be helped to progress to become fully qualified engineers.

The calls come as a direct response to recommendations made in Perkins Review of Engineering, published in November 2013. Professor Perkins’ review of skills within the engineering sector recommended the government invite employers to put forward innovative proposals to develop engineering skills in sectors suffering acute skills shortages.

The government is working together with industry to address these critical issues and establish the skills training that can guarantee a vibrant and prosperous UK engineering sector. This follows a call to action announced in May 2014 supported by over 170 leading organisations across business, education and the third sector. The call to action will create some 2,000 employment opportunities aimed at increasing diversity and put in place a raft of measures geared towards increasing take-up across science, technology, engineering and maths.


Developing women engineers: http://bit.ly/1pvcE3A

Lowest rate of young people NEET for 20 years

Figures revealed the proportion of 16- to 18-year-olds not in education, employment or training (NEET) is at the lowest level since comparable records began 20 years ago.

The statistics also show the number of 16- to 18-year-olds NEET has dropped by more than a quarter since the end of 2009. The former Education Secretary Michael Gove credited the fall on government reforms to education and training.

The figures show that for England at the end of 2013:

- there are 33,400 fewer 16- to 18-year-olds NEET than in 2012 - a drop of almost a fifth in just 1 year - and 55,200 fewer NEETs since the end of 2009
- the proportion of 16- to 18-year-olds NEET is
also down - to 7.6%, the lowest rate since comparable records began in 1994

- there are now more than half a million 16-year-olds in full-time education - up 16,200 (2.4%) on last year - these are the first figures available since we raised the age to which young people must stay in education or training beyond the age of 16
- the number of 16-year-olds NEET fell by almost 12,000 (1.9%) - the largest fall seen since comparable records began

More and more young people are being given the chance to fulfil their potential - through studying or training, embarking on an apprenticeship or traineeship or entering the world of work.


Welfare reforms boost skills training by 40%

Government welfare reforms have boosted the number of benefit claimants training to improve their skills by almost 40%, according to new figures released.

Business-backed local skills training schemes, called sector-based work academies, and mandatory skills referrals by Jobcentre Plus have contributed to the number of benefit claimants in England starting training going up by 39.1% in a year from 464,400 (2011 to 2012) to 645,800 (2012 to 2013).

The number of Jobseeker’s Allowance benefit spells which involved training increased by 43% from 342,800 to 488,400 between 2011 to 2012 and 2012 to 2013. The proportion of all Jobseeker’s Allowance benefit spells which involved training was 13.1% over the 2012 to 2013 academic year, an increase from 8.9% in 2011 to 2012.

Sector-based work academies are set up in consultation between local employers and Jobcentre Plus and they provide pre-employment training, a work experience placement for up to six weeks and a guaranteed job interview for claimants.

Claimants on Jobseeker’s Allowance or Employment and Support Allowance (who aren’t considered fit for work and placed in the Work Related Activity Group) can be referred for mandatory Skills Conditionality which is when claimants undertake activity to address an identified skills need which will aid their movement into work.

The further education statistics contain information on training started by benefit claimants between August 2009 and July 2013.


Child poverty strategy launched

Supporting families into work, improving living standards and raising educational attainment are the fundamental aims set out in the government’s child poverty strategy, published last month.

As part of the government’s long-term economic plan to build a fairer society, the strategy sets out what is being done to tackle the root causes of child poverty, building on the first strategy published in 2011.

The government remains committed to the goal of ending child poverty in the UK by 2020 by breaking the cycle of disadvantage based on the principle that where someone starts in life should not determine where they end up. Work is the best route out of poverty, with a child in a workless family three times as likely to be in relative poverty compared to a family where at least one parent works.
Since 2010 the number of children aged under 16 in workless households has fallen by 290,000 and there are 300,000 fewer children living in relative income poverty. Poor children are also doing better than ever at school, with the proportion of children on free school meals getting five good GCSEs including English and maths increasing from 31% in 2010 to 38% in 2013.


Consultation: http://bit.ly/1qCfLc1

Labour Market Statistics

Comparing February to April 2014 with November 2013 to January 2014, there was a large increase in employment and a large fall in unemployment. There was a further fall in the number of economically inactive people aged from 16 to 64. These changes continue the general direction of movement over the past two years.

There were 30.54 million people in work, 345,000 more than for November 2013 to January 2014 and 780,000 more than a year earlier.

72.9% of people aged from 16 to 64 were in work, up from 72.3% for November 2013 to January 2014 and up from 71.5% a year earlier. The latest figure of 72.9%, for February to April 2014, is 0.1 percentage point lower than before the downturn of 2008-09.

There were 2.16 million unemployed people, 161,000 fewer than for November 2013 to January 2014 and 347,000 fewer than a year earlier.

The unemployment rate was 6.6% of the economically active population (those in work plus those seeking and available to work), down from 7.2% for November 2013 to January 2014 and down from 7.8% a year earlier.

There were 8.82 million economically inactive people (those out of work but not seeking or available to work) aged from 16 to 64. This was 80,000 fewer than for November 2013 to January 2014 and 178,000 fewer than a year earlier.

21.8% of people aged from 16 to 64 were economically inactive, down from 22.1% for November 2013 to January 2014 and down from 22.4% for a year earlier. The latest figure of 21.8%, for February to April 2014, is the lowest since 1990.

Pay including bonuses for employees in Great Britain for February to April 2014 was 0.7% higher than a year earlier, with pay excluding bonuses 0.9% higher.


Employment soars but wages fall (again)

Very strong employment growth has not prevented a fall in average wages, official figures from the Office for National Statistics showed.

In the three months to April, total average weekly earnings (including bonuses) rose by 0.7% compared to the same period a year ago. Regular average weekly earnings (excluding bonuses) rose by 0.9% over the same period. Both are well below the CPI rate of inflation, which is currently 1.8%.

While these figures, at first glance, suggest total pay falling faster than regular pay, the picture is distorted by a year-on-year comparison with months including April 2013, when a large amount of bonuses were paid later than usual to
take advantage of a reduction in the top rate of tax from 50p to 45p. But with both measures lagging inflation, the overall story of 2014 so far has been wages breaking even at best but not yet showing sustained growth seen during the exit from previous downturns.

With the wages of employees falling, there is no evidence of inflationary pressure from pay which would support arguments for a rise in interest rates in the short-to-medium term – although in the longer term a rise is inevitable.

A further reason for caution over the average weekly earnings data is that it excludes earnings of the self-employed, who account for one in seven workers and whose earnings fell even more sharply than those of employees in the years from 2008.

Employment figures released in June show the largest quarterly increase in employment since consistent records began, with the number in work up by 345,000 in the three months to April. In contrast to the previous six months, the majority of this increase was composed of employees (265,000), with the number of self-employed increasing by 73,000 over the quarter. Although not dominating in the way that it has in recent months, self-employment continues to punch above its weight and accounts for the majority of employment growth since the start of the recession.

The employment figures also show that the jobs gap – the number of jobs that still need to be created to return to the employment level seen in 2008 (adjusting for population growth), narrowed slightly to 378,000 (for 16+), down from 461,000 in last month’s labour market figures. The jobs gap for those who are 16-64 has fallen from 138,000 to 55,000.

Laura Gardiner, Senior Analyst at the Resolution Foundation, said:

“The volatility of earnings figures, rising and falling at different points this year, only underlines the imperfect nature of what we know about average pay. Distorted by the bonus picture in 2013, and missing the growing pool of 4.5 million self-employed workers, the best we can say about these latest figures is that 2014 has yet to live up to its promise of being the year of the pay rise.

“The positive picture on employment – with a strong rise in the number of both employees and the self-employed – should eventually help to push up average wages. But there’s no sign of it happening yet.”

Zero-hours workers need greater protection

Preventing employers from insisting that their zero-hours staff are only allowed to work for them will be good news for some employees, but the government needs to go much further if the widespread abuse of these kind of contracts is to be stamped out, says the TUC.

Commenting on the news that the government plans to stop the use of exclusivity contracts – which prevent workers on zero-hours contracts from working for more than one employer, TUC General Secretary Frances O’Grady said:

“The ban is welcome news but it’s not nearly enough to really tackle the problem. A lack of certainty is the real issue. Far too many employees have no idea from one week to the next just how many hours they’ll be working or more importantly how much money they’ll earn. This makes managing household budgets stressful and organising childcare very difficult indeed.

“The one change that would really make a difference would be for employers to
have to guarantee their staff a minimum number of paid hours each week. And as the economy continues to grow that would give many zero-hours workers struggling to get by a much-needed pay rise."

300,000 escape long-term unemployment through Work Programme

The Work Programme was launched in June 2011 and overhauled how the very hardest to help claimants are supported off benefits and into work through flexible and tailored support where providers are paid by results.

June’s figures come off the back of statistics published earlier in the same month showing record levels of employment and long-term unemployment falling by 108,000 over the past year – the largest annual fall in 16 years.

The figures published in June show Work Programme performance is continually improving since being launched in June 2011, and continues to do so.

Up to the end of March 2014, 296,000 people have so far found lasting work – up from 132,000 a year earlier. There are a further 26,000 people who we have identified who have spent at least six months in work (or three for the hardest to help), but where the provider has not claimed a job outcome.

The vast majority of those who find sustained employment are remaining in work beyond the six month point (or three for the very hardest to help). Over 274,000 participants have gone on to work past this point.

Performance has been continually improving, with all contracts meeting the Minimum Performance levels in the third year of the programme. Of the most recent group who joined the scheme in March 2012 and have been on the scheme long enough to be counted in these statistics, nearly 28% have been placed in a sustained job. This is up from 22% for those who joined at the beginning of the programme. Young people have proportionately secured the most number of sustainable jobs out of any group, with 71,640 having done so since the programme began.

Work Programme providers get paid the majority of their money when someone has stayed in work for six months, or three months for some of the hardest to help, which means that many more people will have started work but not reached the six month point yet. Industry figures show over 550,000 people had started a job thanks to the Work Programme.

Previous schemes didn’t do enough for disabled people, which is why the Work Programme focuses on giving some of the hardest to help people two years of support, and offers providers higher prices for working with these claimants. We know that this group requires a great deal of support, and that many will have been out of work for a number of years – decades even.

Work Programme providers have improved significantly, but government has always been clear that it seeks to continue to drive up performance, which is why a range of new performance measures are being established to ensure as many people as possible are helped into work, and to give the best value to the taxpayer.

The Work Programme was launched in June 2011 and is aimed at those at risk of long-term unemployment. Providers are paid according to results to get people into work, with extra incentives to support the hardest to help.

Providers have flexibility to innovate and to design
support that addresses the needs of the individual and the local labour market, rather than having to follow one size fits all processes. They get a small amount of money up front but most payment comes after someone has been in work for up to six months, and extra payments for each month afterwards.

Once referred, claimants remain on the Work Programme for two years. Even after a participant has started a job their provider will offer them in-work support for the balance of their time on the programme.

By the end of March 2014, 1.44 million people had been referred to the Work Programme and been on it long enough to count in employment performance figures.

Stats: http://bit.ly/1mUk3rL

**Budding entrepreneurs helped off benefits**

So far 46,000 businesses have been set up through the New Enterprise Allowance (NEA) ranging from a college for children with learning difficulties and a vintage clothes shop, through to a drama school and gas engineering firm.

As part of the government’s plan to back enterprise and small businesses, the NEA offers expert mentoring and financial support to people on Jobseeker’s Allowance, lone parents and people on sickness benefits who want to start up their own business.

June’s figures show that the scheme helps people of all ages, with 10,610 businesses started by people aged 50 and over, and 3,370 businesses started by young people. 8,590 businesses were set up by disabled people thanks to the NEA.

The NEA is available to people over 18 who are claiming Jobseeker’s Allowance, lone parents on Income Support, or people on Employment and Support Allowance in the work-related activity group.

People on the scheme get expert help and advice from a business mentor who will help them to develop their business idea and write a business plan. If the business plan is approved, they are eligible for financial support payable through a weekly allowance over 26 weeks up to a total of £1,274. Participants can also access a loan through the Department for Business, Innovation & Skills start-up loan scheme.

Mentors also continue to give the budding entrepreneurs on-going support during the early months of trading.

Stats: http://bit.ly/1nngPRR

**Helping business to wake up to older workers’ untapped potential**

British business must realise the potential of older workers and help people to stay in the workplace – Minister for Pensions Steve Webb stressed at the launch of a new action plan.

The government’s new measures to support the economy, workers and businesses are set out in Fuller Working Lives – a framework for action published in June.

The plan finds the economy could have been boosted by £18 billion in 2013 if the employment gap between people in their 40s and those aged 50 to State Pension age was halved.

New measures and action set out in Fuller Working Lives – a framework for action include:

- extending the right to request flexible working to all employees in June 2014
- the appointment of a new Older Workers’ Employment Champion – a respected and independent-minded figure who will advocate the case for older workers within the business community and wider society

- the launch of a new Health and Work Service which will give workers with long-term health problems the support they need to stay in or return to work

Part of the government’s aim is also to challenge outdated misconceptions and encourage more employers to consider the benefits of older workers.

According to Office for National Statistics estimates, in the next 10 years there will be 700,000 fewer people aged 16 to 49 but 3.7 million more people aged between 50 and State Pension age – a fundamental shift in the age distribution of the UK workforce which industry cannot ignore.

While the UK employment rate for 55 to 64 year olds is around 60% and growing, the recent improvement has been relatively modest compared to many other nations, and several countries achieve employment rates of around 70% or above – so there is significant room for improvement.


Financial services firms upbeat as business volumes rise

The UK’s financial services firms saw another rise in business volumes in the three months to June, and optimism continued to pick up across the sector, according to the latest CBI/PwC survey.

The survey of 98 firms revealed that business volumes rose across many industry sub-sectors, with the exception of finance houses and parts of the insurance industry. However, overall profitability fell unexpectedly after six quarters of robust rises, with pricing power under pressure and costs rising in many sub-sectors. At the same time, employment was scaled back.

Full analysis: http://bit.ly/1kbwW6e
Infographic: http://bit.ly/1r6qX0R

Events

The Future of Higher Apprenticeships
17 Sept London: How the government plans to expand the development of higher apprenticeships that meet the needs of both the employer and the apprentice.
http://bit.ly/1rssl01

E-skills for New Jobs in Europe
17 Sept Brussels: Do Europeans have the required ICT skills? What does E-Skills mean to industry, education, and policy sectors?
http://bit.ly/1nASf1j

Pupil Premium Conference
17 Sept London: Designed to ensure that you are making the most of your pupil premium funding to successfully narrow the achievement gap.

North east Skills 24-25 Sept Newcastle: is the biggest skills and careers event happening in the region.
http://bit.ly/1z1Gdkk

Delivering SEN Reform
9 October Manchester: Implementing the “biggest reform in 30 years” with new regulations and a revised SEN code of practice.
http://bit.ly/1pcqSZR
Skills Cymru

Next steps for community learning in England

Welfare Reform Briefing 2014

Skills Yorkshire and the Humber

International Education

Moving children out of poverty in the UK

Improving outcomes for jobseekers

The Future of SEND Provision

Skills, Education and the Criminal Justice System

Children and Young People’s Conference

Widening Participation in Higher Education Conference

Skills Scotland

Careers Education & Guidance Summit
5 Nov London: examine latest government thinking, including the revised statutory guidance and understand what positive steps can be taken to improve CEG for all young people. http://bit.ly/1mDTcQr

The future for Apprenticeships in England

The Skills Show
13-15 Nov Birmingham: brings skills to life for students, giving them the chance to learn about education, training and careers in an engaging and inspiring way. http://bit.ly/1ueKFxc

The National Vocational Education & Training Conference
CDI Annual Conference & Exhibition
17-18 Nov Glasgow: plenary sessions, member’s symposia and 30 workshops
http://bit.ly/1kbPldl

Inspiring Women Conference
20 Nov London: the chance to quiz Britain’s highest-flying females in an interactive and informal setting, discover the secrets of ‘making it’ as a businesswoman, and hear insights on getting to the top. http://bit.ly/1kTIlZz

Reigniting the Youth Labour Market
25 Nov London: What can be done to increase the chances of young people gaining secure employment, particularly those with low qualification levels? http://bit.ly/1kTJ1rl

Reforming Careers Advice & Guidance in England