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Pocket Watch – No country for young people?

Introduction

Any day now Sir Jeremy Heywood's report into youth (16-24 yr olds) unemployment will be published and if past behaviour is any guide it will be met by two related reactions: another round of national angst about young people and a renewed buzz of activity. Not that we are short of either at present. The Youth Contract, the Work Programme, reform of vocational provision, apprenticeships, traineeships, raising of the participation age all attest to the current government's zeal in this area yet the plight of young people, particularly the poorly qualified or disadvantaged, persists as reports from Barnardo's, the Prince's Trust and the Social Mobility Commission have all recently highlighted. With undergraduates moving into the non graduate labour market, full time jobs remaining scarce and the welfare system becoming more punitive, *"the Britain of 2013 surfacing from recession, is"* as a Telegraph editorial argued last week, *"no country for young people."* As politicians from all sides search for solutions, the think tank IPPR has come up with what it calls *"the first serious and credible attempt"* to crack the problem.

What's being recommended?

In a **report** published last week headed boldly 'No more NEETs,' the think tank is proposing three main things:

- A youth allowance that would bring together the current uncoordinated system of benefits and bursaries. Modelled on the HE maintenance grant, means tested and conditional on 'purposeful training or intensive job search,' it would work out at about £56.80 a week
- A youth guarantee offering access to further education or training, an apprenticeship or work search support, with compulsory paid work experience or a traineeship for those still not learning or earning after six months. This to be funded from a combination of re-directed skills and support funding
- A clear national strategy implemented initially through the current core cities network and extended over time through existing agencies and providers supported by employer engagement, personal advisers and performance data to prove things were working

Would it all work?

In many ways these proposals tick all the right boxes: simplified financial support arrangements; benefits conditional on participation; tapering up of obligations to avoid long-term inactivity; a joining up of education and employment routes; improved quality provision; employer engagement and local area ownership. It also overcomes two of the principal weaknesses of previous reforms: failure to tackle the underlying structural issues and failure to identify where the money would come from. On the former, it ensures that young people stay in the training or employment system rather than churning in and out: *"advice and guidance from day one with learning or work guaranteed within six months."* On the latter, funding for the £2bn+ youth allowance would come from various means testing and access restrictions and for the similarly costed youth guarantee from re-allocating funds from the Work Programme and adults skills budget as well as efficiencies and other savings. So far so good but would employers be prepared to contribute to a youth training levy, would older learners be prepared to see funding re-directed to younger learners and would parents be happy to keep the beds warm for their offspring until they reach the age of 21, all of which would be needed here?



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No country for young people. Nov 2013