

**APPG on Youth Affairs
The transition to employment
Wednesday 10 March 2010,
Committee Room 9, House of Commons**

Present:

Natascha Engel MP (Chair); Kevin Brennan MP (Minister for Business, Innovation and Skills); Pat Ferguson (Department for Work and Pensions); Richard Quike (Army Cadet Force Association); David Clark, Helen Deakin, James Smith, Emmanuel Adanlowo, Siobhan McNulty, Sophie Newman, Hanna Mia Brekkan (BYC); Jennifer Monfort (Centrepont); Katie Marple (Diana Award); Tom Ward (Financial Services Authority); Denise O'Brien, Harman Sandher (Foyer Federation); Kevin Williams (KIDS); Mike Elliot (The National Trust); Lewis Cooper (National Union of Students); Tasneem Afsaruddin (Looking Ahead Housing and Care); Carol Ripley, Chela Greenwood, Jordan Woodcock, Ashley Edwards, Sarah Hamblin, Deanne Sharpe, Jenny Page, Lee Wright, Stephen Williams (NCHA, Loughborough Foyer); Dom Weinberg, Faiza Chaudary (NCVYS); Avi Rosenblum, Amy Kirkman, Billie Web, Pennie Green, Daniela Oliveros, Ginny Lunn (Prince's Trust); James Reid, Matthew Lightfoot, Matthew Bolt, Dannie Barratt, Tom Rochester, Emma Saunders, Semakaleng Moema (Scouting Association); Wendy Human (St John Ambulance); Sarah Durkin, Jude Featherstone, Helen Berresford (all YWCA); Charlotte Hill, Mitan Patel, John Bateman (UK Youth); Clare Eddington (The Young Foundation); Davina Goodchild (Youth Action Network); John Moorcraft (Youth at Risk); Gabriella Jozwiak (YouthNet); Charmaine Ryan, Kirsty Newton, Sarah Carruthers, Karine Harris (West London YMCA); Stephen Matthews, Lindsay Martin, Jennie Farrell (YMCA England).

Natascha Engel MP opened the meeting and introduced the Minister.

Kevin Brennan MP:

Hello. Let me tell you a little about who I am. I am the Member of Parliament for Cardiff West. I used to work in politics for Rhodri Morgan and before that, as Natascha said I used to teach economics and history in school. Before this I worked in social enterprise for the benefit of the community.

I've had a few jobs as a minister. First in the Department for Children, Schools and Families as a Schools Minister, focusing on looking after children in care, school sport, bullying and school dinners; and my mother used to be a school dinner lady. Then I moved to the Cabinet Office where I was minister for the Third Sector (for charities). Now I am in the Department for Business, Industry and Skills with responsibility for Colleges, Apprenticeships; Skills and Consumer Affairs.

Sometimes when I talk to groups, and they ask me why they should be interested in politics I use an example from consumer affairs:

How many people think that if they download music and share it – which is against the law – they should have their internet connection cut off? None? [some hands go up] A few older people?

There is currently a Digital Economy Bill going through parliament which would bring this into law if someone was repeatedly caught doing this on a big scale. Because, this is breaking the law and it is stopping creative people benefiting from their work.

When I was 15 years old I got involved in politics...

It might be a single issue, like the digital economy or unemployment, and next you are knocking on people's doors, delivering leaflets and you've started campaigning. Then 20 years later you find yourself stood up here.

Now, let me say a few words about apprenticeships.

They were dying out. In 1997 there were just 60,000 apprenticeships. One in three people who started one didn't finish it. When we got into government we thought apprenticeships had a lot to offer and were perhaps a neglected option. They needed a new lease of life and more options. Thirteen years later, there are now 240,000 apprenticeships each year. And two-thirds: 71 per cent of all apprenticeships are completed. We want to have more of them.

I had an apprentice working in my office in Government, and getting training whilst doing a job. They were involved in the world of work as well as having an opportunity to go to college and learn about what they were doing from a theoretical perspective.

It does not pay the minimum wage because it is not a simple job. You are getting something: a qualification, the skills to enable you

to have a career. And employers get someone to do a job. We can show that having an apprentice means earning more as a business.

So you will want to know how much they get paid; they get £95, minimum. They will get more in subjects such as engineering, and other technical jobs. In other areas you don't get such high wages.

We have asked the Low Pay Commission to look at integrating apprenticeships with the minimum wage.

Apprenticeships are about opportunities; for employers it is having qualified people with the right attitude, for those on an apprenticeship it is about acquiring the right skills to be successful in the workplace.

I have got lots of facts and figures that I can read out to you; some of which are memorised. However, I want to hear from you about your experience of apprenticeships: are they given the right emphasis in school or college? Would you like more high-level apprenticeships, particularly in STEM subjects: Science, Technology, Engineering and Mathematics? We are thinking about introducing a bursary scheme of £1000 to apprentices who, having completed their apprenticeship, then want to go into university.

Natascha:

We have divided into five groups, each of which has a question to ask you.

First Question – Karine (West London YMCA):

My name is Karine. I'm from West London YMCA. I was homeless and now have a place at the YMCA and receive housing benefit. Receiving housing benefit has affected me in getting an apprenticeship. I now have an apprenticeship at the local youth service.

Some young people in low income households still face barriers in making the transition to employment because of the low level of pay.

Kevin Brennan:

Yes, it is all very well saying that it will pay in the long term, but you need it to pay for you in the meanwhile. It is a good thing that

it is free, and you do get a small wage out of it. The key question is how it affects the benefits you receive. We have an integrated employment and skills scheme that we are piloting with Job Centre Plus that should make a difference. Do let me have the details of your case and I will share it with Jim Knight MP, as he is interested in apprenticeships and is responsible for benefits. It shouldn't be the case that you may lose your home. The Government covers the costs for 16-19 year olds and it is difficult for those over 20 years.

Natascha:

This is an issue that comes up time and time again. Is there anyone else here who is affected in this way?

Charmaine (YMCA):

I am over 19: I'm 20 years old. So I can't keep my housing benefit and study for more than 16 hours a week.

Natascha:

There is a cut-off point at 19. These young people who are seeking an education feel that they are discriminated against.

Colum (Prince's Trust)

Internships too are unpaid, what is the Government doing to recognise that 'unpaid work' should be seen as an activity seeking work in order to claim JSA.

Kevin Brennan:

It should be possible to have work experience for a number of hours whilst claiming JSA. There are different types; there is also a graduate internship scheme – maybe not in your case – the idea is to gain new experiences, not that it is unpaid. The idea of the graduate internships isn't that it is for those with rich parents, because you should be able to stay on benefits whilst you are doing it.

Natascha:

I have with me an official from the Department of Work and Pensions: Pat Ferguson, who may be able to help you.

Perhaps you could introduce yourself?

Pat Ferguson:

I am on a team that is introducing the young person's guarantee, and the department supports the future jobs fund for young people.

On this matter, I will have to check and get back to you.

We are working on what we call routes into work, to support young people getting real jobs, access a range of opportunities including job experience as they are approaching six months out of work.

Danielle (Young Foundation):

This morning I was given a 'Routes into Work' form. If I get a job I have to leave college. I am 20 years old. Before I turned 19, most available jobs were at lower than level three qualification. I was overqualified for these. Now I am older, I am told that I have to take a job. I am currently on an access course and trying to get into university. So, if I want to carry on in education I will receive no income and will be forced to support myself. Fortunately I am able to look after myself.

Kevin Brennan:

On the Job Seekers Allowance (JSA) you are allowed to study up to 16 hours per week. It is a tricky one as Government can't afford to pay for everyone who wants to go on in education. We have been looking to create some flexibility around the 16-hour rule, but have been unsuccessful at the moment. By signing onto JSA you are saying that you are available to work. It is a good thing that you are trying to get into university. The integrated employment and training scheme that we are trying with Job Centre Plus will enable us to see what options are available.

Danielle:

I am hearing a lot of 'should' and 'working progress' sham. I don't have barriers of ability. I am going to go to university. However, technically the Job Centre says that I shouldn't be on benefits. I have had to explain to them what provision, according to their rules, should be made; I've had to sort it out my own way, but I know many who are not aware and rely on what they're being told.

Kevin Brennan:

You should get a job with Job Centre Plus.

You should get a job with Job Centre Plus.

Second Question - Billie (Prince's Trust):

I am on an apprenticeship. I have come from a rough estate. I've been there for the last 20 years, and it's been rough all that time. The only improvement came when a major construction firm came in and knocked it down, before building it up again. Wouldn't it be an idea if, in apprenticeship schemes, you took down estates where people have no confidence, where there is nothing, where people have never even had the chance to think about an apprenticeship? Will there be a future guarantee that these companies will put something into creating such an apprenticeship?

Kevin Brennan:

We have looked at the Government's Role as many of the big construction companies do something for the government. Now we are insisting that they have such a number of apprenticeships from the local area. It is a process called procurement. Over the next three years we want 20,000 apprenticeships. I chair a cross departmental meeting with other ministers and I have asked them, for instance the minister for the department of health, what number of apprenticeships have you created. The government is doing significant work to create apprenticeships with construction companies.

Billie (Prince's Trust):

What about younger children, 10, 11 and 12 year olds? These younger people are influenced by older kids who are involved in gun crime, etc.

Kevin Brennan:

We have spent more time looking at how to create careers for young people. For some young people the vocational route is best for them. We need to start a lot younger; helping young people make choices. One thing we have introduced is the diploma. This starts at 14 years old, but keeps open the option for academic study. We do need to improve the careers advice.

Amy (Prince's Trust):

How can we ensure the provision of schemes such as the Prince's Trust?

Kevin Brennan:

The Prince's Trust is a charity and it will bid for some work from the government. I try as a minister to ensure that work goes not just to companies but also charities and social enterprises. It will also be able to do its own fundraising.

Third Question - Jude (YWCA):

I have found that the Job Centre has contradictory policies. They don't know what's going on; one person says one thing, another a week later will say something else. I have been signing on now for over a year. I have explained that I am currently volunteering and one person will say that I can't do this, and another will say I can.

The advisors that I see try to force me into typically women's apprenticeship roles.

Kevin Brennan:

Let me answer Jude's question. You have got a point about the consistency and quality in Job Centre Plus, as has the minister, Jim Knight. We are trying to improve how Job Centre Plus responds to young people's needs. I have asked why we don't appoint more young people. The answer I have been given is that you can't expect a young person to advise a 60 year-old. I have said, 'yes you can', its discrimination not to. But also, how many people in Job Centre Plus started there when they were 16 years-old? It is a fair point and we need to improve on it considerably.

In response to your point on women's roles: We had done work with the TUC and there can be a gender bias. The top apprentice last year was a women doing engineering with BAE. She showed a lot. Never accept it; battle through. A lot of the best paid apprenticeships are stereotypically for boys.

Jude:

I can get an interview because I am a woman. But, if I want to get a job, I will need to settle for something like hairdressing.

Kevin Brennan:

On financing: There is support for you to achieve your first qualification up to 24 years-old. It is all about financial priorities and government's view is that the top priority is for those under 19 years-old. This is so there is no generation lost from employment.

I accept that there isn't enough support for those over 19 years-old.

Natascha:

I have been a bad chair. We have another four questions to get through and we've left only five minutes per question.

Fourth Question - Deanne (Loughborough Foyer):

I live in Loughborough Foyer, which is a supported housing scheme for young people. At the minute, I am claiming benefits and it covers the £170 per week for my rent. I believe young people need more skills and education to enable them to get into employment. Not all young people are able to access education within the age that is set by the government. For example, if a young person gets kicked out at the age of 16 and has to prioritise getting a roof over their head then need to balance this with giving up their education. Where is the financial support for young people over the age of 19 to be able to access education and still be able to keep a roof over their head?

Kevin Brennan:

You should get financial support.

Matthew (Scouts):

If you are studying for under 16 hours you should get JSA, but you have to give it up if you want a job. So it contradicts itself. It means that you can't do the training you want to do to get a better job.

Kevin Brennan:

It is a difficult area around the 16-hour rule and when someone is both a job seeker and they want to be in education. I will talk to my colleague Jim Knight about how we bring employment and education together. I will write to Natascha to see if there is some forward thinking that we can do. We have spent £1bn on apprenticeships and we have tried to account for every £1 of tax payers' money. I'll do that, get it written down and circulated.

Natascha:

This is an issue that comes up at every single meeting: there is an arbitrary cut off point. It can take a lot to get life on track, and then young people find that they are cut-off on their 20th birthday.

Colum:

What is the Government doing to promote Backing Young Britain?

Kevin Brennan:

We're doing a lot since we started the campaign off! We are trying to get organisations to sign up. We did a huge amount of advertising, but it is expensive and not always the best way.

When I was out of work I volunteered and it let me on to get a job. We are doing a lot through volunteering and we are encouraging employees to give apprenticeships. Because of the effort we have made young unemployment is half what it was in previous recessions.

Pat Ferguson:

We have organised a roadshow around the country, in each area we are getting employers together. There was media coverage in The Metro this week, the response to which caused the website to crash!

Kevin Brennan:

We have a significant number of big employers on board.

Fifth Question – Amy (Prince's Trust):

We feel the job market is prejudiced against young people in terms of their background and experience. We feel that more relevant careers advice would help young people to find the right path, and that businesses need to provide greater accessibility to young people, for instance through work-based training. What can the Government do to ensure young people have equal opportunities within the careers market?

Kevin Brennan:

I agree with all that you've said. Some employers ask why they should take a risk on an apprentice during a recession. This is the

wrong kind of attitude. And we have tried to change the mindset of such employers.

The narrative out there in the media is that young people don't pull their weight, but in fact young people are more enthusiastic about the future. Ninety-nine per cent of the reality is positive. Anything that we can do we should to counter this wave of negativity.

Billie (Prince's Trust):

What are you doing to make the careers service more relevant?

Kevin Brennan:

The Department of Children, Schools and Families are doing a complete review, and I'm doing one for adults and life long learning. We are looking to launch a new service at the end of this year.

Natascha:

Kevin has been with us a long time, and now has to leave. Thank you very much for all that you have shared with us.

I will take a few further questions and comments and we will send these on to the Minister so there is nothing that you say that he won't receive.

Mitan (UK Youth Voice):

What support is there for disabled young people? What opportunities are there for these most disenfranchised of young people?

Pennie (Prince's Trust):

What is the government doing to make young people aware of the opportunities such as apprenticeships? I've not heard anything in my area – Bracknall – is it on the radio or something?

Natascha:

Job Centre Plus is supposed to look at the individual and match opportunities to their needs, but this is harder in a recession, we all realise that. When you've had four or so things that are going against you it is harder. I will ask what specific ways there are to help disabled young people into work or gain an apprenticeship.

There is a huge amount of snobbery around apprenticeships.

Billie:

What is there for parents and single mothers when kids have no respect for the law or for each other?

Natascha:

Well, that is a whole other meeting.

What you are doing is amazing. You are setting an example for others. It isn't just what the government does; it is also about what you are doing in your own communities, and by being here. You are setting an example, doing more than we can as government.

Well done for lasting three hours!

-ENDS-