

Careers England Policy Commentary 8

This is the eighth in a series of briefing notes on key policy documents related to the future of career guidance services in England. The note has been prepared for Careers England by Professor Tony Watts.

The White Paper on Opportunity, Employment and Progression

1. Summary.

- Because the main focus of this White Paper is on the relationship between welfare and skills reform, many of its references to the new adult careers service are to its relationship with Jobcentre Plus in working with welfare recipients.
- There are however several clear references to the notion that the new service is conceived as a universal service.
- On the other hand, access to the Skills Health Check is to be more targeted than in the Leitch vision, and the title and projected design of the new service have been amended to incorporate John Denham's more targeted concept of 'advancement agencies': its working title is 'the advancement and careers service', and the ten pilots to run in 2008/09 are to include advice on issues such as housing, employment rights and childcare as well as on skills and jobs.
- While there are grounds for concern, detailed judgements regarding the relationship between the universal and targeted elements of the new service need to be suspended until the policy framework for the service is published early in the New Year.
- New funding rising to at least £50m a year is to be provided for the new service and for Skills Accounts by 2010/11.

2. *Focus of the paper.* The White Paper¹ is issued jointly by the Department for Work and Pensions (DWP) and the Department for Innovation, Universities and Skills (DIUS). Its main focus is the relationship between welfare and skills reform.

3. The core rationale for the paper is based on one of the five principles of the welfare reform programme: that the focus of welfare-to-work should be 'not just jobs, but jobs that pay and offer retention and progression' (p.8); in other words, 'sustainable work and progression' (p.19). Accordingly:

'... we need a new emphasis on skills as the key to sustainable employment, so that there is a focus on retention and progression not just job entry. With an emphasis on sustaining work we will create a seamless journey from benefits into

¹ Department for Work and Pensions and Department for Innovation, Universities and Skills (2007). *Opportunity, Employment and Progression: Making Skills Work*. Cm 7288. London: Stationery Office.

work and the (sic) into in-work training, career progression and more rewarding lives’ (p.8).

This is seen as a key to addressing poverty:

‘Sustainable work is the route out of poverty for most groups in society’ (p.7).

4. At the same time, there is an emphasis on ensuring that rights are matched by obligations:

‘... in return for more rights to training and help to succeed in work, we will also demand more by way of personal responsibility’ (p.9).

In particular:

‘When skills needs are identified we will expect people to undertake the training necessary to meet them and when job opportunities are available we will expect people to take them’ (p.6).

There are potential tensions here, relating to whether benefit claimants will be required to take any job offered to them, or only a job which they and/or their personal adviser regard as sustainable.

5. *The new adult careers service.* It is within this broad context that the statements in the White Paper relating to the new adult careers service recommended by the Leitch Report², and supported in the Government’s Leitch Implementation Plan³, are set. As with the Leitch Report, the paper at times refers to ‘the integration of employment and skills services’ (p.27), but it is clear that what is being proposed is strong co-ordination of what will – for the time being at least – remain separate services.⁴ The aim is to make these services as ‘seamless’ (p.20) as possible from the viewpoint of the user.

6. Decisions relating to application of benefit rules and entitlement to training will continue to be made by Jobcentre Plus personal advisers. But:

‘All new claimants will be signposted to the adult advancement and careers service’ (p.16).

Moreover:

² Leitch Review of Skills (2006). *Prosperity for All in the Global Economy – World Class Skills*. London: The Stationery Office. See Careers England Policy Commentary 6.

³ Department for Innovation, Universities and Skills (2007). *World Class Skills: Implementing the Leitch Review of Skills in England*. Cm 7181. London: The Stationery Office. See Careers England Policy Commentary 7.

⁴ Cf. Careers England Policy Commentary 6, para.18.

‘Where skills gaps could be a major barrier to finding employment customers will be encouraged to attend a full Skills Health Check. The results of the Skills Health Check will inform personal advisers’ decisions about whether the claimant needs to be referred to work-focused training in order to enhance their prospects of finding work’ (p.16).

Indeed, in some cases attendance at the careers service will be mandatory:

‘... it is right, in line with our principle that employment support is based on rights and responsibilities, that those on out of work benefits should at appropriate points in their claim be expected to engage with the advancement service if they have skills needs preventing them from finding work and we will enforce this where necessary and appropriate’ (p.16).

7. *A universal service.* The focus on the link with welfare-to-work reforms means that much of the discussion of the new service in the paper focuses on welfare claimants. At the same time, however, there are several clear statements which indicate that the new service is conceived as a universal service:

‘We believe everyone has the right to increase and update their skill levels, the right to a second and a third chance to progress in their careers. And we believe everyone has a responsibility to develop the talents and skills that they will need to succeed in the new economy. And so, we will invest in new universal services to offer everyone, both those in work and those seeking work, the opportunities to learn and improve their skills, and information and support to help them identify and successfully complete the training that will most help them achieve their goals’ (p.21).

This includes:

‘A commitment to helping individuals in work to continue to train and gain new qualifications so that they can progress to better paid and rewarded employment and achieve more for themselves and their families’ (p.13).

Accordingly, what is needed is:

‘a system where everyone is able to tap in easily to information and advice to help them progress in their careers, and tackle issues – such as caring responsibilities and lack of finance – that can get in the way’ (p.13).

Skills Accounts, too, are conceived as being for all:

‘Skills Accounts will last a lifetime and will be offered to all adults – in or out of work, whatever their skills level’ (p.24).

The underlying aim is a broadly-based cultural change:

‘... skills must not simply be the next step in our pursuit of a more effective welfare to work system, or an additional workplace responsibility of employer and employee. Lifelong learning must become the culture that informs our schools and colleges, our workplaces and our communities. We must each take responsibility for our own skills and development throughout our lives, and seek to create opportunities for others to realise their abilities’ (p.29).

8. On the other hand, the Leitch Report’s notion of a universal entitlement to a free Skills Health Check, to ‘identify an individual’s skill needs and strengths’⁵, appears to have been pared down to more targeted provision:

‘Our aim is for the full service in England from 2010-11 to deliver Skills Health Checks and action plans for up to half a million workless people and a further half a million adults in work, targeting those with low skills or who need to retrain to progress’ (p.23).

9. *Core features.* The White Paper makes a number of other important statements in relation to core features of the new service. Five points are particularly notable.

10. The first is that the title of the service is repeatedly given as ‘the new adult advancement and careers service’. This is printed in lower case, so is presumably still subject to change. But the inclusion of the term ‘advancement’ reflects the personal concerns of John Denham, the Secretary of State for Innovation, Universities and Skills, as outlined in a paper he presented to the Fabian Society in May 2004 (see Annex): this includes attention to information and advice on employment rights and access to in-work support as well as to information and advice on learning and work options. On the other hand, in contrast to previous statements by John Denham⁶, the word ‘careers’ is now included too.

11. Second, more details are given of the promised trials for the new service. These again incorporate strong elements of John Denham’s concept of ‘advancement agencies’:

‘We will invite a range of advice organisations in up to 10 localities to work closely with us in developing a joined-up advice service, covering issues such as housing, employment rights and childcare as well as skills and jobs. We will set aside £2m in 2008/09 for this purpose’ (p.23).

12. Third, there is an indication that the new service ‘will bring together the existing Learndirect advice and Nextstep services *within a new organisation*’ (our italics) (p.23). Interpreted literally, this might indicate that the other options that have been under consideration – contracting the service through the Learning and Skills Council, through

⁵ Leitch Review of Skills (2006). *Prosperity for All in the Global Economy – World Class Skills*, p.110. London: The Stationery Office.

⁶ Most recently, an interview with him in the *Financial Times* (11 November 2007), in which he continued to use the unqualified term ‘advancement agency’.

Learndirect, or through Jobcentre Plus – have been abandoned in favour of establishing a new organisational structure.⁷

13. Fourth, an indication is given of the level of funding to be made available for the new service. This is to include ‘new funding rising to at least £50m a year by 2010/11’ (p.23). This is presumably in addition to the current funding for Learndirect Advice and Nextstep. It is somewhat less than had been anticipated.⁸ It also covers Skills Accounts as well as the new service. It seems unlikely to be sufficient to fund a universal service with a substantial face-to-face presence in accessible and appropriate locations.

14. Finally, a statement is made that the policy framework for the new service will be set out ‘early in the new year’ (p.23).

15. *Commentary.* It is important to suspend detailed judgements on the design of the new service until the promised policy framework has been published. But the balance and relationship between its universal and targeted elements will be crucial to the success of the new service. The tension between the two is reflected in the two core components from which the service is being formed:

- Learndirect has been heavily promoted as a universal service, and has achieved impressive penetration levels on this basis.⁹
- Nextstep, by contrast, has received little marketing support, and is heavily targeted on low-skill groups.

16. It is important to recall that the universal nature of the new service was essential to the Leitch Report’s vision of the service being at the heart of its ‘recommendations to raise awareness and aspiration among adults across society’, including ‘investing more in their own skills development’. Since Leitch recognised that ‘the Government should provide the bulk of funding for basic and Level 2 skills’, with individuals and employers contributing ‘at least 50 per cent’ at Level 3 and ‘the bulk of the costs’ at Level 4 and above, this clearly indicated that the service’s attention should be focused on high-skill as well as low-skill groups.¹⁰

17. Certainly there are several statements in the White Paper which reaffirm the Leitch vision of a universal service (see para.7 above). And it could be that the emphasis

⁷ Subsequent informal discussions (held independently by Tony Watts and on Careers England’s behalf by Paul Chubb) with civil servants have indicated that no final decision on this has been made, but it is clear that the notion of establishing a new non-departmental government body to run the service is currently under serious consideration. The interview with John Denham in the *Financial Times* (11 November 2007) quoted him as referring to the establishment within the next three years of ‘a new agency’.

⁸ But at least goes beyond John Denham’s statement in his *Financial Times* interview (11 November 2007) that the service ‘could run without extra money or workers’.

⁹ In 2006, its helpline took nearly 900,000 telephone calls, and its website attracted over 9 million web sessions (these figures exclude Scotland, which was also covered by the service).

¹⁰ Leitch Review of Skills (2006). *Prosperity for All in the Global Economy – World Class Skills*, pp.59, 70, 109. London: The Stationery Office.

on targeted provision in major sections of the paper is linked to its specific focus on the relationship between welfare and skills reform (see para.1).

18. On the other hand, the targeting of the Skills Health Checks (see para.8) could potentially imply a significant weakening of the Leitch vision. The notion that attendance at the new service might be mandatory for some welfare claimants (para.4) could also have implications for how the service is perceived. Moreover, John Denham's influence in extending the remit of the service, to cover his concept of 'advancement agencies' (see paras.10-11), could lead both to broadening its focus, and to targeting it mainly to low-skilled and low-paid groups – both redolent, to some extent, of Connexions. It is further notable that in John Denham's oral statement introducing the paper to Parliament, no reference was made to the universal service. Instead, his main reference to the new service was strongly targeted:

'We will create an advancement and careers service to support people to overcome the barriers to moving from welfare into work, and beyond.'¹¹

In addition, the level of funding is of concern (para.13).

19. Much will depend upon the sequencing of the attention to the universal and targeted elements of the new service. If the service is to be genuinely universal but with targeted elements, then primacy needs to be given to the design of the universal service, with subsequent extensions to ensure that the distinctive needs of the targeted group are satisfactorily addressed. In the design of Connexions, the reverse process was followed: the targeted service was designed first, and efforts were then made to extrapolate some elements of the design to all young people. It was from this that many of the problems with Connexions stemmed.¹² On this issue, the White Paper is reassuring. The key paragraph describes the universal service, and then states:

'And because we understand that some people need extra tailored support to remain and progress in work, we will provide additional support to those who need it most' (p.21).

If this principle is followed in the promised policy framework, then there is a much greater chance that the Leitch vision for the new service will be realised.

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¹¹ *Hansard*, 26 November 2007, col.21.

¹² Watts, A.G. (2001). Career guidance and social exclusion: a cautionary tale. *British Journal of Guidance and Counselling*, 29(2), 157-176.

Annex: Advancement Agencies

In a paper which John Denham presented to the Fabian Society in May 2004¹³, he argued for the establishment of a new service based on a network of what he called Advancement Agencies:

‘The new service would explore with each individual their personal options to improve their position. It would look at access to in-work support (tax credits, disability assistance, and childcare). It would discuss whether employers were complying with employment law on parental leave, holiday provision or the minimum wage. It would examine the training provided and whether this was meeting the needs of both employee and employer. It would help the individual to improve their current employment or to prepare to look for other work, perhaps in jobs that they had previously thought beyond their reach. If the latter, the routes through training could be mapped.’

He added:

‘Creating and simplifying the opportunities to improve skills and productivity is, clearly, very important. But we are still tending to separate different elements of the problem – aspirations, employment rights (including work-life balance), skills and training and employer attitudes. We cannot tell in advance whether each person’s problem will be the lack of skills, their own self-confidence, or their employer’s attitude.... We need an approach that can offer support to the individual around all these issues. I believe that can come best from an organisation that has the simple and unambiguous commitment to helping them progress. An organisation that can offer support on each of the problems that they face.’

¹³ Denham, J. (2004). Making work work: creating chances across the labour market. Lecture to the Fabian Society, 17 May. See <http://www.centreforexcellence.org.uk/UsersDoc/MakingWorkWork.pdf>