TRANSFORMING FURTHER EDUCATION
YMCA Training and the Issues Facing Young People Today

YMCA Training work with thousands of learners every year from pre-16 to 50+ who have not followed the A-Level route.

The majority of young people we work with do not have sufficient employability skills to be work ready, and are often from hard to reach groups in deprived areas or from disadvantaged backgrounds.

While unemployment has fallen substantially in recent years, the youth unemployment rate is still more than double the general unemployment rate. Indeed, 84% of our pre-apprenticeship learners in 2016/17 were classed as NEET (not in education, employment or training).

According to Ernst and Young, high youth unemployment rates and regional disparities could have a detrimental impact on the UK’s aspiration to achieve ‘inclusive growth’, particularly in a post Brexit environment.

We believe that should our recommendations be implemented, the number of young people registered as not in education, employment or training (NEET) would be significantly reduced and that employment levels for the most hard to reach would increase.
Launching a comprehensive review of pre-apprenticeship funding to examine whether current provision is fit for purpose

Developing an awareness campaign aimed at employers, to demonstrate the countless benefits of taking on a young person as part of a traineeship or supported internship

Incorporating work experience into the national school curriculum

Reviewing the unintentional barriers to apprenticeships created by the benefits system criteria

Implementing a guaranteed ring-fenced budget of £1bn to ensure that SMEs in all areas of the country can continue to offer apprenticeships under the new reform system

Undertaking an urgent review of apprenticeship framework and standard funding in relation to local and national skills gaps and growth, and ensuring that funding be transitioned effectively during the reform period to maintain stability of provision

Reviewing and amending the 20% off the job requirement under the apprenticeship reform system

YMCA believes the government can improve the funding system for vocational and further education to enhance social mobility, health and wellbeing by supporting the following seven recommendations:

We believe that there is ample opportunity to elicit change regarding the barriers to employment created by the further and vocational education funding system in light of the House of Lords Economic Affairs Committee Inquiry into Higher Education, Further Education, and Vocational Training. We are also encouraged by the renewed commitment we have seen from policymakers to seek innovative policy solutions and are seeking to engage with all parties, interest groups and stakeholders to improve the health and happiness of young people.
WHAT WE’RE CALLING FOR

1. Launching a comprehensive review of pre-apprenticeship funding to examine whether current provision is fit for purpose

The Social Mobility Commission recently suggested that for young people, the last two decades have seen major changes to post-16 education with the school age rising to 18, access to higher education being widened and apprenticeships being recreated. These reforms have consumed a significant amount of public money and government effort but the impact has been limited.

YMCA Training recommends that the government undertake a review into pre-apprenticeship funding to explore gaps in provision for young people and to examine whether the current provision is fit for purpose. Whilst the ESFA funded Study Programme is flexible enough to be adapted to individual needs it does not provide adequate funding for those young people who have special educational needs but are not eligible for an education, health and welfare plan.

2. Developing an awareness campaign aimed at employers, to demonstrate the countless benefits of taking on a young person as part of a traineeship or supported internship

A DfE study into traineeships found that in total, 80% of trainees said that they had been in employment at some time since they finished their traineeship.

The government’s traineeship programme has helped many young people go on to apprenticeships, sustainable employment or further education. However, despite its success, the programme remains small compared to the provision of apprenticeships.

YMCA Training recommend that the government should consider developing a national awareness campaign aimed at employers, to demonstrate countless benefits of taking on a young person as part of a traineeship.
### 3 Incorporating work experience into the national school curriculum

Like many providers, YMCA Training experience difficulties when finding work placements for traineeship learners as employers remain reluctant to engage. We often find that employers are less likely to take on a young person as part of their traineeship when they have little or no work experience.

Statistics provided by the UK Commission for Employment and Skills show that 66% of employers say work experience is a critical or significant factor in their recruitment. However, the proportion of employers offering work experience is just 30%. This has created a ‘catch-22’ situation for young people who need work placements but have no prior work experience.

We believe that a two-week work experience placement every year during year 10 and year 11 at school should be incorporated into the curriculum. This way, young people would not leave school without any prior work experience.

### 4 Reviewing the unintentional barriers to apprenticeships created by the benefits system

YMCA Training engage with many young people whose parents discourage them from progressing into apprenticeships due to fears that doing so will negate the household's entitlement to state benefits. We are aware that up to 80% of our learners in some of our centres are put off taking on an apprenticeship or progressing into work because of this. Furthermore, many learners themselves feel as though they cannot progress into an apprenticeship as they would not be able to cover basic costs without access to housing benefit.

YMCA Training suggest that the government review the affect the benefits system is having on young people taking on an apprenticeship. We expect that many more young people from some of the most deprived areas would take on an apprenticeship and progress into employment should their parents benefit claims not be affected until they are earning the national minimum wage.
Implementing a guaranteed ring-fenced budget of £1bn to ensure that SMEs in all areas of the country can continue to offer apprenticeships under the new reform system

YMCA Training is concerned that funding to support non-levy paying employers will only come from unspent levy proceeds from larger businesses and that there will not be enough money to fund the apprenticeships of non-levy paying SMEs.

SMEs currently account for more than half of the apprenticeship opportunities on offer and as MPs on the Public Accounts Committee recently but observed, many constituencies have no levy paying employers in their localities.

This means that young people in many towns and rural areas may no longer have access to apprenticeships as feedback from SMEs and providers has been broadly negative in relation to funding.

YMCA Training has also received feedback from many SMEs that they will no longer be able to take on apprentices due to the 10% co-investment funding requirement.

YMCA Training, along with the Association of Employment and Learning Providers (AELP) is, therefore, calling for a guaranteed minimum annual budget of £1bn to ensure that SMEs in all areas of the country can continue to offer apprenticeships.

For example, the Level 3 Early Years Educator (EYE) is funded at a lower level than many providers believe is reasonable. Level 3 EYE provision calls for a high level of technical knowledge, theory and practice but is funded at a lower rate than, for example, the new retail standard.

Standards relating to Health and Social Care also remain inadequately funded. This will not encourage providers to deliver or learners to take up courses in this rapidly expanding sector.

In addition, we are concerned that funding disparities between some frameworks and standards may create a cliff-edge, and that the stability of provision would be better served by transitioning funding changes over a longer period.

Undertaking an urgent review of apprenticeship framework and standard funding in relation to local and national skills gaps and growth, and ensuring that funding be effectively transitioned during the reform period to ensure stability of provision

YMCA Training is concerned that a number of apprenticeship standards remain underfunded and that certain frameworks needed to fill skills gaps are not being replaced adequately by standards.
Reviewing and amending the 20% off the job requirement under the apprenticeship reform system

To use funds from a digital apprenticeship account or from a government employer co-investment agreement for an apprenticeship, an employer must ensure their apprentice spends at least 20% of their time on off-the-job training.

YMCA Training believe that this “one size fits all” approach to how off-the-job training is delivered does not provide adequate flexibility and is unsuitable for the majority of employers.

20% off-the-job training roughly equates to a full-time employee forgoing one day per week at work, something many employers are not able to accommodate. Furthermore, the 20% requirement does not incorporate English and maths delivery, progress reviews or training which also takes place outside of working hours.

The government’s 3m target relies largely on levy payers using their levy pots to upskill existing staff. However, YMCA Training believes employers are being put off developing in-house programmes as they will lose 20% of staff time. Therefore, YMCA recommend that the 20% requirement be urgently reviewed, in light of the strong criticism from employers and providers.
If you would like to help us make these calls to action realities, please get in touch with our Public Affairs and Communications Officer Kate Mahoney at kate.mahoney@ymca.co.uk or call +44 20 7343 1805