

## Briefing Note 6

# Budget Allocations and Arrangements for Careers Services for Young people within the new All-age Careers Service in England

17th January 2011

## 1. Context

- 1.1. This Briefing Note sets out the concerns of the UK Careers Sector Strategic Forum about the funding and transition arrangements for career information, advice and guidance (IAG) for young people in England and about the responsibilities of schools.
- 1.2. The UK Careers Sector Strategic Forum welcomes the appointment of Simon Hughes MP as the Government's Advocate for Access to Education. The Forum also welcomes the Coalition Government's recognition of the challenges for young people regarding access to further and higher education that will arise from increased tuition fees (and from the removal of Education Maintenance Allowances). This rise in fees will clearly have a strong bearing on how young people approach their future subject choices, pathways to further and higher education and possible future careers. It is critically important, in both their and the nation's interests, that their decisions on these matters should be as well-informed and as well-thought-through as possible – a point strongly affirmed in the Browne Report on higher education funding<sup>1</sup>.

## 2. Funding and transition arrangements

- 2.1. The Forum is concerned that the lack of clarity about the future of the Connexions service is leaving many local authorities without the necessary support to ensure an orderly transition for career guidance services. The result is that the careers profession is haemorrhaging talent. Labour force data<sup>2</sup> show that highly experienced and qualified careers practitioners are losing their jobs at an alarming rate.
- 2.2. We have learnt from civil servants and Forum members that the 2010/11 budget allocation for the Connexions services is about £467m, allocated from the Area Based Grant to local authorities. This funding is not ring-fenced, but covers two elements: (a) a career IAG service for all young people, and (b) a holistic service targeted at young people who have dropped out of education, training and employment, or are at risk of doing so. Estimates from a 2006 PwC report suggested that about 42% is spent on the former. If this is the case, it suggests that about £200m of the £467m is in principle being spent on such services in 2010/11. This represents a reduction of around one-third in relation to the careers budget ten years ago<sup>3</sup>, leading to the growing criticisms of the extent of careers provision in recent years.
- 2.3. The budget for the Connexions Direct website and helpline has always been separate from that for face-to-face Connexions services. In 2010/11 the Connexions Direct budget was around £7m. We welcome the fact that this is now to be merged into the all-age service. But there is no evidence that such

<sup>1</sup>Independent Review of Higher Education Funding and Student Finance (2010) Securing a Sustainable Future for Higher Education.

<sup>2</sup>TUC and Unison database; and Unison Briefing on the Careers Service issued on 7 January 2011.

<sup>3</sup>The expenditure on IAG (careers) in 2000/01 was £233m. If maintained in real terms, taking account of inflation, this would have represented £298m in 2010/11.



**Developed by:**

Keith Herrmann

Prof Tony Watts

distance services can adequately replace face-to-face services for young people. They are viewed in all countries as enhancements of face-to-face services for young people, not as substitutes for them.

- 2.4. The notional budget for the face-to-face Connexions services is now to be merged with a number of other service allocations (totalling £2,482m) into the Early Intervention Grant, which is to be reduced by 10.9% to £2,212m in 2011/12, and then increased by 3.8% to £2,297m in 2012/13. Local Authorities are free to determine their own priorities between these services.
- 2.5. Of the two elements of the Connexions service, local authorities are to retain responsibility for the services for young people at risk. But responsibility for career IAG services is to be transferred to the new all-age careers service and to schools, in a relationship which has yet to be clearly determined.
- 2.6. The recently-announced Dedicated Schools Grant includes no identifiable element for career IAG, and has been reported by the *Times Educational Supplement* (17.12.2010) as implying real-terms budget cuts for at least three-quarters of schools. It is therefore totally unrealistic to expect schools to draw from these reduced budgets in order to purchase services they have previously received free of charge.
- 2.7. A key issue is accordingly how much of the £200m identified in 2.2 above will be given to the new all-age service and how much allowed to disappear. Schools need to be assured of a core face-to-face career guidance service from the new all-age service comparable to that received from the Connexions service. With this assurance in place, they can plan to complement these services with additional allocations from their own resources.
- 2.8. A decision on this matter is urgent. If local authorities know that the bulk of the £200m is to be made available to the all-age service in order to sustain the future maintenance of the career IAG element of the Connexions service, they are more likely to be willing to sustain these services over a short transition period than if this is not the case. But if such decisions are not made soon, there is a strong risk that the services will effectively disappear before they can be incorporated into the new all-age service.

### 3. Responsibilities of schools

- 3.1. We understand that the Government is proposing to include in the new Education Bill a statutory duty on schools to “*secure access to independent, impartial careers guidance for all pupils aged 13-16 provided by a qualified careers practitioner*”. We welcome this duty, so long as it is supported by other measures to ensure impartiality and quality.
- 3.2. We also understand, however, that it is proposed that this duty should replace the existing duty on schools to provide a programme of careers education<sup>4</sup>. We strongly urge that this proposal be reconsidered. Careers education and career guidance are essentially complementary to one another. Good careers education ensures that career guidance is part of a process rather than an isolated incident, and therefore much more likely to deliver value for money. The recent report of the Education and Employers Task Force<sup>5</sup> has emphasised the importance of such programmes in schools.

### 4. Conclusion

- 4.1. We strongly recommend an urgent Ministerial statement on the funding for career IAG for young people within the new all-age careers service. We also urge that this funding be at least comparable to the existing funding for face-to-face career IAG services within the Connexions service. Given the rise in the school participation age, the delayed transitions for young people into employment and

<sup>4</sup> Education Act 1997, section 43.

<sup>5</sup> Education and Employers Task Force (2010) *Helping Young People Succeed: How Employers Can Support Careers Education*.



training, and changes in funding for higher education, there will be additional pressures on career IAG services for young people. Securing the existing £200m as the DfE contribution to the all-age service, alongside the DBIS contribution for adults, is the minimum requirement.

- 4.2. If this is not the case, the Coalition Government's commitment to ensuring access to high-quality careers guidance for all young people will be called into question. This would be particularly unfortunate at a time when the personal costs for education are rising, when the choices facing young people are becoming ever more complicated and crucial, and when young people need the best help available to make choices about their subject choices, pathways to further and higher education, and possible future careers.
- 4.3. In his widely-welcomed speech at the Institute of Career Guidance conference at Belfast in October, John Hayes, the Minister for Skills, reaffirmed that the heart of the new arrangements for young people must be close partnerships between schools and expert, independent advisers. Such partnerships have been shown by international research to be the strongest model of careers provision for young people. They are based on, in essence, schools being responsible for careers education, and an external service being responsible for providing career guidance. It is important that both of these elements be secured in the new legislation.
- 4.4. We welcome Simon Hughes's statement, on his appointment as the Government's Advocate for Access to Education, that: *"I will work with every person of goodwill to ensure that from 2011 we have the best system of educational advice, information and support in place, designed to benefit all potential students"*. We are ready and willing to work with him on this basis. If his vision is to be achieved, we believe that the issues identified in this paper merit his urgent attention.



Convened under the auspices of the CIHE, the UK Careers Sector Strategic Forum is a strategic leadership network of careers sector stakeholders. It aims to formulate a national strategic framework for careers information, advice and guidance (IAG) to address the issues of access, transparency, quality, equality, and continuity, and to identify areas where UK-wide co-ordination would be helpful.

Chair: Sir Martin Harris

Convening Committee: Keith Herrmann (Convenor, CIHE) Ian Borkett (Unionlearn), Vivienne Brown (Skills Development Scotland), Margaret Dane (AGCAS), Dr Deirdre Hughes (Careers Profession Alliance), Prof. Tony Watts

Tel: 079 00 697 544

Email: [kherrmann@me.com](mailto:kherrmann@me.com)