

Reference from the Regeneration and Social Inclusion Scrutiny Commission	
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Overview and Scrutiny Board, 19 May 2005

1. Between November 2003 and July 2004, the Regeneration and Social Inclusion Scrutiny Commission carried out a review of the training opportunities available to young people in Hackney.
2. At the time, the Commission was aware that a substantial amount of work was ongoing in this area to tackle some of the issues that were raised during the review. For this reason the Commission chose to wait a year to review what progress had been made, rather than making recommendations that would reflect what was already being done.
3. The Commission members are pleased to see the progress that has been made to help young people in Hackney into either jobs or training, as shown by the statistics presented to us.
4. Attached to this reference is a summary of the research carried out, and the conclusions reached. The Commission reviewed this, and received an update on progress at its meeting on 9 March 2005.

Comments of the Financial Controller

5. The recommendations in this reference will not give rise to expenditure above the existing budgets.

Comments of the Monitoring Officer

6. There are no legal issues which require comment.

Conclusions and Recommendations

7. The Regeneration and Social Inclusion Scrutiny Commission is keen to ensure that the Council, as a major local employer, is at the forefront of offering routes into training and employment wherever it can. Commission members are therefore pleased to hear that the Council does currently offer work experience and training contracts to both school and university students, and that the work programme of Inspire (formerly the Education Business Partnership) will help to take this forward. **The Commission would like to receive an update when this work has been completed together with proposals as to how this will be extended within Hackney Council.**
8. The Commission was advised that Neighbourhood Renewal funding will be used next year to assess the quality of training providers used in

Hackney. This was one area of concern that was constantly raised as part of the review. Despite the tacit acknowledgement that the quality of training as a whole is weak, the Adult Learning Inspectorate has now inspected a number of Hackney providers, whose training has been assessed as either very good or excellent. **The Commission would like to receive an update in March 2006 on the outcomes of this work.**

9. Other boroughs have been successful in using monies from Section 106 agreements to increase the provision of training opportunities. The Commission is pleased to see that Hackney is also now doing this, with the establishment of the Construction One Stop Shop in Dalston. **The Commission would like to receive a report at an appropriate time on how successful this has been.**
10. We note that the Council is looking to place an obligation upon its construction contractors to employ one modern apprentice for every £1m of the value of the contract. This has been used with success in other parts of London, and it is commendable that Hackney has also followed this path. **The Commission would like to review how successful this has been, with a view to extending this to other Council contracts.**
11. The Commission was repeatedly told that young people want glamorous, high earning careers, and do not want to have to work hard for it. Careers advice at as young an age as possible will help to counteract these perceptions early. Currently, careers advice is provided from year 8. The Commission is aware that some work is already in track to review careers advice given to young people. **The Commission would like the Cabinet Member to work with the necessary partners to look at the appropriateness of engaging children at a younger age.**
12. Previous scrutiny reviews have identified the need for Local Government Councils to go out to local schools to make young people aware of the careers that exist in local government. **The Commission would like to re-emphasize this recommendation, recognising the importance of increasing the profile of the Council as an employer.**
13. The Commission was informed of proposals to hold a Job Fair, aimed at increasing awareness of careers within the Council. The Commission are aware that this has slipped, and would like to see this happen as soon as possible.
14. The Commission heard evidence to suggest that mentoring of young people provides valuable support, and believe that the Council should do all that it can to encourage and support its staff to take on this role and expand the availability of mentoring to more young people in the London Borough of Hackney.
15. Since the evidence was taken, educational attainment in Hackney has increased still further with 45.1% of pupils achieving 5 GCSE'S at A-C level in 2004, compared with 39.2% in 2003. **The Commission members**

are pleased to see this improvement, and hope to see it continue in future.

16. It is clear that training works best when students feel that there is potential employment at the end of the course. For this to happen, training provided should be aligned as closely as possible with employment opportunities. The evidence that the Commission took indicates that such discussions do happen at the moment, although there was an acknowledgement that the links could be improved. **The Commission would like to see such relationships between the relevant partners to develop such career paths.**

**REPORT OF THE REGENERATION AND SOCIAL INCLUSION
SCRUTINY COMMISSION**

Training Opportunities for Young People	Classification Public	
	Ward(s) affected All	

1. Objectives

- 1.1 The purpose of this review was to obtain an overview of training and employment opportunities for 14 – 19 year olds within Hackney. The borough has a high rate of unemployment among this age group compared with the national and London average.
- 1.2 As the review progressed, it became evident that provision of training is a highly complex area, and there are no easy answers to the issues that were raised. The Commission therefore chose to look at very specific, discrete areas where it believed that the Council could have an impact.
- 1.3 Members were concerned that those young people who either drop out of the formal education system at the age of 16, or do not follow the A-level, then university route, are especially at risk of underachieving. ‘Neets’ – not in employment, education, or training, has become the new terminology.
- 1.4 The scope of the review included both what the Council is doing as an employer to create employment opportunities for such people, in addition to identifying how the Council, in its role as a community leader, could improve job opportunities for this group of people.

2. Conclusions

- 2.1 Ultimately, the Commission felt that there is a need to improve the opportunities of young people who choose not to go on to further education when leaving school at 16. The Commission heard evidence to suggest that the factors below are currently barriers to achieving this.
 - i. Increased partnership working is needed between the Council’s Youth Service, the Learning Trust, training organisations, local businesses, East London Business Alliance and other key stakeholders. This will ensure that as far as possible, training provided is linked to skills needed by local businesses.

- ii. The Council, as a community leader, should seek to increase the opportunities available to young people by reviewing work experience placements offered by the Council, and looking to increase the use of Modern Apprenticeships.
- iii. The Council could look at the possibility of having clauses in contracts: planning and service, encouraging companies providing services on behalf of the Council to use local people.
- iv. The Council should encourage Council staff, Councillors and Co-optees to take on the role of mentors for young people.
- v. There is a need to ensure that the training provided by organisations is quality assured. It is hoped that the introduction of the Adult Learning Inspectorate will help to tackle this.
- vi. The system that refers people between training organisations is complicated, and students may find themselves on a course that is not appropriate.
- vii. Hackney should be keeping up to speed with the cross London working group that is hoping to develop a system for tracking students through the system.

3. Methodology

- 3.1 The Commission heard from a number of stakeholders who have a role in providing training programmes to young people. Site visits were carried out to a number of organisations delivering training schemes, and members spoke directly to young people using the services to gain their views of the training provided.
- 3.2 A number of similar studies have been commissioned by the Jobs and Economy Sub-Partnership, which look at training opportunities as a whole, but include the impact upon young people. The Commission used some of the evidence included in these to inform its review.
- 3.3 A list of all those who gave evidence is included at Appendix 1.

4. Findings

4.1 Education

- 4.1.1 Educational attainment in Hackney is improving. In 2002, 31% of pupils in Hackney achieved 5 GCSE grades A* - C, compared with 48.5% in London and 51.5% UK wide. This puts Hackney as one of the lowest achieving boroughs in the country. Performance improved further in 2003, with 39.2% achieving these GCSE results, and Hackney is classed as the 2nd fastest improving borough in the Country.

- 4.1.2 Recruitment and retention of teachers and careers co-ordinators was identified as a major difficulty, resulting in a lack of continuity for school children. The recent review into recruitment and retention of school children by the Education and Learning Scrutiny Commission identified some of the reasons behind this.
- 4.1.3 The number of Hackney pupils going on to further education is around the national average following increases in recent years. (Labour Market Assessment 2004). Approximately 77% of Hackney Year 11 students stay in full time education after they leave secondary school.
- 4.1.4 The numbers of young people registered with Connexions peaked at around 850 in November 2002 before falling to approximately 660 in May 2003.

4.2 Vocational Qualifications

- 4.2.1 The Commission briefly considered the arguments for increasing the number of vocational based subjects offered at schools, and this was raised by a number of people who gave evidence to the Commission. At the time of the review, a National Working Group was being established to review 14-19 year old curriculum. The Commission are aware of the arguments to increase the number of vocational subjects offered at secondary school; however for the moment the Commission considered this to be outside of the remit of the review.

4.3 Careers Advice

- 4.3.1 Careers advice in Hackney is contracted out by Connexions to VT; the largest careers company in the UK. Each school has a nominated careers advisor who will spend at least one day a week at the school. Schools nominate one of their teachers as a careers coordinator, whose responsibility it is to liaise with the careers company, and would normally have 2 hours a week dedicated to this work.
- 4.3.2 The company use one to one sessions to provide career advice to young people, and also hold group sessions. Representatives attend parents' evenings enabling them to speak to parents direct.
- 4.3.3 There are no clear career pathways for young people who choose not to continue formal education at 16. Because the linkages between training courses and potential job opportunities are not established, once a training course has been completed there are few jobs that the trainee can expect to be successful in applying for. As a result it is likely that they will just drift from one course to another without a clear outcome in mind and this can be severely de-motivating and counter-productive.

4.3.4 Expectations of young people tend to be unrealistic, and there is a fine line between nurturing ambition and being realistic about what can actually be achieved.

4.4 Work Experience Placements

4.4.1 There is a statutory responsibility placed upon schools to provide a two week work experience placement to children in their final year of schooling. Coordination of placements for school children is contracted out to a company called Trident. The aim is always to make the placement as relevant as possible to what the pupil is learning, or the career they are interested in. Due to the relatively small number of placements available, this is not easy. In addition, competition for such placements is extremely high; in some cases schoolchildren are competing directly with University students.

4.4.2 Hackney's proximity to the city should in fact increase the number of potential placements. It is acknowledged that whilst more could be done to increase the opportunities in this area, there are real practical difficulties, for example young people not having suitable clothing to work in a City office. According to recent statistics, 95% of schoolchildren are successful in getting a work experience placement.

4.4.3 It was thought that Hackney Schools do have good relationships with City firms, and there is a level of good will to support young people in Hackney. However as mentioned earlier, there are very few non-graduate opportunities available, and the competition for this limited number of jobs is therefore very high.

4.4.4 There is a need to work together with key business network partners to promote work experience.

4.4.5 Once young people leave school, work experience placements become increasingly difficult, with much more onus placed on the individual to arrange their own work experience placements.

4.5 Training Organisations in Hackney

4.5.1 There were differing views on the value of soft skills. Some thought that they helped to build confidence and improve social skills, whilst others felt that they were not worthwhile. It is difficult to assess the success of soft skilling people, and they are therefore not transferable.

4.5.2 Not assessing training needs correctly was a factor in preventing successful training. Training organisations often felt that assessments carried out by employment advisors were not complete, and prospective candidates did not always have the required numeracy or literacy.

4.5.3 The referral system between agencies is thought to be patchy. Communication between advisors and agencies means that people are sometimes wrongly referred.

4.5.4 Agencies are reluctant to advise students that their needs may be better met elsewhere, as to do so could potentially affect their outputs and therefore their funding.

4.6 Tracking of Students

4.6.1 Tracking students through the system would help to identify who had 'dropped out', and also provide some data to be able to analyse trends. It is however very difficult to track students generally, especially if they leave Hackney. It is the individual's prerogative as to whether they choose to stay in contact. The Commission was informed that a London-wide group is currently looking at a method of tracking students through the system. Once this is up and running, any research can be better targeted to find out why young people drop out of the system.

4.7 Quality of Training Provided

4.7.1 Earlier research suggests that are few ways to quality assure some of the training provision other than standard evaluation forms, unless courses are independently accredited. Training quality at privately run training organisations is almost impossible to verify. The Common Inspection Framework will be introduced in Spring 2004, and should start to address this, with the Adult Learning Inspectorate will inspecting all providers in receipt of LSC funding.

4.7.2 Reports produced by Hackney Training and Employment Network express concern at the current training market in Hackney. This is both in terms of the type of courses that are provided and the quality of the teaching.

4.7.3 Many of the courses offered are not recognised or needed by employers. Not a shortage of training provision in Hackney, but there is a need to ensure that this is focused on either increasing employment opportunities or on enhancing confidence.

4.7.4 It is thought that too many people are on courses for something to do rather than with a specific aim in mind. Entry to Employment courses are aimed at improving employment opportunities for people who have little work experience, but have high numbers of well qualified or experienced people taking places. A suspected reason was that this attracts a £40 weekly training allowance. Basic IT courses are thought to be at saturation point.

4.7.5 There is a shortage of ESOL teachers, and therefore a shortage in the number of courses needed. Another problem is the fact that any

technical training required students to understand the industry jargon. Therefore those with only basic English language skills will not be able to follow the course. Moreover, the range of languages spoken in Hackney makes the borough's resources thinly spread.

4.8 Funding Issues

4.8.1 There were many issues raised by training organisations as to the way that they are funded: -

- Single year funding makes it difficult to plan in advance.
- There is a high administrative burden associated with some of the requirements that funders place on administrators, with no funding attached to it.
- Training organisations are penalised for students changing courses in the middle of the year, removing flexibility.
- Funding based on short term outcomes rather than longer term personal development.
- Concern that organisations focus on what attracts funding rather than what is needed.

4.9 Local Business

4.9.1 In its role as a Community Leader, the Council works closely with local businesses to help develop the borough's economy. The Commission met with both the Hackney Chamber of Commerce and the East London Business Alliance as part of its review to get their views on how training provided in the borough meets the needs of local businesses.

4.9.2 The Chamber of Commerce identified significant skills shortages in a number of areas in Hackney. This included career areas within local government, e.g. teachers and social workers, and a number of private sector organisations. As local people do not have these skills, the positions are often filled by people from outside of the borough, often over qualified people who want to get 'a foot in the door'.

4.9.3 Local businesses can play a key role in helping to support and develop young people by offering work experience placements and post-school apprenticeships. The Local Government Association position statement 'local government – transforming learning, building skills,' places local Council's very much at the centre of this process, working with local industry to support them in providing such opportunities.

4.9.4 It can also help to shape training provision to help local businesses fill their current skills gap. Providing a central contact point for placement opportunities would simplify things for employers, and the level of bureaucracy should be kept to a minimum to avoid discouraging employers from offering placements.

- 4.9.5 The East London Business Alliance (ELBA) has regular meetings with the Mayor and the Learning Trust, and are satisfied that these are constructive. The Chamber of Commerce however would like to see an increased liaison between Hackney Council, the Jobs and Economy sub partnership of the HSP and other stakeholders.
- 4.9.6 Both groups highlighted the lack of construction training available in Hackney. The availability of building and tradesman services are at a low.
- 4.9.7 Whilst many local firms would like to be able to take on and train young people, some smaller firms simply do not have the capacity to take on long term trainees.
- 4.9.8 Both agreed that training works best when it is linked to employment. A good example was the Wick project. This takes on 20 students each year, and provides NVQ in Manufacturing and Sewing. Students can see prospects of employment at the end which provides an incentive for them. They believed that the person's attitude was the most important factor. Those people who want to learn are more likely to be successful.

4.10 Hackney as an employer

- 4.10.1 The challenges that young people face in gaining employment, generally and specifically within the Council were shown in the Governance and Resources Scrutiny Commission review into the recruitment and retention of staff. The lowest salary that Hackney offers is around £16, 000, with an occupational pension, which compared with salaries in the private sector for bottom end posts, is quite high. This increases the level of competition for these jobs, and young people have to compete directly against people with significant work experience.
- 4.10.2 A recent Governance and Resources Scrutiny Commission review identified the fact that very few young people appreciate the wide range of careers that exist within local government. One of their recommendations was to increase the level of work with schoolchildren. The Speaker has a rolling programme of visits to local schools, and it is hoped that an element of these visits can include the role of the Council as an employer.
- 4.10.3 The Council currently offers a number of Modern Apprentice places, primarily within the Trading Services division. Work is ongoing to put together a corporate approach to offering such placements. Work experience placements for school or college students are also offered. Again, HR are working with both directorates and educational institutions to review the way this currently operates.

- 4.10.4 Although there are difficulties associated with taking on placements, other authorities have been successful in doing so, and examples of best practice exist. Research shows that other local authorities have been successful in encouraging their contractors to employ young local people as part of the conditions in the contract.
- 4.10.5 The Employers Organisation is of the view that most young people in school are not really aware of the range of careers in local government. The Council's Housing directorate are piloting a scheme to try and increase the knowledge of young people in the area of potential careers in the Council, and hopefully encourage them to apply for jobs at Hackney. This will start with a Job Fair, and it is hoped that this will happen towards the end of the 2004.
- 4.10.6 In the Council's role as a community leader, and as a key member in the Hackney Strategic Partnership, the Council may be able to influence partner organisations to increase its commitment to taking on young people on training schemes.
- 4.10.7 Mentoring for young people was identified as a crucial part of their development; however there is a serious lack of people who are volunteering to act as mentors. A number of organisations stated that they had real problems attracting people who are prepared to act as mentors, and requested the Council to encourage its own staff to take on this role if possible.

Appendix 1

The following people gave evidence to the Commission

Derek Powell, Excellence in Cities

Bev Bannister, VTiS Ltd.

John Blackmore, Community and Leisure

Colin Middleton, Policy and Communications, LBH

Mekor Newman, Head of Housing Regeneration, LBH

Heather McCrae, The Learning Trust

Maureen Philogene, Hackney Chamber of Commerce

Carole Stewart, Assistant Director Culture

Elizabeth Bolgobin, Co-Author of 'Borrowing Failure, Smothering Success'

Peter Welton, East London Business Alliance

Stewart Feakins and Louise Slater, Education Business Partnership

Sean McMahon, Learning and Skills Council

Steve Curtis, SC Consultancy

Keith Hughes, Hackney Retailers Association.