

Supplementary written evidence submitted by Roger Cotes, Director of Careers and Further Education, Department for Education

Dear Robin,

Further to my attendance at the Education Select Committee's oral evidence session for the inquiry into careers education on 15 November 2022, I am writing to provide further details relating to my role as SRO for the National Careers Service and The Careers & Enterprise Company (responding to questions 145, 152, 153 and 161), as per the Committee's request.

Firstly, the Committee requested more details relating to what the government is doing to support care leavers aged 19- 21 who are not in education, employment or training (NEET)- Q145. The National Careers Service offers intensive, face-to face careers support to customers who fall into one or more of six priority groups that face significant barriers to making progress into work or learning. 18- 24 year olds who are NEET are one of these groups- this includes care leavers. The results of the latest [National Careers Service independent survey](#) carried out by Ipsos MORI on a sample of customers show that this support is making a difference. From April 2021- March 2022, 44,240 18-24-year-old NEETs accessed the Service and 23,460 achieved a job or learning outcome. The survey found that NEET customers aged 18-24 were more likely than average to agree that the service was good (97%). Through The Careers & Enterprise Company (CEC), we also provide careers support to those from wider disadvantaged backgrounds through the Inclusion Community of Improvement which works with Careers Hubs and SEND specific Enterprise coordinators to enable them to better support schools, colleges and training providers through sharing good practice and developing resources. The CEC is currently developing and testing a suite of online learning modules and frontline worker support materials modules aimed at reaching vulnerable young people, including young people outside of mainstream education who are accessing elective home education. This project aims to engage young people with trusted, self-directed learning and high-quality signposting to pathway information, online experiences of the workplace, sector information and transitions support. It is envisaged that this suite of resources will also have potential to reach multi agency frontline workers and will also develop accompanying materials for local authorities.

The Committee also asked for further evidence relating to the figure I quoted that for every £1 of government investment in the National Careers Service (the Service) it

delivers £17 of economic return (Q152). This was an indicative figure developed for internal purposes and has not been published. As such I should not have cited it in front of the committee, and I apologise for doing so. Establishing good confidence in a precise return on investment is complex because there are many factors which influence progression into employment and seeing a National Careers Service adviser is a relatively low-cost intervention. However, we do have good published-evidence around the progression to employment and further learning of Service clients– taken together this evidence suggests that there is likely to be a strong return for taxpayer investment (both to the exchequer and the broader economy). I have set this out below:

Our latest independent published [National Careers Service survey](#) (from 2020-21) shows that:

- In relation to **progression into learning**- 71% of face-to-face and telephone customers progressed into new learning. For customers who had undertaken learning or training, over half (54%) considered that their National Careers Service adviser had contributed to their decision to do the learning or training- a large increase compared to the previous year (41%). The wider economic returns of undertaking learning are strong- the government's [latest analysis](#) shows that, on average, all levels of learning in FE generate strong returns, with a £21 return on investment for every government pound spent of someone aged 19+ undertaking a full Level 2 qualification, rising to £31 for a Level 3. A level 2 qualification results in an average of a 9% wage premium for someone 19+, rising to 16% for Level 3.
- In relation to **progression into work**- 44% of face-to-face and telephone customers achieved employment progression with either a new or existing employer. Amongst those who were not working at the time when they were surveyed, but were six months on, four in ten (44%) said that their adviser played a role in this. Given the significant benefits to moving into employment/training and the low cost of seeing a National Careers Service adviser (maximum cost of £205 if a Service contractor earns funding for all the outcomes for an individual customer) we expect only a relatively small number of customers need to progress to recoup the investment.

Using those who are 18-24 and not in education, employment or training (NEET) as an example, we can see that **a only a very small percentage of National Careers Service customers are required to have improved employment progression in order to equalise the Service's costs and benefits**. Survey data indicates those who are NEET are more likely to progress into employment after working with a careers adviser (54% compared to the average 44%)¹. This helps reduce the benefits dependency of the Exchequer for someone remaining NEET, which costs on average £3,638 per year². This contrasts to the maximum cost of £205 for Service involvement as set out above. Therefore, among the customers who are NEET, only roughly 6% would need to experience employment progression for one-year only in order to recoup the original

¹ [National Careers Service: customer satisfaction and progression annual report \(publishing.service.gov.uk\)](#)

² [RFCEC_BCCS_Report_and_Appendices.pdf \(ctfassets.net\)](#), page 58

Careers Service costs³ (without taking into account other positive benefits – such as progression to education). Also, we are confident that the true, multi-year and long-term costs related to being NEET are much higher than the conservative £3,638 estimate which does not account for foregone income tax and societal based benefits (e.g. increased health, decreased crime etc.). Taken together these factors mean that seeing a Service adviser would only need to achieve a small impact in reducing NEET levels to achieve good value for money to the taxpayer, while the evidence that we do have (although not perfect) suggests there is significant impact.

Putting together the benefit from increased employment, longer-term productivity and increased wages from progression into training, it is reasonable to conclude that the National Careers Service likely delivers value for money for the public investment – both in terms of returns to the Exchequer, and broader support for the economy.

You also requested further information about what checks the department does to gauge withdrawal rates for individuals who achieve a successful job or learning outcome following support they have received through the National Careers Service (Q153). The Ipsos Mori independent survey tracks individuals for six months after their first intervention with a careers adviser. The results from the [May 2020 to April 2021 survey](#) showed that amongst face-to-face and telephone customers, 71% progressed into new learning and 44% achieved employment progression with either a new or existing employer. However, the Service does not track customers beyond this, and so are therefore unable to ascertain longer-term drop-out rates.

Finally, the Committee asked for more details about what the careers workforce profile looks like- particularly in terms of age range (Q161). We do not hold this data for the whole sector. However, I can provide the latest data for advisers employed through the National Careers Service, which gives an indicative picture for the wider country:

- 20- 24 years = 4.8%
- 25- 34 years = 20.3%
- 35- 49 years = 41.6%
- 50+ years = 33.3%

Careers England will also shortly be publishing the results of a workforce review that they recently carried out. This review did not specifically collect data on age ranges of the workforce but will cover other related issues, including the percentage of advisers considering leaving the sector next year.

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³ This is calculated by taking the £205 maximum cost applied to all customers and dividing it by the £3,638 benefit, leaving a required 6% of individuals needed to progress in order to break-even. This is a conservative estimate as it assumes all priority customers cost the maximum £205.