

# The Milburn proposals for funding careers services for young people: a note on relevant international evidence: A briefing paper prepared for Careers England

Professor A.G. Watts

1. The Final Report of the Panel on Fair Access to the Professions<sup>1</sup>, chaired by Alan Milburn MP, cites estimates that around £200 million is currently spent on non-targeted IAG provision within Connexions services. It states its belief that 'this needs to be delivering much better value for money and that it should be delegated to individual schools' (p.76). It accordingly recommends that 'schools and colleges should have direct responsibility for providing information, advice and guidance, with a professional careers service located in every school and college – starting from primary age' (recommendation 22). More specifically, it recommends that:

**'The Government should remove careers responsibility from the Connexions service. It should reallocate an estimated £200 million to schools and colleges in order to give them the freedom to tender for careers services from a range of providers' (recommendation 23).**

2. Two countries have in recent years implemented reforms which bear strong similarities to those proposed by the Milburn Report: New Zealand and the Netherlands.

3. In New Zealand, prior to the mid-1990s, the precursors of what is now Career Services commonly visited schools to interview most if not all school-leavers. In 1996, this was replaced by a structure in which secondary schools received extra funding to enable them to purchase career services from an external provider if they wished to do so. These funds were part of their bulk funds and were not tagged. Schools could use them to purchase external services, to cover internal guidance costs, or for other purposes altogether. A recent review concluded that most schools used the monies to cover internal career-related costs or for other unrelated purposes.<sup>2</sup> Schools which chose to buy in interviews with all leavers or all students in a particular year were now very much the

exception rather than the rule (though some carried out such interview programmes by using their own staff). A report by the Education Review Office concluded that only 12% of secondary schools provided high-quality career education and guidance to their students. A further 85% were effective in some areas and needed to improve in others.<sup>3</sup>

4. In the Netherlands, the funding previously allocated to the Advice Offices for Education and Occupation (AOBs in Dutch) was progressively reallocated to schools between 1995 and 2000, as part of a broader policy of marketisation. As a result of this policy, some schools continued to buy services from the AOBs; some switched to other private-sector organisations; some aimed to provide all services internally. The result was that the number of AOBs was reduced from 16 to 4, with considerable loss of expertise, and no evidence of any improvement in services within schools.<sup>4</sup>

5. An OECD report on the Netherlands pointed out that the effect of the reforms had been 'to place purchasing power in relation to guidance services in the hands not of the demand side but of the supply side: not of individuals but of institutions with their own agendas and priorities'. The issue was 'whether such agendas and priorities are necessarily and invariably congruent with the interests of individuals and with the wider public good'. There were two problems in particular with devolving decisions on career information and guidance provision to institutions:

- 'The first is that it leaves such provision at the mercy of management priorities. Some managers may see guidance as being very important for the institution and its students; some may not. The latter is particularly likely to be the case where, as in the Netherlands, external pressures on institutional priorities focus heavily on output measures based on

<sup>1</sup> Panel on Fair Access to the Professions (2009). *Unleashing Aspiration: the Final Report of the Panel on Fair Access to the Professions*. London: Panel on Fair Access to the Professions.

<sup>2</sup> Watts, A.G. (2007). *Careers Services: a Review in an International Perspective*. Wellington, NZ: Career Services. Unpublished Education Review Office data indicated that around two-thirds of secondary schools allocated all of the relevant funding to career education and guidance; of the remainder, half allocated 50-85% to it; the other half allocated 25-50% to it.

<sup>3</sup> Education Review Office (2006). *The Quality of Career Education and Guidance in Schools*. Wellington: ERO.

<sup>4</sup> Meijers, F. (2001). The effects of the marketisation of career guidance services in the Netherlands. *International Journal for the Advancement of Counselling*, 23, 131-149. Also Organisation for Economic Co-operation and Development (2002). *OECD Review of Career Guidance Policies: Netherlands Country Note*. Paris: OECD.

examination performance, rather than on process measures or longer-term outcome measures. In this situation, the system tends to be viewed in management terms as a closed box, and guidance linked to individual progression outside this box as being of peripheral importance.'

- 'The second potential problem is closely related: it is the issue of impartiality. The funding of educational institutions is linked to enrolments and/or course completions, and this may incline them to restrict the guidance they offer. Thus an employers' representative suggested to us that educational institutions were more interested in filling their courses than with giving good advice to students on the realities of labour-market demand. Again, an external agency reported that a couple of schools had cancelled their contracts because it had advised some students that it might be in their best interests to leave the school and move elsewhere.'<sup>5</sup>

Both of these points seem likely to apply in England. There is strong evidence of guidance within schools that extend beyond the age of 16 favouring their own provision post-16 at the expense of other options.<sup>6</sup>

6. More generally, the OECD Career Guidance Policy Review<sup>7</sup>, based on 14 countries, persuasively indicated the limitations of an exclusively school/college-based model of career guidance delivery, in three respects:

- Its weak links with the labour market, and its tendency to view educational choices as ends in themselves without attention to their longer-term career implications.
- Its lack of impartiality, and the tendency for schools to promote their own provision rather than college- or work-based routes.
- Its lack of consistency: the policy levers on schools and colleges to deliver services in this area tend to be weak, and services to be patchy both in extent and in quality.

7. OECD accordingly strongly favoured a delivery model based on a partnership between schools and colleges on the one hand, and on the other an external service that is closer to the labour market and is able to provide impartial guidance at a consistent standard. This is the model that England has had in the past through the Careers Service and more recently through the Connexions Service. It is also the model that remains strongly in place in the rest of the UK.<sup>8</sup> Certainly there is a strong case for reframing the model in England, to take account of the erosion of careers services that has taken place under Connexions, as noted by the Milburn Report (pp.74-75). But the international evidence suggests that the model should be strengthened rather than weakened, as it is likely to be if the Milburn funding proposals are implemented.

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<sup>1</sup> Panel on Fair Access to the Professions (2009). *Unleashing Aspiration: the Final Report of the Panel on Fair Access to the Professions*. London: Panel on Fair Access to the Professions.

<sup>2</sup> Watts, A.G. (2007). *Careers Services: a Review in an International Perspective*. Wellington, NZ: Career Services. Unpublished Education Review Office data indicated that around two-thirds <sup>5</sup> OECD (2002). *Op. cit.*, p.11.

<sup>6</sup> See e.g. Foskett, N., Dyke, M. & Maringe, F. (2004). *The Influence of the School in the Decision to Participate in Learning Post-16*. RR538. London: Department for Education and Skills.

<sup>7</sup> Organisation for Economic Co-operation and Development (2004). *Career Guidance and Public Policy: Bridging the Gap*. Paris: OECD.

<sup>8</sup> Watts, A.G. (2008). The partnership model for careers education and guidance in schools and colleges – rise, decline – and fall? *Career Research and Development*, 20, 4-8. of secondary schools allocated all of the relevant funding to career education and guidance; of the remainder, half allocated 50-85% to it; the other half allocated 25-50% to it.

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<sup>4</sup> Meijers, F. (2001). The effects of the marketisation of career guidance services in the Netherlands. *International Journal for the Advancement of Counselling*, 23, 131-149. Also Organisation for Economic Co-operation and Development (2002). *OECD Review of Career Guidance Policies: Netherlands Country Note*. Paris: OECD.