

# How can young people be best prepared for the world of work?

### **House of Lords Select Committee on Social Mobility**

#### 1.0 About us

- 1.1 The Royal British Legion was created as a unifying force for the military charity sector at the end of WWI, and still remains one of the UK's largest membership organisations. We are the largest welfare provider in the Armed Forces charity sector, providing financial, social and emotional support, information, advice, advocacy and comradeship to hundreds of thousands of Service personnel, veterans and their dependants every year. In 2014, we responded to over 450,000 requests for help— more than ever before and spent £1.4m every week on welfare support. For further information, please visit www.britishlegion.org.uk
- 1.2 The Legion also provides a number of specialist welfare services to wounded, injured and sick Service personnel and veterans, and other working age disabled individuals. As well as investing in the Battle Back Centre at Lilleshall and MOD Personnel Recovery Centres, we also assist disabled beneficiaries with accessing statutory benefits to enable independent living and with War Pensions and compensation claims.

#### 2.0 General Comments

- 2.1 The Legion is grateful for the opportunity to provide written evidence to the House of Lords Select Committee on Social Mobility. We would further welcome the opportunity to provide oral evidence to the Committee if requested.
- 2.2 In response to this call for evidence, the Legion's submission will focus on the needs of those leaving Service aged 24 and younger and transitioning to the civilian jobs market ("civvy street").
- 2.3 For further information on the transition process in general, we recommend that interested parties read the Forces in Mind Trust 2013 report "the Transition Mapping Study". The report contains significant quantitative and qualitative research in this area.

## 3.0 Background and context

3.1 In addition to the standard annual outflow of Service personnel leaving the Armed Forces, the last few years have witnessed large numbers of Service Leavers reentering the jobs market as the UK Armed Forces reduces in size. Over the last three years, the UK Armed Forces has seen an outflow of nearly 68,000 Service personnel (21,370 in 2011/12, 23,520 in 2012/13 and 23,000 in 2013/14)<sup>1</sup>. Many of these will be

<sup>&</sup>lt;sup>1</sup> Ministry of Defence, UK Armed Forces Monthly Personnel Report, 2015

- aged over 24 and therefore outside of the scope of this inquiry, however it is safe to assume that within the 68,000 there is a significant number of those leaving before a full 22 year Service and aged under 24.
- 3.2 The Legion's UK Household Survey of the ex-Service Community 2014 found through comparison with the ONS Labour Force survey that working age veterans were less likely to be in full time work than the UK male population (57% full time employed vs 68% in full time employment).<sup>2</sup>
- 3.3 The vast majority of personnel leaving the Armed Forces below the age of 24 are likely to fall within one of three categories:
  - Those who leave having completed training, undertaken duties, yet decide not to stay for a full 22 years Service. This cohort will be undertaking transition voluntarily and are able to prepare for re-entering the civilian world of work. There are still barriers faced by this cohort, however they are likely to be the best equipped of their age group leaving Service.
  - 2. The Wounded Injured and Sick (WIS) who have been medically discharged due to injury. These personnel may only start to prepare for transition when the medical board has signed them off. This group risk multiple barriers to entering work, both due to their disability and a lack of preparation.
  - 3. Early Service Leavers (ESL). ESL covers those who are discharged compulsorily or at their own request from Service having completed less than 4 years Service. Many don't complete basic training before leaving the military. This cohort traditionally present with the most barriers to progressing into stable employment.
- 3.4 It is vital that, in order to counter the damaging narrative of Service leavers being classed as "mad, bad and sad", the committee notes that many of those who transition out of the military go on to successful careers where they can put into practice the many skills a military career can impart. For most, their military career is an asset that employers welcome. However, there remains a small yet significant group within the younger cohort of leavers who encounter multiple barriers to successful transition. With that in mind, this submission will focus on highlighting the risks and problems encountered for this cohort who need Government intervention rather than those who transition successfully.
- 3.5 When discussing the prospects of Service leavers, it is important to view initiatives with reference to the Armed Forces Covenant. Following a Legion campaign, the Government enshrined the Armed Forces Covenant in statute in 2011. The Covenant is the nation's recognition of its moral obligation to members of the Armed Forces and their families, and establishes how they should be treated, stating that the Armed Forces and their families "deserve our respect and support, and fair treatment". The two key principles underlying the Covenant are:
  - 'No disadvantage': the Covenant commits the Government to removing, where
    possible, disadvantage experienced as a result of Service. For example, when
    Service personnel and their families are posted somewhere new, they should not
    experience difficulty in getting their children into local schools

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<sup>&</sup>lt;sup>2</sup> The Royal British Legion, A UK Household Survey of the ex-Service Community, 2014

- 'Special treatment': for personnel and veterans who are injured as a result of their Service, or for families bereaved by Service, it is sometimes appropriate for the principle of 'special treatment' to be applied e.g. the provision of higher grade prosthetics to those who lose limbs as a direct result of their Service.
- 3.6 The Legion welcomes decisions taken by recent governments that support the Armed Forces community across the UK, as well as the work done by the devolved administrations, and will continue to work with all administrations to ensure the principles of the Covenant are upheld.

#### 4.0 Qualifications and skills

- 4.1 Those who join the UK Armed Forces at a young age as an alternative to pursuing higher education or gaining civilian employment experience are reliant on the training and skills provision within the Forces to be able to enter the civilian job market once they leave. As the Army tends to recruit for infantry from more deprived areas of the country, appropriate education and training support is vital. Up to 50% of Army recruits have literacy and numeracy skills below Entry Level 3, equivalent to the standard expected of primary school leavers at age 11.3
- 4.2 Low literacy and numeracy skills can constitute a serious barrier to social mobility. The Department for Education commissioned 2011 Wolf Report on Vocational Education places significant emphasis on the need for numeracy and literacy skills. stating "English and Maths GCSE (at grades A\*-C) are fundamental to young people's employment and education prospects." Wolf describes English and Maths GCSE qualifications as the "gatekeepers" to employment and consequently social mobility outside of the Forces. Those in Service are able to study to obtain GCSE and A-Level qualifications, or their equivalents. Indeed, in order to progress up the ranks to Sergeant (or Service equivalent) comparable grades are required and considerable resources are put into encouraging training to take place. Yet how many take up this opportunity is unclear, especially when looking at the younger age range of Service leavers who may not have enlisted with a defined career path in mind.
- 4.3 As well as standard academic qualifications, a career in the Armed Forces brings with it exceptional training in valuable transferable skills. The focus on teamwork (especially in combat roles where relying on team members can regularly be a matter of life or death) and leadership that the military instils should be assets to any civilian recruiter. However it is likely that much of this training is not recognised both by the personnel themselves and by potential recruiters as being transferable and skills acquired in service are not routinely taken into account when applying for jobs. Only four in ten of veterans aged 16-34 report an ability to use their acquired skills at least quite a lot. Within the ex-Service population, younger veterans are particularly less likely than their national equivalent to say they can use most or all of their skills.5
- 4.4 A major factor for skills being seemingly "lost" in transition is that many leave the Armed Forces without ever even having written a CV, let alone understand how to recognise what aspects of their military training will be beneficial for civilian employment. The Career Transition Partnership (CTP) and external agencies such as the Legion are able to offer advice and support to Service leavers on job

<sup>&</sup>lt;sup>3</sup> Vorhaus, J, Swain, J, Creese, B et al, *Armed Forces Basic Skills Longitudinal Study*, 2012

<sup>&</sup>lt;sup>4</sup> Wolf, A, Review of Vocational Education – The Wolf Report, 2011

<sup>&</sup>lt;sup>5</sup> The Royal British Legion, A UK Household Survey of the ex-Service Community, 2014

applications and CV writing, however many will never adequately engage with the support available. It is vital that not only do personnel undertake further training in this area, but employers do more to recognise how a military background and training can be beneficial within a civilian workplace. This is a prime example where the Armed Forces Covenant principle of special treatment may be appropriate, especially for those businesses that have signed a Corporate Covenant, pledging to offer enhanced support to the UK armed forces community.

## 5.0 Time to prepare

- 5.1 Successful transition from Service to the civilian jobs market greatly benefits from sufficient preparation. As has been pointed out many times from various commentators, the most successful transition arrangements will involve preparation for leaving service starting on day one of enrolment. For example, Forces in Mind Trust's Transition Mapping Study states, "Making sure individuals are aware that they need to take responsibility for their own futures and make the most of the opportunities in the Armed Forces is hard to enforce. Nonetheless, communicating this message from the start of the individual's career is critical, so that Service personnel have time to acquire skills to position themselves better for transition"<sup>6</sup>. However, despite encouragement, this level of preparation rarely happens in practice.
- 5.2 Where someone has prepared for transitioning out of the Forces, the main focus of resettlement support is delivered through the Career Transition Partnership. The CTP is available to provide support to Service leavers up to two years before discharge and for two years following. Historically this support was not provided in full to ESLs, who may need it most due to their lower average educational profile, but welcome amendments have recently been made in line with Royal British Legion recommendations: "From 1 October 2015, all elements of delivery will be brought within the new CTP contract to provide more seamless support and for the first time all Service leavers, regardless of how long they have served or their reason for discharge, will benefit from the scheme."
- 5.3 The majority of Service Leavers who enrol with the CTP find employment within six months of leaving the Forces (82% in 2013/14).<sup>8</sup> The numbers are lower for those with restricted access due to being Early Service Leavers, but as outlined above, we expect this to improve. However, CTP is not mandatory and the results experienced by those who take up the support is not reflected across the breadth of Service leavers. In 2012/13, one in ten Service leavers who were eligible to resettlement support did not register with the CTP.<sup>9</sup>
- 5.4 As alluded to in paragraph 3.3, when looking at those aged between 16 and 24, significant numbers of leavers will not have had a chance to prepare fully for discharge. This may be because they are ESL's being discharged on disciplinary grounds, or because they have become WIS and a significant change in physical health leads them to be medically discharged. Both categorisations can result in accelerated transitioning periods and a feeling of being cut off from Armed Forces/Ministry of Defence support structures. If transition is unexpected, the sudden

<sup>&</sup>lt;sup>6</sup> Forces in Mind Trust, *The Transition Mapping Study*, 2013

<sup>&</sup>lt;sup>7</sup> Ministry of Defence Press release, *MOD awards multi-million pound resettlement contract*, June 2015

<sup>&</sup>lt;sup>8</sup> Ministry of Defence, Career Transition Partnership quarterly statistics: UK Regular Service Personnel Employment Outcomes 2009/10 to 2013/14 Q1, 2014

<sup>&</sup>lt;sup>9</sup> Ibid.

removal of the identity that being a member of the Forces imparts can also lead to a 'symbolic-loss' that may have secondary implications for the mental health of the Service Leaver. This upheaval of identity can hinder adequate preparation for entering the world of civilian work and therefore lead to Service leavers returning to their previous environments and lives, reducing the potential to capitalise on the opportunities for social mobility that Services could have provided..

5.5 Successfully entering work after Service can also be reliant on sufficient training in, and understanding of, budgeting and business practices. CTP and external agencies provide this training, however it is not always enough to counter ingrained issues with financial management that Service life can risk producing. During life "behind the wire", daily living costs are either subsidised or deducted at source from wages, and many personnel will have left the Armed Forces without understanding the financial implications of budgeting for utilities and rent. This in turn can lead to wages that reach the personnel being seen purely as disposable income. Entering the civilian world of household budgeting and a possible reduction in earnings can therefore come as a financial culture shock that can eat up savings and lead to debt. Currently one in twenty 16-34 year olds within the ex-Service community has taken out a payday loan – equivalent to around 20,000 people. <sup>10</sup> The Legion supports members of the ex-Service community who find themselves in debt, and have heard of ex-Service personnel who have used loans and grants to start businesses upon leaving work, only for the business to collapse due to insufficient planning and financial acuity.

## 6.0 Engagement in support services

- 6.1 There can be no doubt the UK armed forces sector, both statutory and charitable, offers an extensive range of resources for members of the Armed Forces seeking advice and support. In addition to the Ministry of Defence providing up to £100million towards resettlement support via the CTP, third sector organisations such as the Legion provide further support, advice and loans.
- 6.2 Between June 2010 and 2013, the Legion worked with the Department of Business Innovation and Skills to deliver the "Be the boss" scheme to support self employed Service leavers. The scheme provided 250 loans for either starting up or growing businesses and had 2,921 registrations for support, of which 22 percent were from applicants aged between 18 and 30. Since 2013, when the scheme closed to new registrations, the Legion has allowed individuals to express an interest in case the scheme was to reopen. To date there have been 836 expressions of interest. The Legion also jointly runs CivvyStreet, an online resource and support hub for the serving and ex-Service community looking to prepare for the world of civilian work.<sup>11</sup>
- 6.3 For some, anecdotal feedback points towards this landscape of help being too varied, nebulous and unclear, leaving individuals to fall through the gaps even if they want to engage.
- 6.4 Subsequently, there are questions over whether the support that is available is being accessed, especially amongst ESLs who may not associate themselves with agencies specifically promoted at supporting veterans. The UK Household Survey found that of those in the ex-Service community reporting employment difficulties,

 $<sup>^{10}</sup>$  Royal British Legion, *A UK Household Survey of the ex-Service Community*, 2014

<sup>&</sup>lt;sup>11</sup> Further information on CivvyStreet can be found at: <a href="https://www.civvystreet.org/">https://www.civvystreet.org/</a>

only 17 percent say they have used work-related support. This implies there is large unmet need amongst those accessing work despite the wealth of support available.

# 7.0 Moving into a job vs. a career

- 7.1 There are many who successfully transition out of the Armed Forces and into employment. The high rates of employment recorded six months after leaving for those who have accessed CTP support bear testimony to that. Unfortunately there is little evidence collected on the longer term employment of veterans, whether they are under-employed or for various reasons less socially mobile. What evidence there is suggests that this is an area that needs further investigation.
- 7.2 As outlined in paragraph 4.4, only four in ten of veterans aged 16-34 report an ability to use their acquired skills at least quite a lot in their current employment. This statistic indicates that many Veterans are unable to capitalise on their experience and therefore may be under-employed for their abilities. The transition into the civilian jobs market, bringing with it a shift in culture, greater financial responsibilities and uncertainty as to whether training and skills are transferrable, risks resulting in veterans settling for just "any available job" rather than entering into an appropriate and sustainable career path.
- 7.3 Frustration at being pigeonholed into jobs by the vocational support and training in the Armed Forces is captured in the Transition Mapping Study:
- 7.4 "The whole CTP job finding process is quite targeted on doing what you've done in the forces. So for instance, they give you a lot of companies who are recruiting for offshore jobs where you go away for months at a time and come back for a bit of time off. You've been doing that for years on end...Also there are a lot of companies that go to them and will say, 'We want this ex-Navy engineer for this job in a dockyard on a ship.' Why would you want to do that if you've been on a ship for 15 years and want to get away from it?" 12
- 7.5 This is in contrast to the applications for support the Legion received through the Be the Boss scheme (see paragraph 6.2), which were for starting businesses in sectors both directly related and unrelated to the previous military career such as plumbing, landscaping, locksmiths, health and fitness, and hospitality.
- 7.6 The Career Transition Partnership only follows those eligible for the scheme for up to two years after leaving Service. It can take longer than two years for a Service leaver, especially one who has left due to being WIS or an ESL, to find their feet and settle into steady employment. Further research into long term employment rates is necessary to establish whether the support currently available is adequate for enabling sustainable and progressive careers amongst Service leavers.

#### 8.0 Families

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8.1 18-24 year olds leaving the Service community are, of course, not solely veterans. Although partners and spouses may well have had access to further mainstream educational facilities and work experience outside of a military context, they will be affected by similar barriers to those their spouses experience on leaving Service.

<sup>&</sup>lt;sup>12</sup> Quote taken from: Forces in Mind Trust, *The Transition Mapping Study*, 2013

- 8.2 In part due to the housing allocation process within the military where marriage and co-habitation provides benefits for young personnel, it is not uncommon for partners and spouses to join the Serving individual in Military accommodation, and participate in the mobile and unsettled lifestyle base life entails. Many spouses therefore will find that their lifestyle is not conducive to retaining full time employment outside of the Armed forces, and equally many employers may be reluctant to offer full time work to a military spouse who they believe may be required to move at short notice.
- 8.3 Evidence suggests that on leaving the Service community, spouses and dependents are unprepared, unable or unwilling to enter civilian full time employment. Legion research has found that working age dependants within the ex-Service community, of whom the vast majority are female, are less likely than women of same age to be in full-time work (28% vs 39%) and much more likely to be economically inactive (41% vs 28%). With the barriers to work that their serving partner may experience during transition, it's vital that spouses and partners are able to successfully enter the jobs market and provide much needed income for a household adjusting to civvy-street.
- 8.4 As with the extension of Career Transition Partnership support to Early Service Leavers, the Legion is pleased to note that the new contract for the CTP programme starting in October will contain a pilot of enhanced support for forces' spouses:
- 8.5 "The new contract also provides additional elements which will initially run as twoyear trials, the details of which are now being developed:
  - Partner Employment Programme designed to offer employment support for eligible Service partners, it will be run as a trial by Joint Forces Command and the Royal Air Force."<sup>14</sup>
- 8.6 We will be monitoring this closely and recommend that the Select Committee does likewise, as this could potentially provide significant improvements for preparing spouses for the world of work.

#### 9.0 Conclusion and Recommendations

- 9.1 Poor transition out of the Armed Forces, especially for Early Service Leavers, has inevitable knock on effects. The link between being in work and good health is well documented, as is the converse link between unemployment and poor mental and physical health. The Department of Work and Pensions commissioned 2006 report "Is work good for your health and wellbeing?" stated that, "there is a strong association between worklessness and poor health. This may be partly a health selection effect, but it is also to a large extent cause and effect. There is strong evidence that unemployment is generally harmful to health, including:
  - higher mortality;
  - poorer general health, long-standing illness, limiting longstanding illness;
  - poorer mental health, psychological distress, minor psychological/psychiatric morbidity;
  - higher medical consultation, medication consumption and hospital admission rates."<sup>15</sup>

<sup>&</sup>lt;sup>13</sup> Royal British Legion, A UK Household Survey of the ex-Service Community, 2014

<sup>&</sup>lt;sup>14</sup> Ministry of Defence Press release, *MOD awards multi-million pound resettlement contract*, June 2015

<sup>&</sup>lt;sup>15</sup> Waddell, D, Burton, A K, *Is work good for your health and wellbeing*, 2006

- 9.2 The Transition Mapping Study carried out by Forces in Mind Trust, sought to estimate the cost of poor transition out of the UK Armed forces of all ages:
- 9.3 "In the base line year, 2012, with 19,950 Service Leavers, the model assess the costs of poor transition as being £113.8 million. Alcohol misuse has the largest single effect, with costs of £35m, followed by mental health issues ("common neurotic disorders" together with PTSD) at £26m. Unemployment costs are £21m and family breakdown at £16m."
- 9.4 In addition the study goes on to list the cost of homelessness and prison, which have low incidence, but nonetheless high costs attached to individuals.
- 9.5 It is clear that the MOD, the single Services and the Government must do all they can to ensure that young Service leavers are as prepared as they can be for the world of work. As outlined at the beginning of this submission, many of those who exit the Armed Forces as Early Service Leavers are from poorer and less educated backgrounds, seeking an alternative to mainstream further education. There is significant risk that on leaving the Armed Forces and failing to find civilian employment, some will find themselves back at square one.
- 9.6 Skills and qualifications gained in Service must be more readily transferable to civilian life and, for this reason, the Legion believes that the MOD should do more to encourage Service personnel to sit GCSEs, AS and A-Level examinations in a wide range of subjects, which will stand them in good stead for future employment. For those personnel who leave Service without such qualifications, it is essential that more is done to ensure that the value of through-Service courses is better understood within the civilian sector.
- 9.7 The Corporate Covenant scheme, which sees employers and businesses sign a pledge to support the UK Service community, has been widely taken up by a wide range of businesses. More should now be done to ensure that those who sign a Corporate Covenant are provided with appropriate guidance on employing and recognising the skills of ex-Service leavers.
- 9.8 The extension of CTP support to spouses and partners should be expanded beyond an initial pilot, with the specific needs and requirements of this group being taken into account in delivery of support. The Government and MOD must monitor how the pilot study progresses, and encourage take up by all those eligible, to ensure that it delivers on its aims.
- 9.9 Finally we recommend that more should be done to follow up on those who have left Service more than two years previously. It would be greatly beneficial to the understanding of the ex-Service population and the effectiveness of current support provision to know whether employment outcomes are sustainable and appropriate for the Service leaver. Currently this data is not collected.

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September 2015

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<sup>&</sup>lt;sup>16</sup> Forces in Mind Trust, *The Transition Mapping Study*, 2013