



Mapping the future: navigating place-based risks of youth unemployment

July 2023

Mapping the future: navigating place-based risks of youth unemployment

Introduction

This short report started out in response to a request for evidence from the All-Party Parliamentary Group on Youth Employment for their inquiry into place-based youth unemployment. The inquiry invited evidence in response to three questions:

- 1) What are the issues facing young people at a local and hyper-local level that drive youth unemployment? Who are the most disadvantaged groups of young people at a place-based level?
- 2) What place-based solutions have been effective in removing barriers for young people accessing education, training, and employment opportunities?
- 3) What should the role of local and national governments be in tackling place-based youth unemployment?

We draw upon data and insights from Career Connect teams delivering services to young people, to examine the extent to which being NEET (Not in Education, Employment, or Training) is localised, the factors contributing to the clustering of NEET young people in particular localities, the factors that place young people most at risk in these places, and effective approaches to supporting pathways to employment, education, and training in these areas. Based on this, we put forward recommendations for local and national governments on how to best tackle the place-based nature of NEET among young people.

We hope that this is a useful contribution to the discussion about how to support the most disadvantaged young people in our country on pathways to rewarding employment and careers.

Executive Summary

This report draws upon data and insights from Career Connect delivery teams to respond to questions about the localised nature of NEET, the factors that put young people at risk, what we see as effective practice in tackling youth NEET, and what local and national government can most usefully do to tackle the problem.

The following is a summary of the key findings and recommendations contained in the report.

Extent to which NEET is localised and who are those most at risk?

- There are substantial disparities in the number of young people who are NEET at the local and hyper-local levels, with around one third of wards in local authorities providing almost two-thirds of the number of young people who are NEET.
- Those most at risk of being NEET are young people with SEND, care leavers, those engaged with youth offending services (YOS), and young mothers. The size of the most at risk cohort is increasing, in part resulting from the disruptions to school attendance brought about by the Covid pandemic.
- There is a very high unmet demand for good quality (further) education, training, apprenticeships, and employment in the localities with the highest levels of NEET and there has been a reduction in suitable provision to meet this demand.

Key features of successful initiatives to reduce the risk of young people becoming NEET in local areas where NEET is high.

Key success factors in programmes to reduce place-based NEET are:

- Intervening early with good quality Careers Education Information Advice and Guidance (CEIAG) and building relationships with young people before they transition from compulsory education. Enhanced provision, additional to that provided by schools, is necessary for young people who are most at risk of becoming NEET
- Sustained contact and support over a longer time period, rather than the 'revolving door' of short-term, reactive, interventions.
- Strong partnerships and coordination between local authorities, CEIAG providers, employers, voluntary & community sector, and wider support services.
- Ensuring that provision is accessible locally and reducing/removing barriers to accessing that provision.
- Flexibility and bespoke support to individuals and to families.

Key recommendations for local and national governments

Local governments should:

- Invest more in targeted, proactive careers interventions from Key Stage 4 (KS4) for those at risk of NEET, in concert with careers provision provided by schools.
- Invest in programmes over a longer time period.
- Work in partnership with providers and employers to broaden the scope and lower barriers to provision.
- Engage families and young people in the design of services and provide more support that has a family focus.
- Greater sharing and learning from each other about what works in tackling place-based NEET.

National government should:

- Ensure adequate funding flows to local and regional authorities and appropriate autonomy in how that funding is allocated.
- Bring forward the people and skills element of the UK Shared Prosperity Fund and maintain current levels of funding formerly available through the European Social Fund (ESF).
- Scale up initiatives to address supply shortages of provision that takes a long-term perspective, addressing personal and social development as part of skill and employment pathways.
- Enhance efforts to understand and provide services for young people that are outside of mainstream education.
- Expand employment support programmes to young people who are not in receipt of benefits.
- Provide greater opportunities for local authorities to learn from each other about effective practices in tackling place-based unemployment.

Question 1:

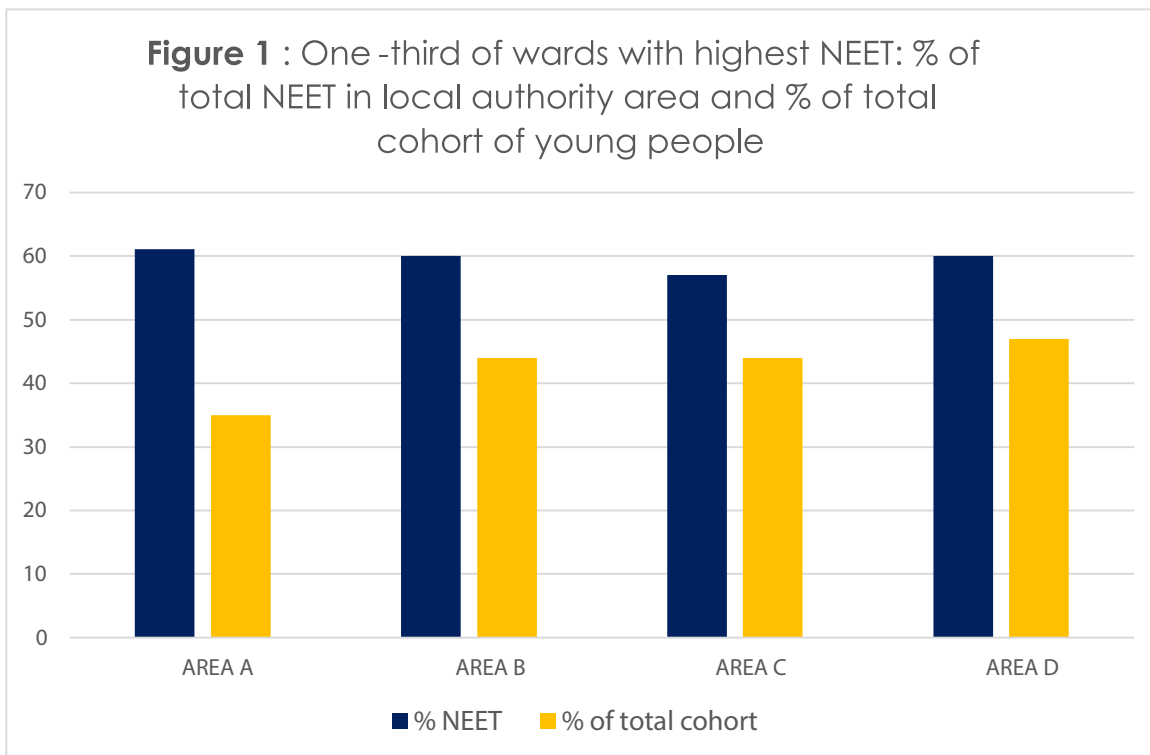
What are the issues facing young people at a local and hyper-local level that drive youth unemployment? Who are the most disadvantaged groups of young people at a place-based level?

Our response gives major focus to the wider issue of young people not in employment, education, or training (NEET), rather than focusing specifically on unemployment. Young people being NEET is associated with negative outcomes later in life, such as lower earnings, higher risk of unemployment, and mental ill health (Bell et al., 2018). The longer a young person is NEET, the more difficult it becomes for them to enter the labour market and longer periods of NEET status are associated with lower earnings and an increased risk of unemployment (Public Health England, 2014).

Extent to which NEET is place-based.

We have analysed data from four areas where we support young people during post-16 transitions and find significant disparities in NEET rates between wards. Some wards have up to 10 times the number of young people who are NEET compared to their neighbouring wards. In each of the four areas we looked at, around one-third of wards account for about 60% of the total number of NEET young people (see Figure 1). Additionally, the ward with the highest NEET rate in each local authority area alone contributes as much as 15% of the total number of NEET young people.

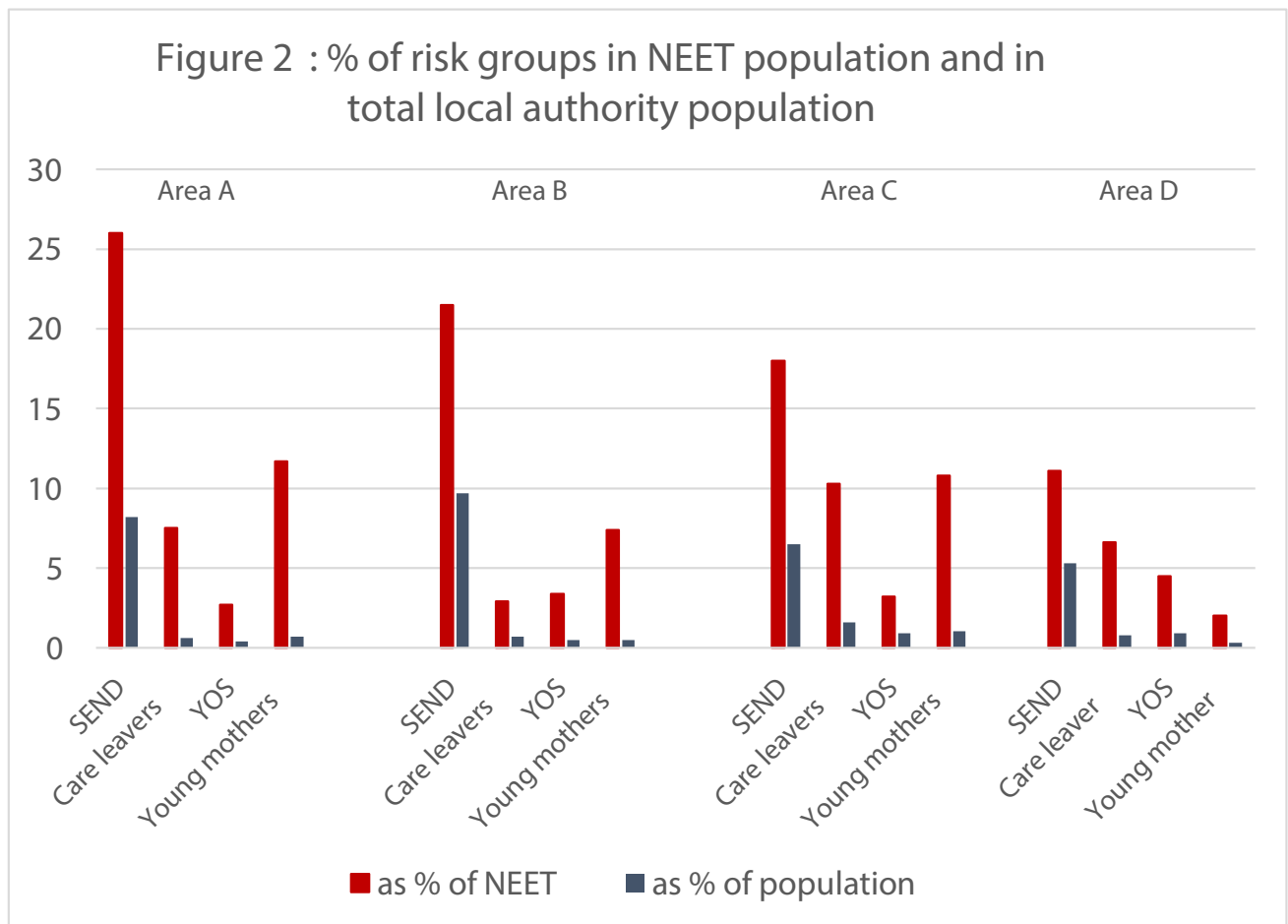
The differences in the number of young people who are NEET between wards cannot be solely explained by the size of the youth population in those areas. Although the one-third of wards with the highest levels of NEET contribute to about 60% of the total NEET population, they only make up between 35% and 47% of the total number of young people in the local authority (see Figure 1).



Who are the most disadvantaged and most at risk?

Given what we know about factors that are associated with young people being NEET, we examined risk factors that are routinely recorded during service delivery. We found that young people who are SEND, care leavers, in contact with Youth Offending Services (YOS), and young mothers are overrepresented in the NEET population. In other words, these groups are more likely to be NEET compared to young people without these risk factors (see Figure 2).

In the areas that we looked at, the proportion of young people who are SEND is 2-3 times higher among those who are NEET than among the total 16–17-year-old cohort. Care leavers are between 5-10 times higher in the NEET population than among the total cohort. Those engaged with youth offending services are between 3-5 times higher, and young mothers are between 5-10 times higher in the NEET population than among the total cohort.



Other factors that we see as being over-represented among the NEET population than among the total young person cohort are:

- Suspended from school
- Having a penalty notice for not attending school
- Social worker involvement
- Early Help involvement
- Mental health challenges

In line with analysis of national data (Resolution Foundation, 2018) we found that young men are over-represented among young people that are NEET (53%-64% of those that are NEET, but approximately 50% of total youth cohort).

All of this points to the complexity of need among young people in wards with high NEET rates and underscores the need for a wider range of services to support them, beyond just good quality CEIAG (Careers Education, Information, Advice, and Guidance).

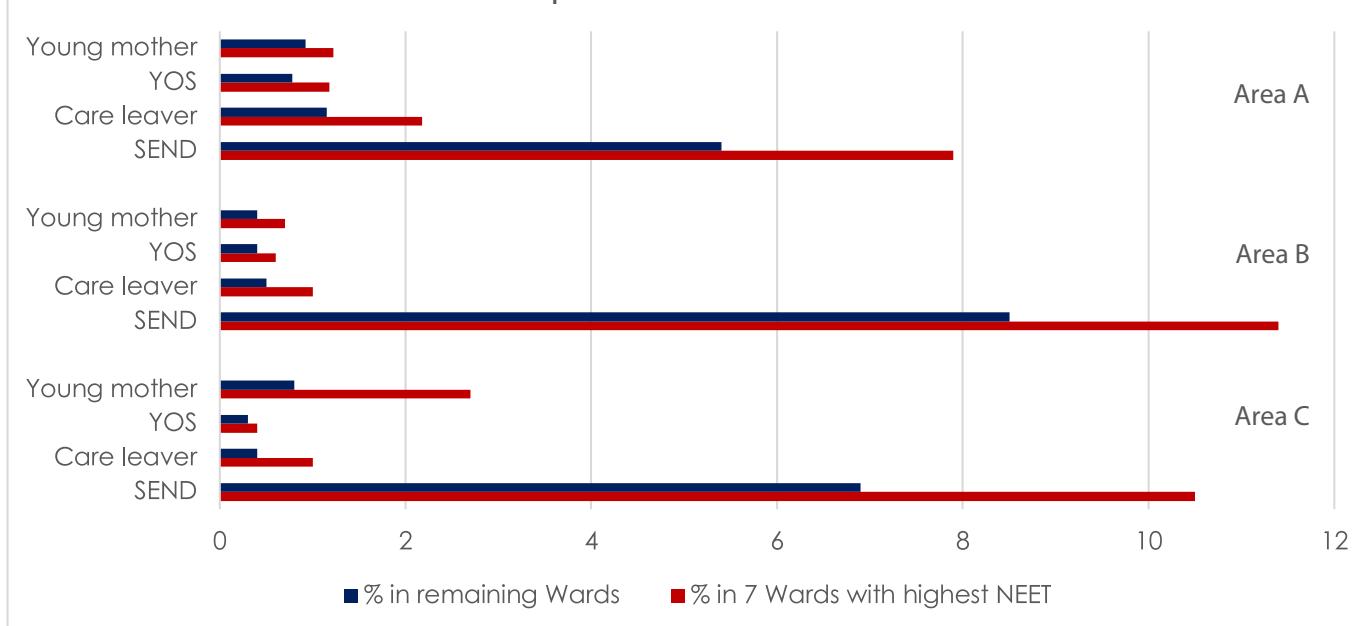
This is a snapshot of the current profile of young people outside of Education, Employment and Training (EET) provision, but we are also seeing a rapid rise in the number of young people that are higher risk of NEET, particularly those that are categorised as SEND and have Education Health and Care Plans (EHCP). The number of young people in NEET risk groups has increased by over 50% since 2019 and we expect this rise to continue over coming years. The Covid pandemic required young people to be outside of school for an 18-month period and we foresee long-term consequences of this in terms of the personal and social development of young people and their readiness for more independent living in later teenage years.

To what extent are risk factors geographically clustered?

We wanted to see if risk factors that are associated with young people being NEET are more common in areas with higher levels of NEET young people. To do this, we compared the prevalence of these risk factors in areas where a high proportion of young people are NEET with areas where a lower proportion are NEET. We found that all four risk factors we looked at (SEND, YOS, being a care leaver, and being a young mother) were more common in areas with higher levels of NEET. Figure 3 shows this trend across three local authority areas. The degree of difference varied across the areas, but it was significant in all of them for each of the risk groups.

This clustering of young people with a higher risk of NEET in certain geographical areas helps explain why NEET levels are disproportionately high in those areas. It highlights the importance of targeting services and resources to those areas and populations that are at greatest risk of being NEET.

Figure 3: % of risk groups in one-third of wards with highest levels of NEET, compared with other wards.

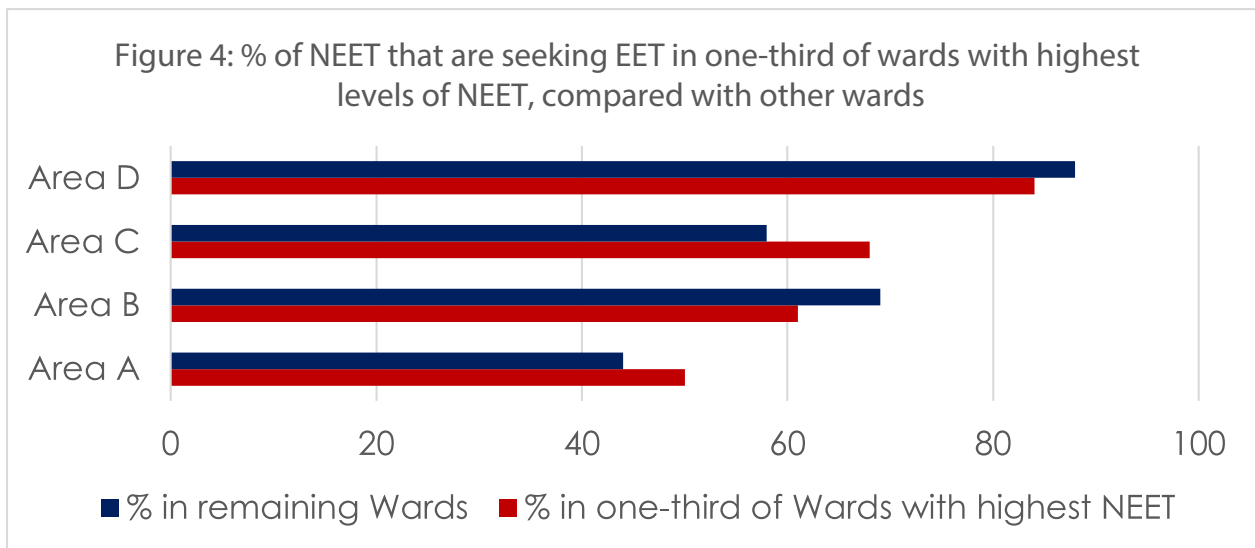


What is the extent of unmet need for good quality education, employment, and training provision?

The recent trend in NEET among young people suggests that “inactivity” rather than unemployment is the main reason for being NEET, which is often due to ill health, particularly mental ill health (Resolution Foundation, 2022; Princes’ Trust, 2022). This makes engaging with and supporting young people who are NEET more challenging, and they tend to spend longer periods outside of education, training, or employment. In the local authorities that we looked at for this report, around one-third of young people who were NEET had been so for longer than six months.

We also looked at the extent to which young people seek employment, education, or training (EET) across wards with different levels of NEET to see if demand for provision varies across wards². In two of the four local authorities, a higher proportion of young people in wards with the highest levels of NEET were seeking EET compared to the remaining wards. In the other two local authorities, 61% and 84% of young people that are NEET are seeking employment, education, or training. Therefore, there is a significant unmet demand for good quality EET provision among wards with the highest NEET rates, and there is little evidence of disproportionate clustering of ‘inactivity’ among these wards.

² Not seeking is defined as ‘not sought EET in the past 1 month and not likely to seek EET in the next 1 month’.



Accessibility of provision

Many young people are unable or unwilling to travel outside their local areas for services, due to various reasons such as transport issues, safety concerns, and financial barriers. Looking at provision at the local authority level can miss gaps in provision in specific localities where unmet need may be greatest.

In areas of high need, we have observed the following:

- Reductions in quality Further Education (FE) opportunities through campus closures or relocations.
- Reduction of courses/qualifications available, including distance learning, particularly for young people without L4 grades in English and Maths.
- Cessation of ESF funded programmes targeted at those most at risk.
- Other personal and social development programmes no longer enrolling new participants.
- Geographical shifting of provision to neighbouring areas, reducing accessibility.
- Over-subscription to provision that remains accessible.
- High barriers to accessing re-engagement provision (e.g., the need to have been NEET for 12 months to qualify for enrolment), excluding many young people from provision that would be suitable for them.

Therefore, provision needs to be examined at the hyper-local level and encompass appropriate education, apprenticeships, employment with training, and wider support for those with complex needs who are not yet ready for EET.

Question 2:

What place-based solutions have been effective in removing barriers for young people accessing education, training, and employment opportunities?

The following are what we see as key components of effective programmes in tackling place-based NEET.

i) Intervening early, proactively, and targeting those that are underserved by mainstream provision.

We see that targeted early intervention of CEIAG support from KS4 is shown to be effective in increasing the percentage of those most at risk who are moving into good quality EET provision post-16 and reducing the number of days spent NEET. Support that includes those in alternative provision and those who have elected to home educate (many of whom have done so reluctantly) is also impactful in establishing young people on pathways to employment in later life.

Early intervention allows for positive relationships to be established between providers of support, young people, and their families. These relationships are critical for pathways to be developed with them that reduce the likelihood of being NEET post-16. Our work shows that early intervention is particularly effective for young people that are at greatest risk.

Programmes such as the ESF supported Connect To Your Future (CTYF), in the Greater Manchester area, which in part targets those pre-16, are also producing positive results.

Programmes such as the Community Renewal Fund Pathways to Employment programme in St. Helens, expanded support to young people aged 18/19 years not currently served by mainstream and enhanced provision to underserved groups. An independent programme evaluation concluded that the programme was effective in supporting the most vulnerable young people towards employment (Metro Dynamics, 2023)

Our own work tells us about the importance of having a proactive and preventative approach to NEET among young people. Reacting ad hoc to young people becoming NEET makes it more difficult to sustain young people in good quality training, education, or employment.

ii) Sustained contact and support

For the growing cohort of young people with more complex support needs, sustained support relationships over the longer-term are required. Evidence highlights the fact that many young people are reluctant to engage in a “revolving door” of interventions (see evaluation of CRF programme in St Helens, Metro Dynamics, 2023). Pathways into employment can be long, and support is needed over that period to ensure that more young people are attaining employment outcomes rather than just moving closer to being job ready. Short-term programmes and funding that have an expectation of quick progress into work will likely fail to meet these expectations (see evaluation of Hidden Talent programme, Manchester, 2022).

Early interventions, geographically targeted, that sustain support over time will be needed to reduce the number of young people that are NEET between ages 16-24, and longer-term unemployment and inactivity.

iii) Strong partnerships and coordination between local authorities, CEIAG providers, employers, voluntary & community sector, and wider support services

Early and targeted interventions are key, but they are most effective when delivered in partnership with employers, training providers, and wider support services that address complex needs. Good quality CEIAG alone will not be sufficient – a local provision landscape that better caters for the broad needs of young people will be required.

We see that several Intermediate Labour Market programmes (ILMs) have been a highly effective route for removing barriers to employment among the most marginalised young people. Examples such as the 6–12-month wage-subsidised jobs & apprenticeships provided by Knowsley local authority, as part of the wider ESF programme, are an excellent example of this approach.

We see the success of the St.Helens Community Renewal Fund (CRF) programme coming from the combination of multiple strands of targeted interventions, including:

- Bespoke, intensive support and mentoring to NEET young people
- Volunteer brokerage and matching service and collaboration with community organisations to transition volunteers into paid employees.
- Job Creation Stimulus funding.
- Bridging Grants for those transitioning from benefits to employment.
- Enhancements to the local employment, targeting support to the most marginalised groups by a network of local Voluntary and Community Sector (VCS) organisations.

The programme evaluation notes that the project made a significant, positive impact (Metro Dynamics, 2023). In large part this is down to removing the assumption that 18 and 19-year-olds can navigate adult services, when many struggle.

Experiences of work that are linked with personal development in terms of training and skills building are also effective. The Wythenshawe Pathways initiative is a good example of this. This is a partnership between Career Connect, the local authority, and a local training provider. It targets young people who are unable to successfully compete for apprenticeships but who would also struggle in FE provision. Participants work for 6 months on the maintenance of green spaces and public areas in and around Wythenshawe. Participants are paid the Real Living Wage and attend training one day a week with the training provider to complete Literacy/ Numeracy Functional Skills and Employability qualifications. All the young people will also be supported throughout the programme by a Career Connect careers adviser to ensure that they have progression opportunities arranged for the end of their period of training and employment.

iv) Reducing and removing barriers to accessing provision

Education, training, and employment opportunities that are accessible to those most at risk of being NEET and long-term unemployed are effective. We see too many programmes where entrance requirements in terms of qualifications, benefits status and attendance, or very specific referral pathways, are barriers. Programmes that work with providers to reduce barriers are effective at widening engagement with young people that would not otherwise have access. The Job Creation Stimulus funding component of the St.Helens CRF programme is a good example of this. It provided employers with incentive or wage subsidy funding to support residents who were ineligible for existing provision that exists via DWP, Kickstart, Restart etc.

While EET outcomes are the ultimate measure of success, programmes that prioritise these outcomes – particularly in the short-term - over widening participation, lead to a focus on those that are easiest to move into EET, rather than those most in need and with more complex barriers.

v) Flexibility and bespoke support to individuals and families

Programmes and approaches that provide bespoke, flexible support that meets both longer-term and more immediate barriers to accessing provision are key to success. Cookie cutter solutions are unlikely to address the needs of individuals and programmes that offer individualised pathways are most effective. The evaluation of the St.Helens CRF programme noted that its success was, in part, down to removing the assumption that 18 and 19-year-olds can navigate adult services straight away when actually many struggle to do so. The project really helped young people navigate adult services in a way they were previously unable to, as they were supported through the process of getting and benefitting from support.

The bespoke nature of support and mentoring was a key component in success, with a focus on personal development, informed decision making, preparation and experience through work placements. Feedback from beneficiaries was that it gave young people a sense of hope that they'd lost and presented options they didn't know were available. The programme made them feel that they were not "given up on" even if they missed an appointment or deadline, and they felt supported and cared about. They also noted that they felt listened to and liked that they were engaged with on their own terms.

Very practical support via discretionary funds for travel, ID, work clothes etc, are effective when combined with good quality advice, guidance, and support. The discretionary fund component of the St.Helens CRF programme, and the CTYF programme in Manchester, are both areas of success. The CRF evaluation specifically identifies that the 'Beneficiary Fund' removed barriers, without which they would have been unable to move forwards to employment (Metro Dynamics, 2023).

Support to whole families through the Supporting Families programme (previously Troubled Families programme) also shows a lot of promise. The focus of the programme is on building the resilience of vulnerable families, and on driving systemic change, so that every area has joined up, efficient local services that are able to identify families in need and provide the right support at the right time.

Question 3:

What should the role of local and national governments be?

Local government

The long-lasting impact of young people missing out on school during the Covid pandemic will need to be reflected in local authority funding allocations. The increasing complexity of the support needs of school leavers over the past 2-3 years will very likely continue, meaning that there will be a greater number of people that need intensive support, and that a large part of this need will be clustered in very particular localities within local authorities. Youth employment can struggle to be prioritised alongside other competing priorities, but tackling place-based NEET will require resource allocations that reflect the growing number of young people that are at risk of NEET and longer-term unemployment.

Authorities should invest more in targeted, proactive careers interventions from KS4 for those at risk of NEET, in concert with careers provision provided by schools. Waiting until young people become NEET at 16 years of age is a huge lost opportunity to get young people who are most at risk onto pathways that will support them into employment. Geographical targeting to reduce place-based risk will be a necessary part of this.

Authorities should look to invest in programmes over a longer time period. Even good quality, relevant interventions and programmes that are short-term are unlikely to make an impact in the localities with greatest need, given the complexity of the challenges faced by many young people in these areas. Support services, particularly those that engage young people in activities that address their social and personal development and mental health challenges, will need to be in place. The forthcoming UK Shared Prosperity Fund, replacing ESF, will offer opportunities for local authorities to widen provision. This should be done learning from evidence from ESF funded programmes, much of which showed promise in tackling place-based NEET.

Support to young people can only have results if there is relevant and accessible provision in wards with the highest levels of NEET. Both the suitability and location of provision needs to be a consideration for local authorities. Good quality provision that meets needs is in short supply and local authorities should be working in partnership with providers to broaden the scope and lower barriers to provision. At the moment, much provision is too narrow in scope or imposes requirements in terms of qualifications or qualifying conditions, that exclude many young people that are seeking opportunities.

There is a need to engage families and young people in the design of services and we think that greater family focused support will increase impact. Authorities can also expand funding available for young people and families through the national Supporting Families Programme (2022-2025, Department for Levelling Up, Housing and Communities).

We would encourage local authorities to share and learn from what works in tackling place-based NEET. The current diversity in service design and commissioning does not always reflect diversity of need. Greater sharing of information can lead to quicker uptake of impactful approaches. This covers a range of issues from resourcing, targeting, timing and intensity of interventions, partnership with providers of opportunities for young people, KPIs that are effective in driving performance, and the sharing of data to target and track impactful practice. We see excellent practice in all these areas, but it is not shared or taken up as widely as it could or should be.

National Government

National government has a key role to play in ensuring adequate funding flows to local and regional authorities and appropriate autonomy in how that funding is allocated, responding to local need. The long-lasting effects of school closures during the Covid pandemic needs action by both national and local government.

We are supportive of the UK Shared Prosperity Fund and the decision to bring forward the people and skills element, although concerned that funding could be reduced overall. This will enable the continuation of effective approaches currently being funded through the ESF. We are also supportive of the Supporting Families programme and approaches that tackle wider family disadvantages. Place-based unemployment is as often a result of deeper family challenges as it is individualised ones.

Initiatives to address supply shortages of provision that takes a long-term perspective, addressing personal and social development as part of skill and employment pathways should be scaled up. There is much unmet need for such support among a growing cohort of young people. Part of this provision should be financial support to employers, particularly small and medium-sized enterprises (SMEs), for apprenticeships and employment with training, to mitigate financial risks.

National government should enhance efforts to understand and provide services for young people that are outside of mainstream education. Enhanced services for young people in alternative education provision, and the rapidly growing number of young people that are 'electively' home educating, many of whom are receiving no professional CEIAG support, should be a priority (Career Connect 2022; Centre for Social Justice, 2022). There is no register of home educating young people and little or nothing is known about their geographical distribution. It is likely that these young people also cluster geographically and, without good quality support services, many of these will be at risk of becoming NEET when they turn 16.

National level support should come through replacements for traineeships and Kickstart programmes, which offer tangible and attractive pathways to EET for young people. Expanding programmes to young people who are not in receipt of benefits will make an impact on the localities with the highest levels of NEET among young people.

National governments should provide greater opportunities for local authorities to learn from each other about effective practices in tackling place-based NEET. Our view is that much good practice currently remains too localised and the impact is not always being scaled effectively. Related to this, national governments should continue to support the funding of innovation and evidence generation through What Works Foundations. While there is a fair amount of generic evidence about effective practices in reducing NEET, there is much less specific evidence on what works in particular circumstances, or why it works. Getting evidence of what works quickly to commissioners of programmes is key. Long-term evaluations with robust evidence are important, but lower-level evidence that shows promise should be shared quickly to inform design and commissioning.

References

Bell, D. N. F., Blanchflower, D. G., & Montagnais, A. (2018). *Young people and the Great Recession*. *Oxford Review of Economic Policy*, 34(1-2), 126-145.

Career Connect (2022) *Non-elective home education: understanding the rise of reluctant home educators and potential support models for parents and young people*.

Centre for Social Justice (2022) *Out of Sight and out of Mind: shining a spotlight on home education in England*.

F.Christie & A. Swingewood (2022) *Greater Manchester's Hidden Talent: Final Evaluation and Assessment*. Manchester Metropolitan University

Department for Levelling Up, Housing and Communities (2022) *Supporting Families Programme guidance 2022 to 2025*.

Metro Dynamics (2023), *Pathways into Employment: A Community Renewal Fund Evaluation Project*. St.Helens Council.

Prince's Trust and HSBC UK (2022), *The Power of Potential: Supporting the future of 'NEET' young people in the labour market*. Prince's Trust

Public Health England (2014) *Local action on health inequalities: Reducing the number of young people not in employment, education, or training (NEET)*. Public Health England

Resolution Foundation and Health Foundation (2022) *Not working: Exploring changing trends in youth worklessness in the UK, from the 1990s to the Covid-19 pandemic*. Resolution Foundation

For more information about this research, please contact **Gary Mundy**, **Director of Research & Evaluation** via gary.mundy@careerconnect.org.uk

Career Connect HQ Liverpool,
7th Floor, Walker House Exchange Flags
Liverpool L2 3YL

Tel: 0151 600 7700

   @connectmycareer