Young People Directorate

Reducing the Proportion of Young People Not in Education, Employment or Training (NEET)

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Neil Stewart Associates Conference - London

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1. Defining the Challenge: What do we know about NEET?

2. What progress have we made so far?

3. What impact is the economic downturn having?

4. What have we put in place to support young people?

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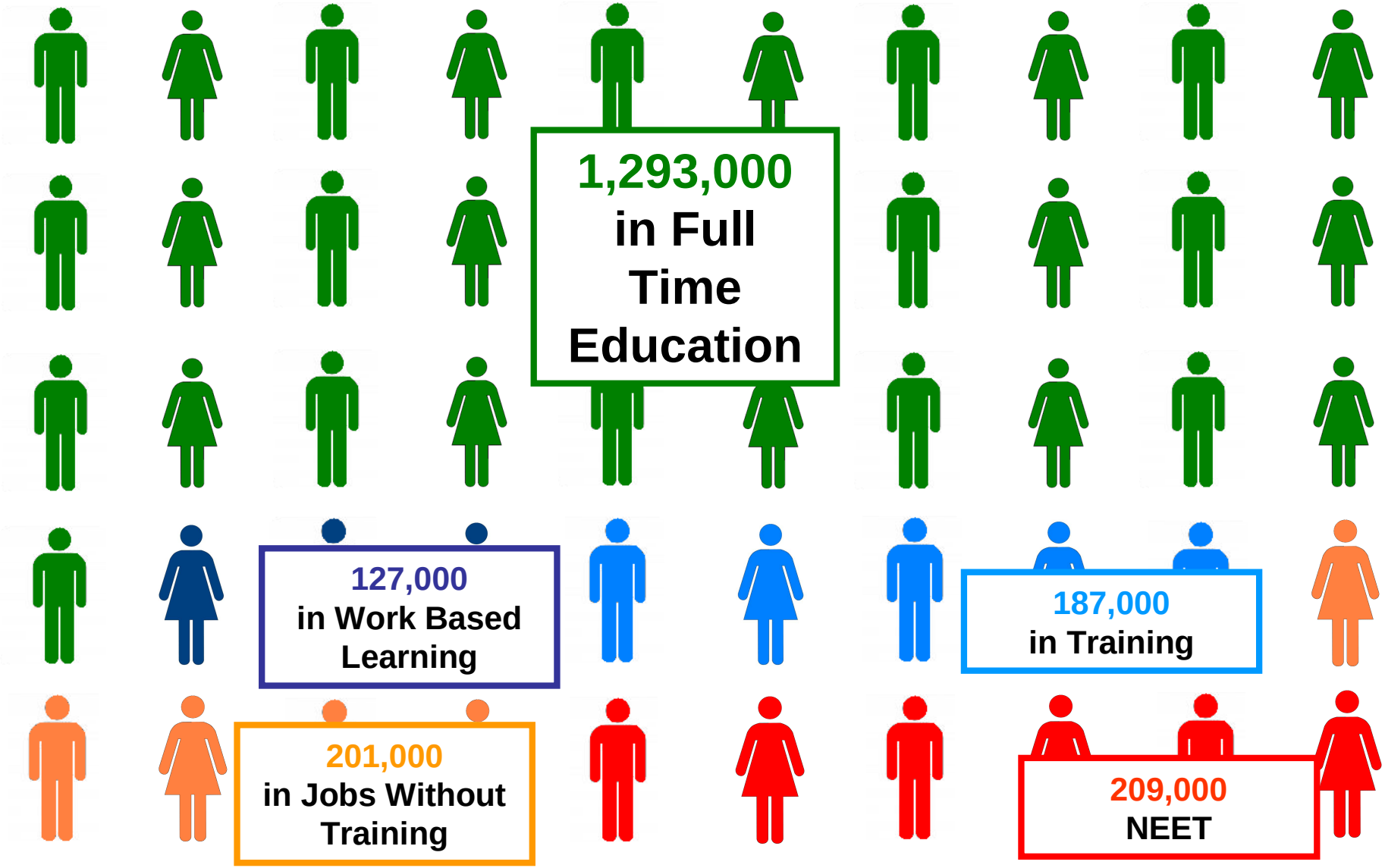
1. Most 16-18 year olds are participating in learning



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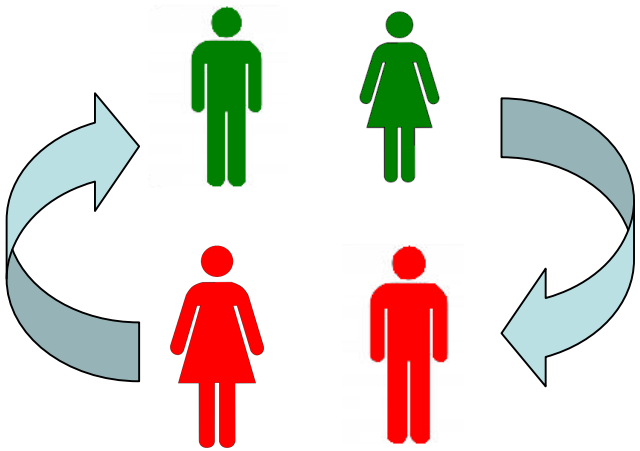
Source: Statistical First Release, Participation in EET (June 2009)

1. But young people move rapidly between activities



- **There is a high degree of churn within the NEET group.**

- **Just over one in six young people had been NEET at some point in the two years following compulsory education, but only one in twenty-five for 12 months.**

- **Similarly, for 18-24 year olds claiming JSA, over half leave within the first three months, and 75% by six months.**

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Source: Longitudinal Study of Young People in England

1. The causes of being NEET can begin early…

- Early attitudes, circumstances and behaviours are key to explaining differences in participation by age 17.

- Those who have negative attitudes to education, truant, or engage in negative behaviours, such as frequent drinking of alcohol are at greater risk of becoming NEET.

…but the effects can last a lifetime

- Not participating at age 16-17 can create a domino effect of negative outcomes later in life.

- By age 21, young people who have been NEET at age 16-18 are more likely to be unemployed, earn less, and suffer from poor health and depression.

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2. What progress have we made in reducing NEET?

- Our PSA target is to reduce the proportion of 16-18 year olds NEET by 2 percentage points by 2010.

- At the end of 2008, the proportion of 16-18 year olds participating in learning reached 79.7%, a record high.

- NEET fell at 16 and 17 for the third year in a row, and at 16 reached 5.2%, the lowest rate for more than a decade.

- NEET rose at 18 by 2.4 percentage points, leading to an overall increase of 0.7 %pts at 16-18 to 10.3%.

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3. What impact is the economic downturn having?

- We are starting from a strong base. Compared to previous recessions in the 1980's and 1990s:
  - Participation in full time education is significantly higher, reaching a record level at the end of 2008.
  - Total youth claimant unemployment is lower.
  - A greater proportion of ILO unemployed young people are in full time education.
  - Long-term youth unemployment is much lower, thanks to the New Deal for Young People.
- But the recession is continuing to have a significant impact on young people's choices.

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3. What impact is the economic downturn having?

- **That impact is being felt by young people in a number of different ways:**

The Unemployment Effect	**The Participation Effect**
The Apprenticeships Squeeze	**Lag Effects**
The Income Effect	**The Aspirations Effect**

- **Latest proxy data from the Labour Force Survey Quarter 3 2009 showed record levels of participation in learning and NEET at 13.4% (compared to 13.0% in Q3 2008).**

4. What have we put in place to support young people?

- **In December 2009, we published *Investing in Potential*, our strategy to increase 16-24 year old participation**

www.dcsf.gov.uk/14-19/neet

1. Intervening pre-16 to **prevent** young people becoming NEET.
2. Rigorous **tracking**.
3. Personalised **guidance and support**.
4. **Tailored provision** to meet young people's needs.
5. Services **working together** to support young people.

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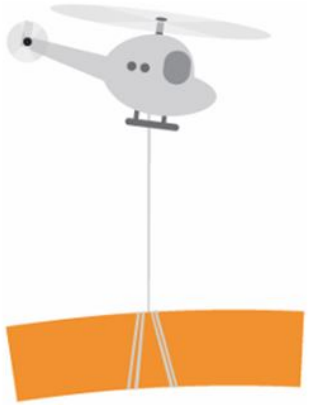
Intervening pre-16 to prevent NEET



- Young people need support from their earliest years – the network of 3,000 **Sure Start Centres** provides help to 2.4m families.

- **Schools, Colleges and learning providers** all have a key role in preparing young people for their post-16 choices, picking up early signs of disengagement and intervening.

- Families and communities are also key. The £12m **Connecting Communities** programme will reinvigorate those communities feeling particular pressure from the recession.

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Rigorous tracking

- Tracking is essential to ensure that every area knows which of their young people are NEET or at risk.

- The **CCIS database** is becoming an increas
tool, but we must continue to reduce the pro
whose activity is unknown at 18, and in vuln
groups.

- We are introducing **data sharing arrangem**
that will allow Jobcentre Plus to provide bas
data on young job seekers to Connexions.

[redacted]

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Personalised Guidance and Support

- We are investing more than £650m in 2009-10 in **financial support** for 16-18 year olds, including EMA, Care to Learn and discretionary learner support.

- We are continuing the **Activity Agreemen** [redacted] **Learning** pilots in 2010-11 to continue to [redacted] the best models for supporting vulnerable [redacted] people to engage.

- 18 year old with a history of NEET receive [redacted] fast-track entry to the New Deal – 16,000 [redacted] young people benefited to September 200 [redacted]

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Tailored provision for young people

- The Pre PBR announced £202m of additional funding for post-16 participation. Overall, this means that we will be investing **£8.2bn in 2010-11 to fund 1.6m learners**.

- In 2009, the **September Guarantee** provided almost 96% of 16 year olds and almo[redacted] suitable offer to continue [redacted]

- In 2010, we are building [redacted] **Guarantee**.

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Tailored provision for young people

- The National Apprenticeship Service will provide 5,000 **employer subsidies** to support them to take on 16-17 year olds as Apprentices.

- The **Young Person's Gu**
  so that all 18-24 year old
  months will get access to
  experience.

[redacted]

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Services working together

- Young people aged 16-17 who are seeking employment will get access to **LEP vacancies**, with training or as an Apprenticeship where possible.

- In addition to forthcoming data sharing, Jobcentre Plus will also strengthen arrange to **refer 18 year olds** with low attainment to Connexions.

- We have jointly launched **Backing Young Britain** to encourage every employer to offe opportunities to young people.

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backing young Britain

www.hmg.gov.uk/backingyoungbritain

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