

By Andrew Powell

7 July 2021

NEET: Young people Not in Education, Employment or Training



Summary

- 1 UK NEET Statistics
- 2 Characteristics of people who are NEET
- 3 International NEET statistics
- 4 Policies to reduce the number of people who are NEET

Disclaimer

The Commons Library does not intend the information in our research publications and briefings to address the specific circumstances of any particular individual. We have published it to support the work of MPs. You should not rely upon it as legal or professional advice, or as a substitute for it. We do not accept any liability whatsoever for any errors, omissions or misstatements contained herein. You should consult a suitably qualified professional if you require specific advice or information. Read our briefing [‘Legal help: where to go and how to pay’](#) for further information about sources of legal advice and help. This information is provided subject to the conditions of the Open Parliament Licence.

Feedback

Every effort is made to ensure that the information contained in these publicly available briefings is correct at the time of publication. Readers should be aware however that briefings are not necessarily updated to reflect subsequent changes.

If you have any comments on our briefings please email papers@parliament.uk. Please note that authors are not always able to engage in discussions with members of the public who express opinions about the content of our research, although we will carefully consider and correct any factual errors.

You can read our feedback and complaints policy and our editorial policy at commonslibrary.parliament.uk. If you have general questions about the work of the House of Commons email hcenquiries@parliament.uk.

Contents

Gender	5
Policies to reduce the number of people who are NEET	5
1 UK NEET Statistics	6
1.1 Impact of the pandemic	6
Furloughed jobs	7
1.2 Trends for different age groups	8
16-24 year olds	8
18-24 year olds	8
16-17 year olds	9
1.3 NEET unemployment and inactivity	10
1.4 Gender	11
Gender gap	11
Economic Activity	12
1.5 NEET by Region	14
1.6 NEET data sources	14
2 Characteristics of people who are NEET	16
2.1 Key characteristics	16
Risk Factors in becoming NEET	18
3 International NEET statistics	19
4 Policies to reduce the number of people who are NEET	21
4.1 Response to the coronavirus outbreak	21
Kickstart	21
Apprenticeships	22
Traineeships	23

Support for those leaving school or college	23
Support for jobseekers	24
4.2 Policies to encourage young people to continue in education or training	25
16 to 19 Bursary Fund	25
Adult Education Budget	25
T Levels and Technical Education Reforms	26
4.3 Policies to help young people find sustained employment	26
Employer National Insurance Contributions	26
European Social Fund	26
Supported Internships	27
Youth Engagement	27
4.4 Jobcentre Plus Support	28
Jobcentre Plus support for young people in school	28
Work Experience and volunteering	28
New Enterprise Allowance	29
Other support	29

Summary

728,000 people aged 16-24 were Not in Education, Employment or Training (NEET) in January-March 2021, 10.6% of all people in this age group. This was a fall of 69,000 from the previous quarter and a fall of 54,000 from the year before.

The proportion of 16-24 year olds who were NEET increased following the 2008 recession and peaked in July-September 2011 when 16.9% of 16-24 year olds were NEET (1.25 million people). Since then the number of people who are NEET has been falling.

Studies have shown that time spent NEET can have a detrimental effect on physical and mental health, and increase the likelihood of unemployment, low wages, or low quality of work later on in life.

44% of the young people who were NEET in January-March 2021 were unemployed. The remaining 56% were economically inactive, which means they were not working, not seeking work and/or not available to start work.

Gender

Historically more women than men have been NEET, but in recent years there have generally been more men who are NEET than women.

The main reason for this is a large fall in the number of women who are inactive because they are looking after their family or home.

The number of men who are inactive has been rising over the last couple of years mainly due to an increase in the number of men who were either long term sick or disabled.

Policies to reduce the number of people who are NEET

The coronavirus outbreak has particularly impacted on the labour market status of young people, with a large fall in employment and a rise in unemployment amongst 16-24 year olds.

As a result, many of the initiatives that have been put in place in response to the outbreak have been targeted at young people. Some of the policies in place that aim to reduce the number of people who are NEET include the kickstart scheme, further incentives for employers to take on apprentices and trainees, expanded job support for young jobseekers and funding for selected level 2 and 3 qualifications for school or college leavers.

1 UK NEET Statistics

NEET statistics measure the number of 16-24 year olds who are not in Education, Employment or Training (NEET).

728,000 people **aged 16-24** in the UK were NEET in January-March 2021, 10.6% of all people in this age group. This was a fall of 69,000 from the previous quarter and a fall of 54,000 from the year before.¹

Of the 6.84 million people aged 16-24 in January-March 2021:

- 3.48 million were in employment (51% of people aged 16-24%).
- 2.40 million were not in employment, but were in full-time education (35%).
- 0.2 million were not in employment, but were in part time education (3%).
- 0.7 million were not in employment or education (NEET, 11%).

679,000 **18-24 year-olds** were NEET, 12.6% of 18-24 year olds. This was a fall of 66,000 from the previous quarter and a fall of 40,000 from the previous year.

49,000 people **aged 16-17** were NEET, 3.4% of 16-17 year olds. This was similar to levels in the previous quarter and a fall of 14,000 from the previous year.

1.1 Impact of the pandemic

There has been a fall in the number of young people who are NEET following the coronavirus outbreak

In the year following the coronavirus outbreak, there has been a fall in the number of young people who are NEET. The percentage of young people who are NEET has fallen from 11.4% in January-March 2020 to 10.6% in January-March 2021.

Over the same period there has been an increase in the proportion of young people who are NEET, and who are also unemployed. This proportion has increased since the start of the pandemic from 41% in January-March 2020 to 44% in January-March 2021.

¹ Data in this section are from ONS, [Young People Not in Education, Employment or Training \(NEET\)](#), November 2020, and ONS, [Labour Market Statistics](#), December 2020, and are seasonally adjusted, unless otherwise stated.

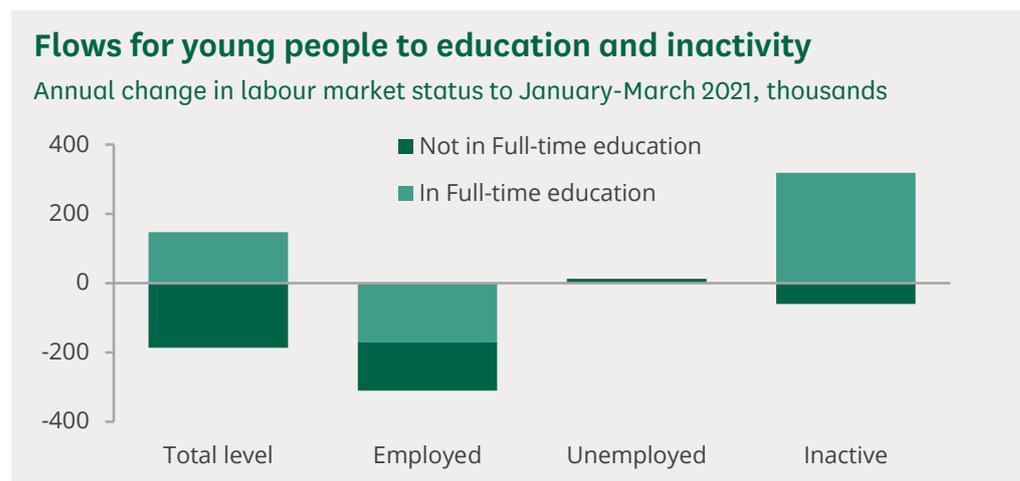
There has been a large fall for the number of young people in employment, but a large increase for the number of young people in education.

There have been two clear flows in the education and employment activities of young people between January-March 2020 and January-March 2021:

- The number of young people in employment fell, with a fall in employment levels for 16-24 year olds of 310,000. The employment rate for young people fell from 55% to 51%.
- The number of young people who are not in employment but who are in education has increased. There was an increase of 319,000 for this group. The proportion of young people in full-time education, but who are not in employment, has increased from 30% to 35%.
- There has also been a smaller fall of 60,000 in the number of young people who are not in education and who are inactive.

This suggests that there has been a flow from employment into education for some young people, and also a flow to economic inactivity from employment for young people who are in full-time education. These flows will not have impacted on the number of young people who were NEET.

The smaller flow from inactivity, for those not in education, to education will have reduced the number of people who were NEET.



Source: ONS [A06 SA: Educational status and labour market status for people aged from 16 to 24](#), 15 June 2021

Workers who have been furloughed are included in employment figures.

Furloughed jobs

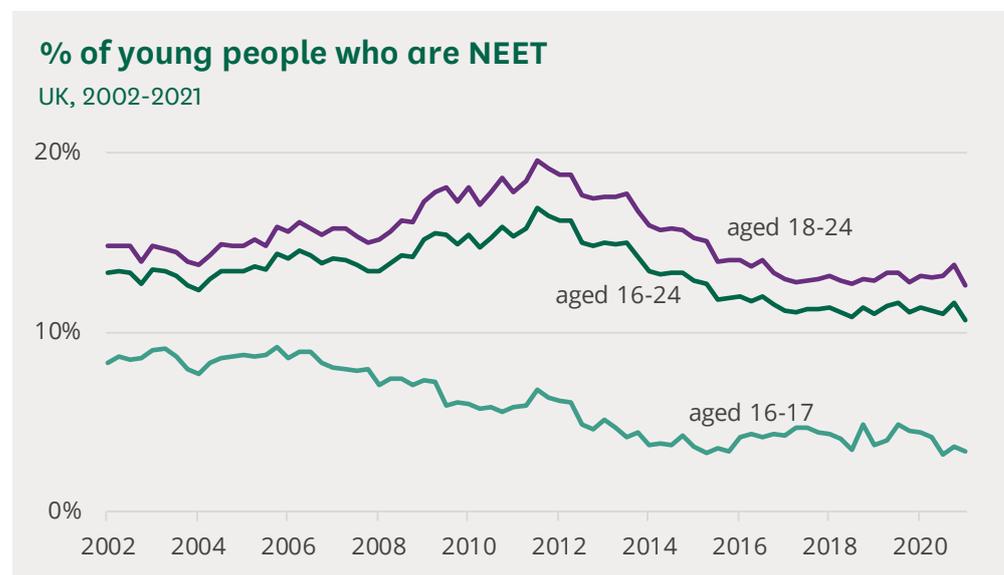
As at 31 May 2021, 322,400 jobs held by those aged 24 or under were on furlough, which was 10% of eligible jobs.

Further information on the impact that the pandemic has had on the labour market for young people can be found in the Library briefing [Youth unemployment statistics](#).

1.2

Trends for different age groups

The chart below shows how the proportion of young people who are NEET has changed between 2002 and 2021 by age group.



Source: ONS [Young people not in education, employment or training \(NEET\), UK](#), 15 June 2021

16-24 year olds

The proportion of 16-24 year olds who were NEET remained relatively steady between 2002 and 2008, and at the beginning of 2008 13.4% were NEET. The proportion increased following the 2008 recession and peaked in July-September 2011 when 16.9% of 16-24 year olds were NEET (1.25 million people).

Since then the number of 16-24 year olds who were NEET gradually fell and returned to pre-recession levels in 2016. The proportion has been relatively stable since 2017, at around 13%.

18-24 year olds

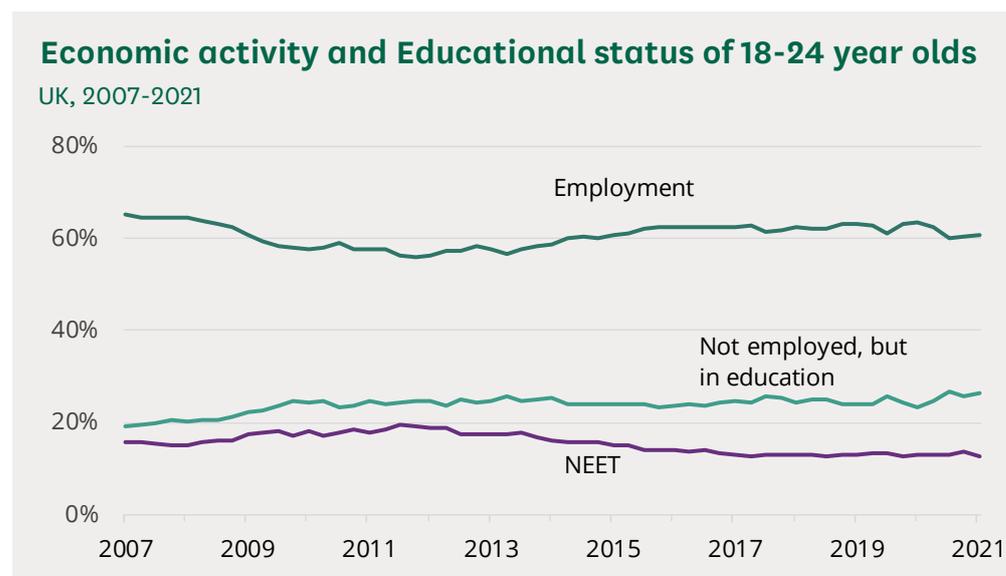
The trend for 18-24 year olds mirrors the trend for 16-24 year olds, with increases following the 2008 recession and a downward trend since July-September 2011.

The trend for 18-24 year olds is primarily due to changes in the number of people of this age who have been in employment.

Between January-March 2007 and July-September 2011 the number of 18-24 year olds in employment fell, with the employment rate for this age group falling from 65% to 56%. Over the same period the number of 18-24 year olds who were not in employment but were in education increased, but by a

smaller amount (from 19% to 24%). Therefore the number of people who were either employed or in education fell, and the number of people who were NEET increased.

Between 2011 and 2017 there were steady increases in the number of 18-24 year olds in employment with the employment rate increasing to 63%. Over the same period the number of 18-24 year olds who were not in employment but were in education remained relatively steady at around 25%. Therefore the number of people who were either employed or in education increased, and the number of people who were NEET fell.



Source: ONS Table A06 SA and NEET statistics

16-17 year olds

The number of 16-17 year olds who are NEET has generally been decreasing since the mid-2000s until 2016. Since then there have been small increases for this age group.

The main reason for the fall in the number of 16-17 year-olds who were NEET was more young people continuing their full-time education. In July-September 2020, 91% of 16-17 year-olds were in full-time education. This compared to around three quarters of 16-17 year olds in 2005.

This increase occurred after the introduction of the 'September Guarantee' in 2007, and the raising of the participation age in 2013 which required young people to continue in education or training until at least their 18th birthday.

The September Guarantee requires local authorities in England to offer all 16 and 17 year olds a place in education or training.^{2 3 4}

92.3% of young people aged 16 or 17 at the start of the academic year were in education or training in England at the end of 2013. This proportion had increased to 94.0% at the end of 2020.⁵

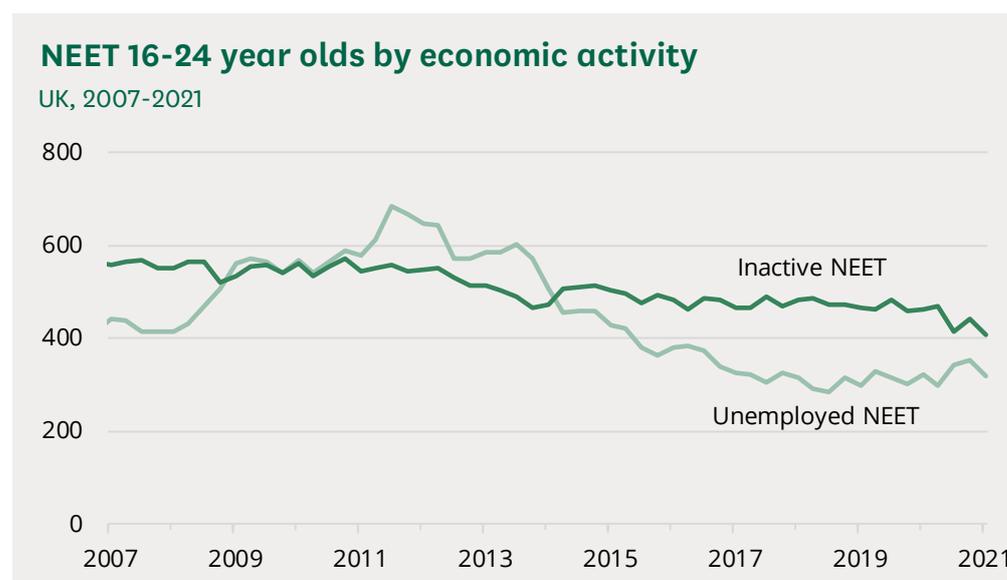
1.3

NEET unemployment and inactivity

A common misconception is that someone cannot be NEET unless they are unemployed.

This is not the case. 44% of the 728,000 young people who were NEET in January-March 2021 were unemployed (320,000). The remaining 56% were economically inactive, which means they were not working, not seeking work and/or not available to start work.

Between 2011 and 2018 the proportion of young people who were NEET and were unemployed fell, following an increase after the 2007-2009 financial crisis. At the end of 2011, 55% of those who were NEET were unemployed.



Source: ONS [Young people not in education, employment or training \(NEET\), UK](#), 15 June 2021

Likewise, not all unemployed people will be NEET.

² Cabinet Office/DfE, [Increasing opportunities for young people and helping them to achieve their potential](#), 5 September 2014

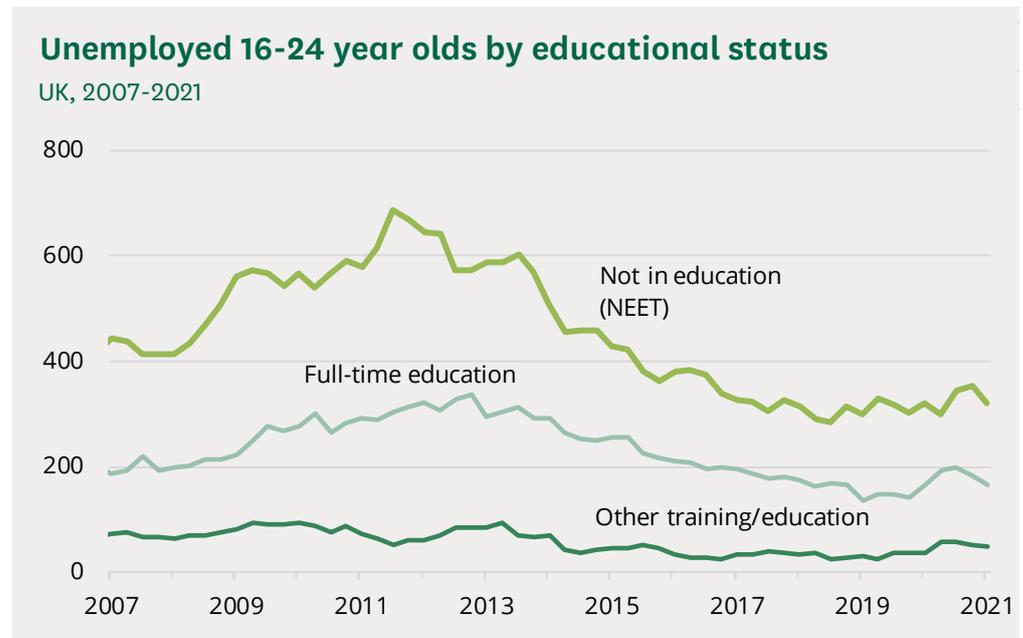
³ DfE, [September Guarantee: education and training for young people](#), January 2017

⁴ Children, Schools and Families Committee, [Young people not in education, employment or training](#), April 2010

⁵ Gov.uk Explore education statistics, [Participation in education and training and employment](#), 24 June 2021

60% of the 536,000 unemployed 16-24 year-olds in January-March 2021 were not in education or training and were therefore NEET. The remaining 40% were in some form of education or training, and therefore were not NEET. Of these:

- 166,000 (31%) were in full-time education, but looking for work.
- 50,000 (9%) were in some other form of education or training, but looking for work.



Source: ONS Table A06 SA and NEET statistics

1.4

In recent years, young men have been more likely to be NEET than young women.

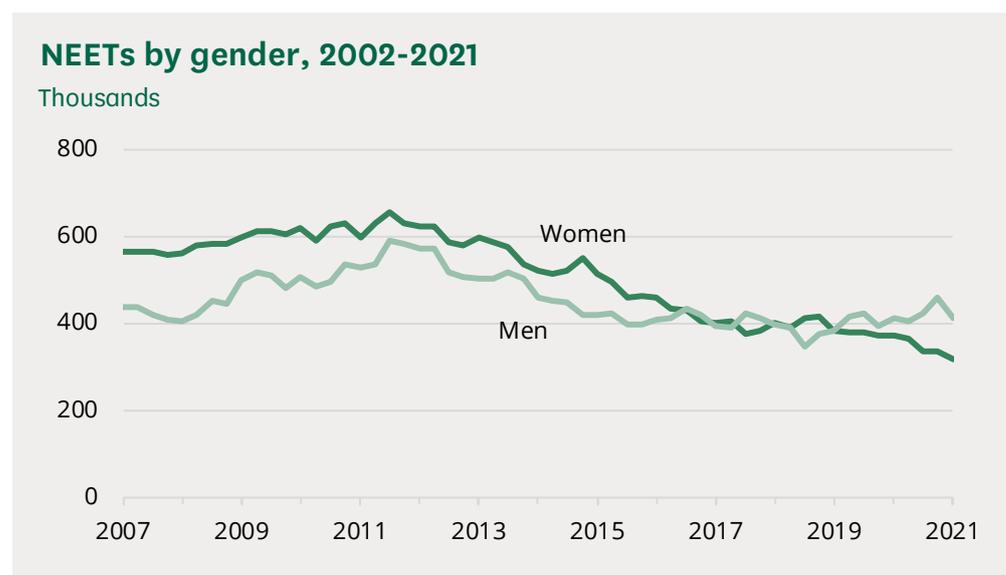
Gender

In January-March 2021, of the 728,000 young people who were NEET, 413,000 were men and 315,000 were women.

The number of young men who were NEET remained at a similar level in January-March 2021 than compared to a year previously, while the number of young women who were NEET fell by 56,000. This continued the recent trend of young men being more likely to be NEET than young women.

Gender gap

Historically more young women than men have been NEET. Between 2002 and 2010 there were at least 100,000 more young women who were NEET than men in almost every quarter. As the chart below shows, the gap between the number of young men and women who were NEET narrowed after 2010, and in the third quarter of 2016 more young men were NEET than women for the first time since comparable records began. Since then there have generally been more young men who are NEET than women.



Source: ONS [Young people not in education, employment or training \(NEET\), UK](#), 15 June 2021

The fall in the number of young women who are NEET and the increase in the number of young men since 2016 has been due to a fall in the number of young women who are economically inactive, but an increase in the number of young men.

Economic Activity

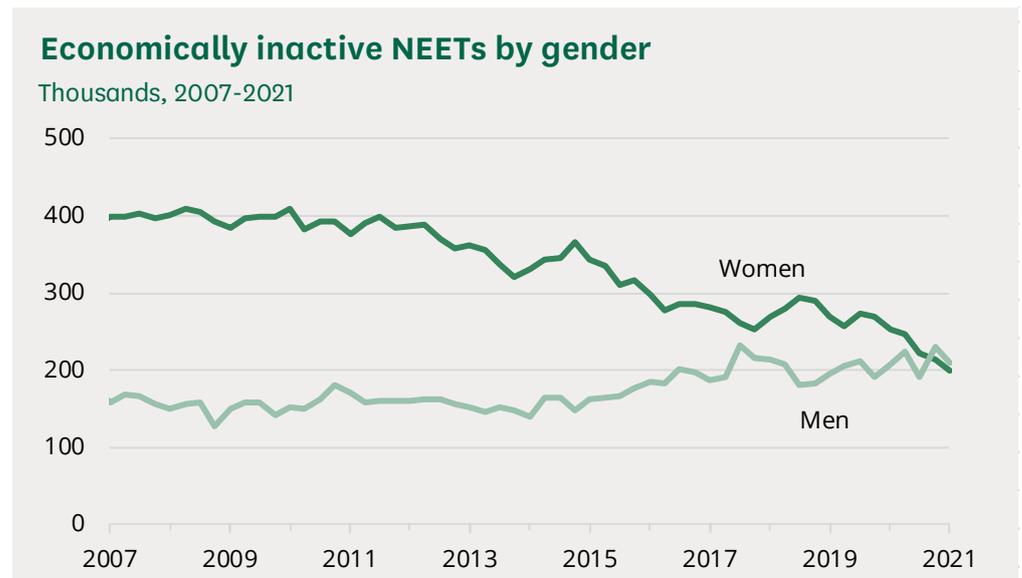
Young women who are NEET are more likely to be economically inactive than young men. In January-March 2021, 63% of the young women who were NEET were economically inactive, compared to 51% of young men who were NEET.

More young women are inactive as they are more likely to be looking after family and/or home. In the 12 months to March 2021, around 30% of young women who were NEET were inactive for this reason, compared to only around 4% of NEET men.⁶

Historically there have also been a higher number of inactive NEET women than men, although as shown in the chart below the gap between women and men had been getting smaller, and in recent quarters there have been more inactive NEET men than women.

Prior to 2013, there were over 200,000 more economically inactive young women who were NEET than men. Since then the number of economically inactive young women who were NEET has been falling, whereas there has been a smaller increase in the number of economically inactive young men who were NEET since 2014.

⁶ ONS Labour Force Survey microdata: Office for National Statistics. Social Survey Division, Northern Ireland Statistics and Research Agency. Central Survey Unit. (2017). *Quarterly Labour Force Survey, January - March, 2017*. [data collection]. UK Data Service. SN: 8195, <http://doi.org/10.5255/UKDA-SN-8195-1>

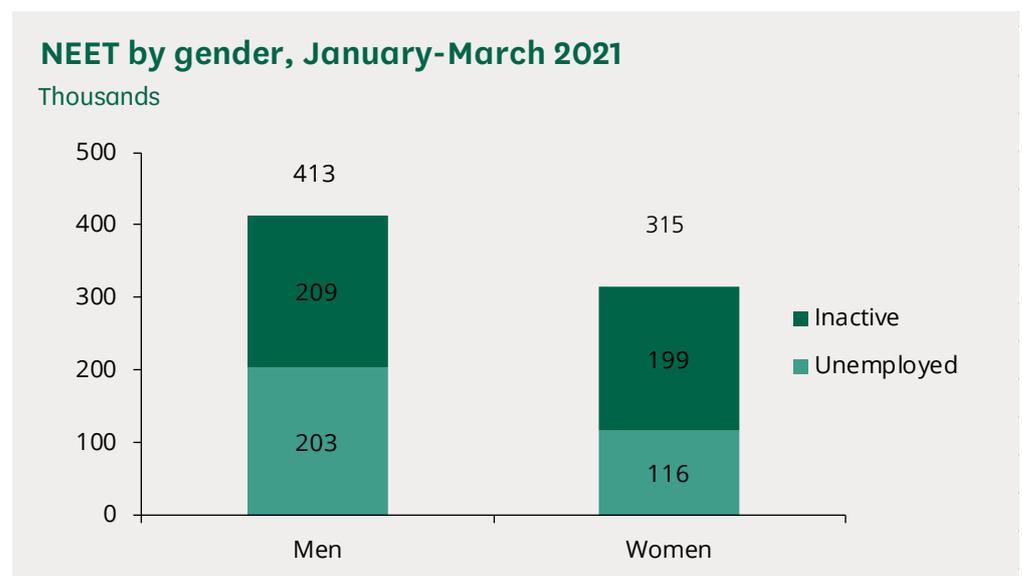


Source: ONS [Young people not in education, employment or training \(NEET\), UK](#), 15 June 2021

The main reason why there has been a fall for women has been because the number of young women who are inactive as they have been either looking after their family or their home has decreased substantially between 2012 and 2020. The fall during this period was almost 200,000 women. In 2012, almost three quarters of NEET women were inactive for this reason, while only around 30% were in 2020.

One of the reasons for the increase for young men was a rise in the number of men who were either long term sick or disabled. Between 2014 and 2020 the average number who were inactive for this reason increased by over 30,000 men.

The chart below shows the number of people who were NEET in January-March 2021, broken down by gender and whether they were inactive or unemployed.



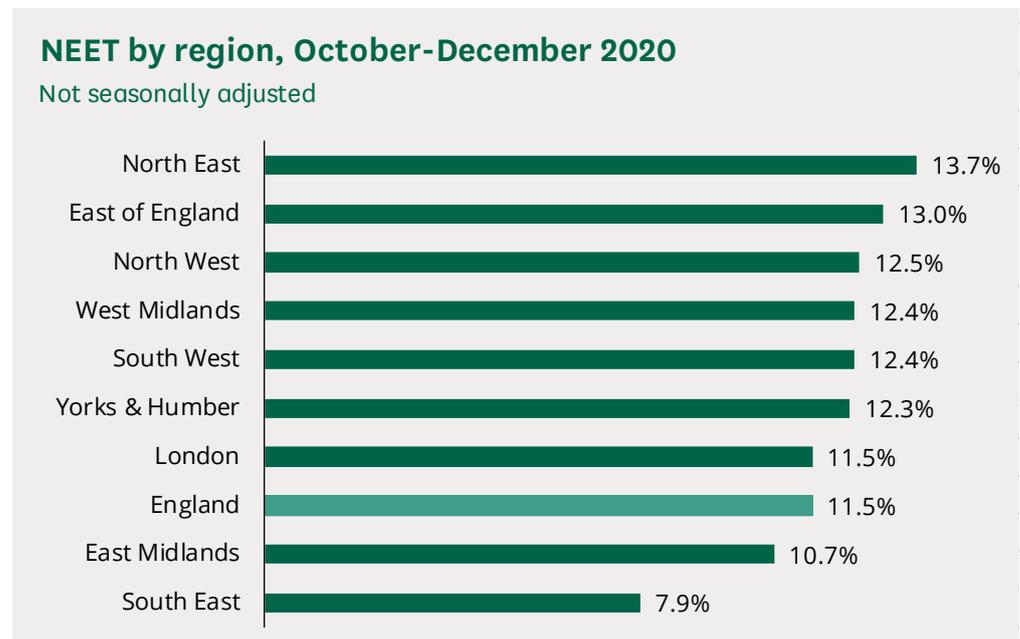
Source: ONS [Young people not in education, employment or training \(NEET\), UK](#), 15 June 2021

1.5

NEET by Region

In October-December 2020, 11.5% of 16-24 year-olds in England were NEET (note that this figure is not seasonally adjusted).⁷

Of the regions within England, the North East had the highest proportion of young people who were NEET (13.7%) and the South East and South West had the lowest (7.9%).



Source: Gov.uk Explore education statistics, [NEET annual brief](#), 11 March 2021

1.6

NEET data sources

The Office for National Statistics publishes NEET estimates for the whole of the UK, but not for individual UK countries. NEET statistics are routinely published for England, Wales and Scotland, but as the definition of NEET varies by country they should not be compared.

- England:** The Department for Education's [NEET and participation statistics](#) collection includes NEET statistics based on Labour Force Survey data for England for young people aged 16 to 24, as well as participation figures for those aged 16 to 18.

⁷ Regional figures published in the Department for Education's [NEET annual brief](#) (last updated March 2021) which are updated annually.

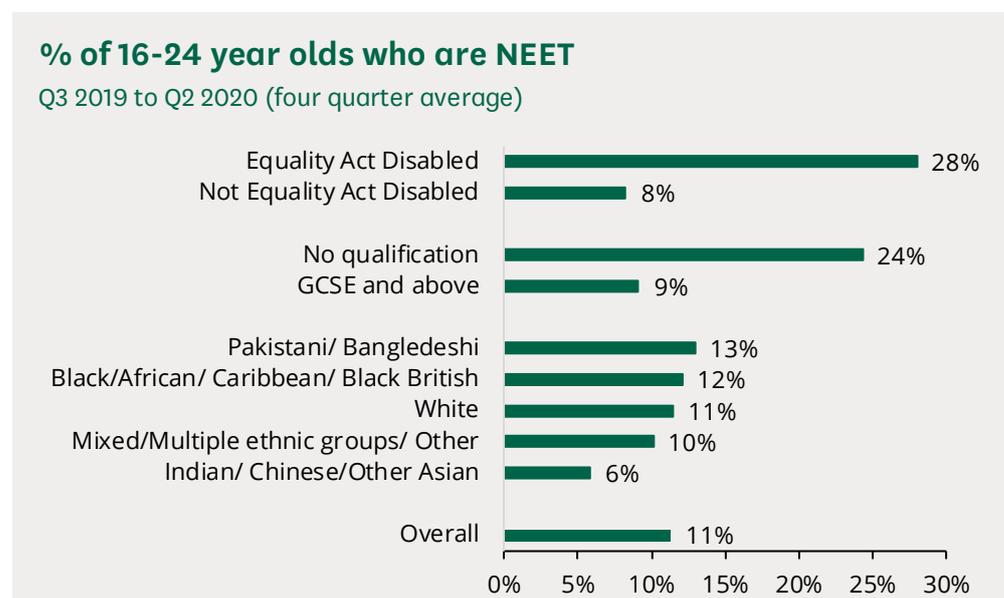
- **Wales:** The Welsh Government statistics [Young people not in education, employment or training \(NEET\)](#) provide NEET estimates for Wales. In 2020, 15.9% of 19-24 year olds and 7.4% of 16-18 year olds were NEET in Wales.
- **Scotland:** The official measure of NEET in Scotland is based on those aged 16-19 and is released through the [Skills Development Scotland Participation Measure](#). In 2020, 2.8% of 16-19 year olds were not participating in education, employment or training in Scotland, although the participation status of a further 5.1% was unknown.
- **Northern Ireland:** The Northern Ireland Assembly does not routinely publish NEET figures.

2 Characteristics of people who are NEET

2.1 Key characteristics

The chart below shows the key characteristics of young people who were NEET using data from the **ONS Labour Force Survey**, over the four quarters to Q2 2020. It shows that:

- The proportion of 16-24 year olds who were NEET was higher for those with disabilities (28%) than those without (8%).
- A higher proportion of 16-24 year olds without any qualifications were NEET (24%) than the proportion of those qualified to GCSE level and above (9%).
- The proportion of 16-24 year olds who were NEET was highest for those from either a Pakistani/Bangladeshi background (13%) and lowest for those from Indian/Chinese/Other Asian backgrounds (6%).



Source: ONS Labour Force Survey microdata and House of Commons Library calculations

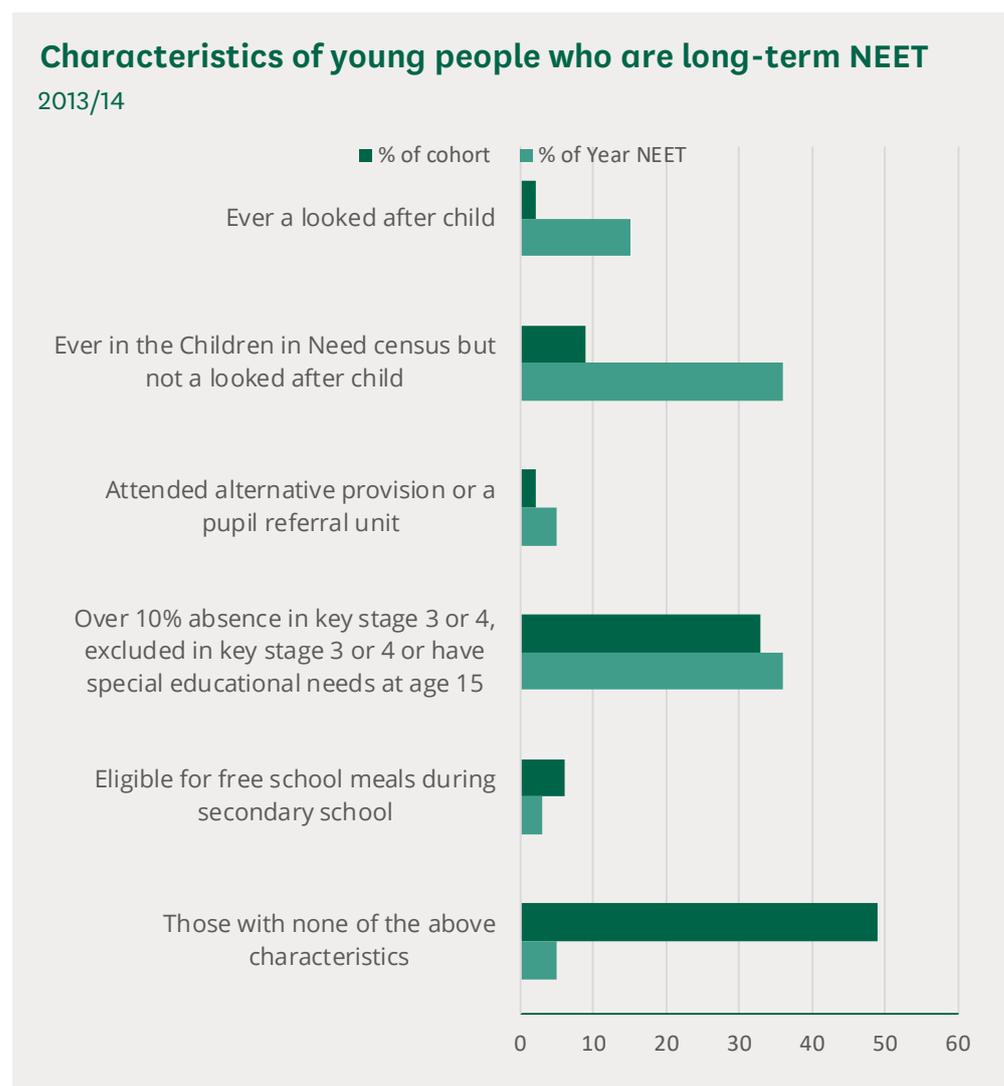
Notes:

Disability is defined using the Government Statistical Service harmonised standard definition. This covers people reporting (current) physical or mental health conditions or illnesses lasting, or expected to last, 12 months or more, which reduce their ability to carry out day-to-day activities. Those who gave no response have been excluded from the analysis.

GCSE and above includes those with a highest qualification of GCSEs, A-Levels, Higher Education or Degrees.

The Department for Education published a February 2018 research report [Characteristics of young people who are long-term NEET](#). This report looked at the cohort of pupils who completed Key Stage 4 in 2010/11, and analysed the characteristics of those in this cohort who were NEET for the whole of 2013/14.

The chart below compares the characteristics of the cohort with the characteristics of those who were NEET for the whole year. While only 11% of the cohort were either a looked after child or in the Children in Need census, these pupils accounted for 51% of those who were NEET for the whole year.



Source: DfE, [Characteristics of young people who are long-term NEET](#), February 2018

A 2011 **Longitudinal Study of Young People (LSYPE)** in England found that participants with certain characteristics were more likely to be NEET. For each of the following groups, over half were NEET at some point between the ages of 16 and 19, and over a quarter were NEET for at least a year:⁸

⁸ DfE, [Youth cohort study and longitudinal study of young people](#), July 2011

- Those with their own child.
- Those who been permanently excluded or suspended from school.
- Those who hadn't achieved 5+ A*-C GCSE grades.
- Those who were eligible for free school meals.

It also found that disabled people were more than twice as likely to have been NEET at the time of the study than those without a disability.

Risk Factors in becoming NEET

The **Audit Commission** produced a report in July 2010, [Against the odds](#), which examined NEET characteristics, the geographic distribution of NEET people and how government can work effectively to help them. Contained in this report is a table (below) which summarises the increased likelihood of young people becoming NEET associated with certain risk factors.

Increased chances of being NEET

Factor	Increase in chance of being NEET for six months or more
Being NEET at least once before	7.9 times more likely
Pregnancy or parenthood	2.8 times more likely
Supervision by youth offending team	2.6 times more likely
Fewer than three months post-16 education	2.3 times more likely
Disclosed substance abuse	2.1 times more likely
Responsibilities as a carer	2.0 times more likely

Source: Audit Commission, analysis of Connexions data from fieldwork areas (approximately 24,000 people). 2010

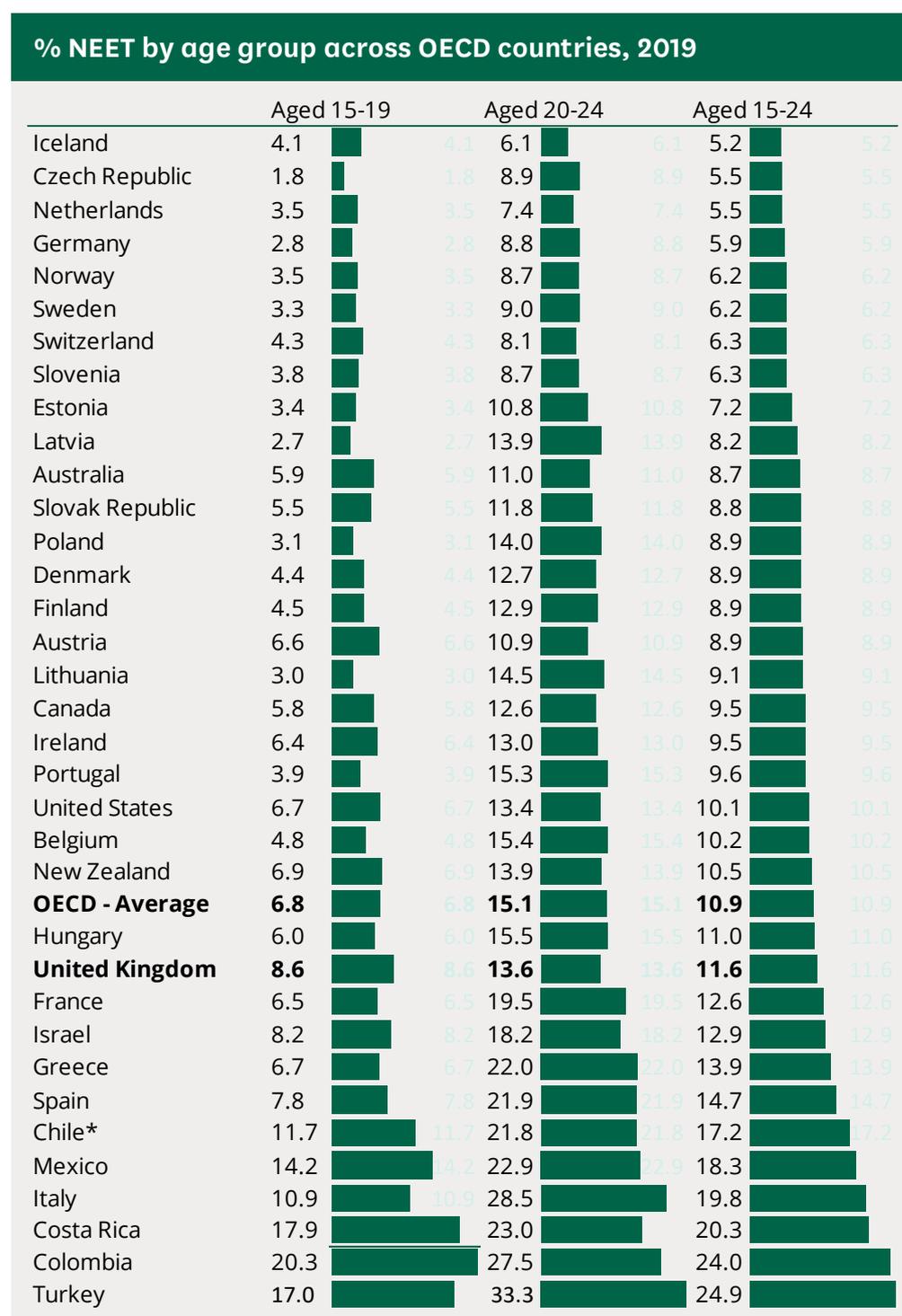
The Department for Education funded a [Report on students who are NEET](#) by the **Institute of Education** which was published in September 2014 and which included a section on risk factors. Their conclusions were that:

- The most significant educational risk factor was low educational attainment at GCSE. Reasons cited for low GCSE attainment included a lack of motivation, poor health (physical and mental) and having Special Educational Needs.
- A range of personal risk factors were identified including health problems, caring responsibilities and difficult family circumstances (such as being in care or experiencing a breakdown in relationship with parents).
- Structural risk factors were also identified which included difficult labour market conditions, a lack of training and apprenticeship opportunities and welfare support providing a higher income than potential wages.

3

International NEET statistics

The OECD publishes NEET data by age group – though these are not directly comparable with UK national estimates.



* Data for 2017

Source: OECD.Stat, [Transition from school to work](#) (accessed on 30 June 2021)

The proportion of 15-24 year olds who were NEET in the UK in 2019 (11.6%) was above the OECD average (10.9%). This was also the case for those aged 15-19, but a lower proportion of 20-24 year olds were NEET in the UK than across the OECD.

4 Policies to reduce the number of people who are NEET

Studies have shown that time spent NEET can have a detrimental effect on physical and mental health, and increase the likelihood of unemployment, low wages, or low quality of work later on in life.⁹

This section outlines the policies that have been put in place to support young people since the coronavirus outbreak, as well as the policies that were previously in place with the aim of reducing the number of young people who are NEET.

4.1 Response to the coronavirus outbreak

The coronavirus outbreak has particularly impacted on the labour market status of young people, with a large fall in employment and a rise in unemployment amongst 16-24 year olds.

As a result, many of the initiatives that have been put in place in response to the outbreak have been targeted at young people. A summary of these initiatives is provided below, and further information is available in the Library paper [Coronavirus: Getting people back into work](#) (March 2021).

Most of these initiatives were announced as part of the July 2020 [Plan for Jobs](#) publication.

Kickstart

The Kickstart scheme provides funding to employers who create new jobs for young people. As of 3 June 2021, over 31,000 kickstart jobs had been started.¹⁰

The scheme intends to create “hundreds of thousands” of 6-month work placements. It is aimed at 16-24 year olds in Great Britain who are on Universal Credit and are deemed at risk of long-term unemployment.¹¹

The scheme pays employers to create new jobs for young people, but funding is conditional on the employer proving that these jobs are new, and are not

⁹ Public Health England/UCL Institute of Health Equity, [Local action on health inequalities: Reducing the number of young people not in employment, education or training](#), September 2014

¹⁰ [PQ 11544](#), 15 June 2021

¹¹ HM Treasury, [A Plan for Jobs speech](#), 8 July 2020

replacing jobs held by staff who have recently been made redundant. The jobs created must provide a minimum of 25 hours per week, for 6 months.

The employers will also be expected to provide training and support to the *Kickstarter* to find a permanent job.

The Government will provide funding to cover the National Minimum Wage for 25 hours a week for six months if employers meet these conditions. It will also provide up to £1,500 per job placement to cover setup costs, support and training.

Apprenticeships

Apprenticeships are paid jobs that incorporate on and off the job training. The Government has committed to reaching 3 million apprenticeship starts in England by 2020, with the aim of ensuring the apprentices gain job specific skills that will improve the chances of them finding long term employment.¹²

The number of apprenticeship starts has fallen following the introduction of a new apprenticeship funding system in May 2017, as detailed in the Library briefing note [Apprenticeship statistics for England](#) (March 2021). There has been a further fall since the start of the coronavirus pandemic. In the first two quarters of the 2020/21 academic year (August 2020 to January 2021), there were 161,900 apprenticeship starts. This was a drop of 18% from the same period in 2019/20, with around 36,700 fewer starts.¹³

In response to the pandemic, two increases to the incentive payments that are paid to employers when they take on new apprentices have been announced.

In the March 2021 Budget, the Government announced that it will pay employers in England £3,000 for every new apprentice they hire between 1 April 2021 and 30 September 2021.^{14 15}

In the *Plan for Jobs*, the Government had announced that it would pay employers in England £2,000 for every new apprentice they hire who is aged under 25, and £1,500 for every apprentice they hire who is aged 25 and over. These payments were provided for apprentices employed from the start of August 2020 to the end of March 2021.¹⁶

These payments were on top of the £1,000 that the Government provides to employers for every apprentice they take on who is either aged between 16

¹² DfE, [Apprenticeship reform programme: benefits realisation strategy](#), March 2017, pg 6

¹³ Gov.uk Explore, education statistics, [Apprenticeships and traineeships](#), 25 March 2021

¹⁴ HMT, [Budget 2021](#), p47

¹⁵ ESFA/DWP, ['Plan for Jobs' skills and employment programmes: information for employers](#), 10 December 2020

¹⁶ HM Treasury, [Plan for Jobs](#), 8 July 2020, p8

and 18, or aged between 19 and 24 and has previously been in care or who have a Local Authority Education, Health and Care plan.¹⁷

Further information on apprenticeships is provided in the Library briefing [Apprenticeships and skills policy in England](#) (June 2020).

Traineeships

People aged under 24 who are unemployed and have little work experience, but can be prepared for employment or an apprenticeship within six months, are able to start traineeships. Traineeships provide education, training and work experience.¹⁸

Traineeships were previously only available to people aged 16-24 who were qualified below level three level, but eligibility has been expanded to include those with level three qualifications.¹⁹

The Government has announced that it will pay employers £1,000 for every new trainee they take on from the start of September 2020 to the end of July 2022.²⁰

£126 million will be provided to fund 40,000 more traineeships in the 2021 to 2022 academic year.

8,800 traineeships were started between August 2020 and January 2021, which was slightly more than was started during the same period in 2019/20.²¹

The number of traineeships that have been started has been gradually decreasing since 2015/16. The number of starts in 2019/20 (12,100) were half the number (24,100) in 2015/16.

Further information on traineeships is provided in the Library briefing [Traineeships](#) (July 2020).

Support for those leaving school or college

In the Plan for Jobs, the Government announced that funding would be provided to 18 and 19 year olds leaving school or college to enable them to **study for a “high value” level 2 or 3 qualification** if they cannot find employment or work-based training.²²

¹⁷ HMT, [Budget 2021](#), p47

¹⁸ Skills Funding Agency, [Traineeships](#), January 2021

¹⁹ DfE, [Traineeships Framework for Delivery](#), March 2021, p3

²⁰ ESFA/DWP, ['Plan for Jobs' skills and employment programmes: information for employers](#), 10 June 2021

²¹ Gov.uk Explore, education statistics, [Apprenticeships and traineeships](#), 25 March 2021

²² ESFA, [High value courses for school and college leavers: a one-year offer for 18 and 19-year-olds](#), 16 July 2020

The Government has published a list of [eligible qualifications](#).

£101 million of funding has been provided for this initiative.²³

In addition, the Government will provide additional funding of £32 million to the **National Careers Service** to support 269,000 more people in England over the next two years.²⁴

Further information on the careers guidance that is provided to young people can be found in the Library briefing note [Careers guidance in schools, colleges and universities](#).

Support for jobseekers

As part of the Plan for Jobs, **expanded job support** for young jobseekers was announced. This commenced in September and consists of a 13-week youth employment programme to help people prepare for work. The programme will include an employment and skills review, and a work search review.²⁵

Youth employability coaches were introduced to provide support to young people who have complex needs or other barriers stopping them from finding a job.

The DWP is working with external partners to deliver 100 **youth hubs**. These hubs will provide support for up to 6 months from a Youth Hub work coach.²⁶

£17 million will be provided to triple the number of **sector-based work academy placements** in England in 2020/21. This funding is intended to support an extra 40,000 placements.^{27 28}

The sector-based work academy scheme is in place in England and Wales and provides employment placements for people receiving benefits, but who are ready for work. These placements can last up to 6 weeks and provide pre-employment training, a work experience placement and a guaranteed job interview. Although the scheme is open to jobseekers of all ages, they are primarily aimed at young people.²⁹

²³ [PQ 119412](#), 1 December 2020

²⁴ HM Treasury, [Plan for Jobs](#), 8 July 2020, p9

²⁵ DWP, [Help to find work for Universal Credit claimants aged 18 to 24](#), 8 January 2021

²⁶ [PQ 103537](#), 19 October 2020

²⁷ HM Treasury, [Plan for Jobs](#), 8 July 2020, p10

²⁸ [PQ 121146](#), 3 December 2020

²⁹ ESFA/DWP, ['Plan for Jobs' skills and employment programmes: information for employers](#), 10 June 2021

4.2

Policies to encourage young people to continue in education or training

16 to 19 Bursary Fund

The [16-19 Bursary Fund](#) provides targeted funding support to help young people aged 16, 17 or 18 with the costs of staying on in post-16 education. This can help with the costs of books, transport, equipment or other education-related costs. The most vulnerable young people receive yearly bursaries of up to £1,200.

Support was provided to 21,120 students in 2018/19.³⁰

Schools, colleges and training providers are also given a discretionary fund, and they decide how this is allocated. Young people over the age of 18 may be eligible for this funding.

The 16-19 Bursary Fund replaced the [Education Maintenance Allowance](#) in September 2011.

Adult Education Budget

The majority of public funding for non-apprenticeship adult (19+) education is provided by the Adult Education Budget (AEB). The library briefing [Devolution of the Adult Education Budget](#) (June 2019) provides further information on the AEB.

The AEB funds:

- English and maths, up to and including level 2 (see box below), for individuals aged 19 and over, who have not previously attained a GCSE grade A* to C or grade 4, or higher, and/or
- first full qualification at level 2 for individuals aged 19 to 23, and/or
- first full qualification at level 3 for individuals aged 19 to 23.

The Government has additionally introduced an entitlement to free basic digital skills from August 2020.³¹

The AEB has been held constant in cash terms at £1.5 billion between 2016-17 and 2019-20. From 2019/20, the government devolved the AEB to several Mayoral Combined Authorities.³²

³⁰ [PQ 90936](#), 25 September 2020

³¹ Ofqual, [Digital qualifications: evaluation progress](#), 13 January 2020

³² ESFA, [Adult education budget \(AEB\) devolution](#), 28 October 2020

T Levels and Technical Education Reforms

In the July 2016 Post-16 Skills Plan, the Government set out its vision on how it intended to reform technical education into a “world-class” option for young people which would prepare them for skilled employment.³³

The Library paper [T Levels: Reforms to Technical Education](#) sets out the major reforms that are being made to the technical education system in England as a result of this plan.

Under the reforms, a new technical education option will be created to sit alongside the academic option (e.g. A Levels and a degree). The technical option will comprise 15 routes based around occupations with shared training requirements. Some routes will be further sub-divided, with closely-related occupations grouped together into pathways.

New level 3 study programmes – T Levels – will be created to sit at the start of technical routes (apart from four apprenticeship only routes), with a T Level for each pathway (i.e. some routes will have more than one T Level). They will be primarily aimed at 16 year olds.

T Levels will be equivalent to a 3 A Level programme and will, on average, consist of 1800 hours studied full-time over two years – around 50% more than the average 16-19 study programme at present.

Three T Levels within the construction, digital, and education and childcare routes will be delivered at a small number of providers from September 2020. A further seven T Levels will be available from September 2021, with another eight available from September 2023. It is aimed for the remaining T Levels to be introduced from September 2023, but this is to be confirmed.

4.3

Policies to help young people find sustained employment

Employer National Insurance Contributions

To encourage businesses to employ young people, the Government abolished Employer National Insurance Contributions for those aged under 21 in April 2015 (with the exception of those earning more than the Upper Earnings Limit). They were abolished for apprentices aged under 25 on earnings up to the upper earnings limit from April 2016.

European Social Fund

The European Social Fund (ESF) provides funding for projects to increase employment levels, in particular among young people and those struggling to get a job. It focuses on disadvantaged groups, including disabled people, and

³³ BIS/DfE, [Post-16 Skills Plan](#), July 2016, p7

aims to provide skills training and support to transition from unemployment into work.³⁴

Over the 2014-2020 period, €1.5 billion of funding had been allocated to the sustainable and quality employment sector under the European Social Fund Programme.³⁵

Under the terms of the [Withdrawal Agreement](#), the UK will continue to receive funding from the EU for the duration of its current programmes. This means that funding programmes were open for applications until the transition period ended at the end of 2020; as long as agreements were reached before this point, funding can still be paid out afterwards until the programme's closure (which may be several years later).³⁶

At the end of the transition period, new ESF funding ceased, as the UK is no longer part of the new programmes in the EU's 2021-27 financial framework period. In order to replace it the Government has pledged to set up a Shared Prosperity Fund to "reduce inequalities between communities".³⁷

The Work and Pensions Committee has stated that any gap in payments between the existing European Social Fund and a new fund "would be disastrous".³⁸

Supported Internships

Young people with learning difficulties and disabilities have access to Supported Internships. These are structured study programmes based primarily at an employer which normally last for a year and include unpaid work of at least six months. Where possible, they will then support the young person to move into employment at the end of the programme.³⁹

In November 2017 the Department for Education announced that it had set up a new £9.7 million fund to create new Supported Internships. Over 2,200 young people were taking part in these internships in January 2020.^{40 41}

Youth Engagement

The Youth Engagement Fund was launched in May 2014 with an aim of improving the education outcomes of disadvantaged young people aged 14 to 17, and therefore improve their employability. It is being funded through social impact bonds, with service providers running projects aimed at

³⁴ European Social Fund, [The ESF in the United Kingdom](#)

³⁵ [European Union Open Data Portal](#) (accessed 28 July 2020)

³⁶ House of Commons Research Briefing, [EU funding in the UK](#), 11 September 2020, p40

³⁷ House of Commons Research Briefing, [The UK Shared Prosperity Fund](#), 22 May 2020

³⁸ Work and Pensions Committee, [Post-Brexit failure to replace European Social Fund would be disastrous](#), April 2018

³⁹ DfE, [Supported Internships](#), June 2017

⁴⁰ DfE, [£45m boost for young people with SEND](#), 30 November 2017

⁴¹ [PQ 133132](#), 13 January 2021

preventing young people from becoming NEET. The government will only provide funding for successful projects that lead to positive outcomes.⁴²

A March 2020 evaluation of the fund concluded that the objectives of the Youth Engagement Fund were achieved for some young people, but to a degree the programme could be regarded as a missed opportunity. It recommended that the programme should consider supporting young people in Year 9, and that it should provide more holistic support by focusing on employers and parents as well as young people.⁴³

4.4 Jobcentre Plus Support

Jobcentre Plus support for young people in school

In January 2016 the Jobcentre Plus support for schools initiative was launched. As part of this initiative, local Jobcentre Plus advisers offered school pupils aged 12 to 18 advice on the labour market and advice on some of the job options available to them (such as apprenticeships and traineeships). Each school decides on the level of support that they get from the advisors, but this could include work experience schemes or one-to-one advice.⁴⁴

The Schools Week website reported in October 2019 that the initiative had been extended, with a further 90 advisers employed to work between Jobcentres and schools. They have also reported that this support will be extended to young people with special educational needs up to the age of 24.⁴⁵

Work Experience and volunteering

The Government has a number of schemes involving work experience placements as part of its wider welfare-to-work policies. These will be set up by a Jobcentre Plus work coach.⁴⁶

Work Experience, the largest of these programmes, is targeted at young people who are getting Jobseeker's Allowance and are aged between 16 and 24. The placements will last between two and eight weeks.

Work Trials give someone on Jobseeker's Allowance the opportunity to try a job for up to 30 working days, and they may be offered the job at the end of the trial.

⁴² Cabinet Office, [Youth Engagement Fund: prospectus](#), October 2014

⁴³ DCMS, [Youth Engagement Fund Evaluation - Final Report](#), 20 May 2020

⁴⁴ DWP, [Jobcentre Plus support rolled out to schools](#), January 2016

⁴⁵ Schools Week, [DWP extends Jobcentre support for schools programme with £7m funding](#), 11 October 2019

⁴⁶ Gov.uk, [Help with moving from benefits to work](#)

Work Together provides an opportunity for someone who is seeking work to volunteer with a local organisation.

Work and Health Programme

The [Work and Health Programme](#) will target people who with specialist support are likely to be able to find work within 12 months.

The programme provides support to help people find and keep a job. It is available, on a voluntary basis, to those with health conditions or disabilities, and to various groups of vulnerable people. It will also provide support to those who have been unemployed for over two years, and it will be compulsory for this group.

Almost 22,000 starts on the programme from its introduction in November 2017 to February 2021 involved people aged 18-24. This was 15% of all starts on the programme.⁴⁷

Further information on this programme is available in the Library briefing paper [Work and Health Programme](#).

New Enterprise Allowance

The New Enterprise Allowance scheme provides money and support to help JSA or ESA claimants start or expand their own business. If someone has a business idea and is accepted onto the scheme, then they will get a business mentor and a weekly allowance for up to 26 weeks. They can also apply for a loan to help with start-up costs.⁴⁸

Between April 2011 and June 2020, 17,830 individuals aged 18-24 have started on the New Enterprise Allowance, which is 7% of all starts. 8,850 have claimed the weekly allowance, which means they have started trading. This is 6% of all individuals who have started trading.⁴⁹

Further details on the reforms to technical education can be found in the Library briefing note [New Enterprise Allowance](#).

Other support

The **Mentoring Circles** initiative was originally set up to provide mentoring support to help jobseekers from ethnic minority backgrounds into work, but was extended to all young claimants from March 2019.⁵⁰

In April 2017 the **Youth Obligation** programme was introduced. This provided intensive support to 18 to 21 year olds making a claim to Universal Credit Full Service. Of those who started the programme in January-March 2019, almost

⁴⁷ DWP, [Work and Health Programme statistics](#), 27 May 2021

⁴⁸ Gov.uk, [New Enterprise Allowance](#)

⁴⁹ DWP, [Pre-Work Programme, New Enterprise Allowance and Employment Schemes statistics](#), 13 May 2021

⁵⁰ DWP, [National mentoring initiative to tackle employment inequality across UK](#), 17 January 2019

two thirds secured work, and over half did so within 2 months of being on the programme.⁵¹

Between February 2019 and January 2020, 123,000 18-21 year olds started on the programme in the 12 months.⁵²

⁵¹ DWP, [Youth Obligation Support Programme](#), July 2019

⁵² [PQ 64923](#), 29 July 2020

The House of Commons Library is a research and information service based in the UK Parliament. Our impartial analysis, statistical research and resources help MPs and their staff scrutinise legislation, develop policy, and support constituents.

Our published material is available to everyone on commonslibrary.parliament.uk.

Get our latest research delivered straight to your inbox. Subscribe at commonslibrary.parliament.uk/subscribe or scan the code below:



 commonslibrary.parliament.uk

 [@commonslibrary](https://twitter.com/commonslibrary)