

Youth Employment 2024 Outlook



Glossary

This report brings together the latest picture on youth employment, and the following terms are used throughout, which we have defined here to ensure clarity. Many of these definitions are informed by the latest ONS guidance:

Economic inactivity rate: the proportion of the population (aged 16 and over) who are not in work and have not been actively seeking work in the past four weeks and/or are not available for work in the next two weeks. This can include people who are retired, people who are out of work due to long term sick, and students.

NEET rate: the proportion of the population of young people not enrolled on an education or training course, working or studying towards a qualification, or have not had job-related training or education in the last four weeks. Age ranges reported for NEET data vary by source, so it is important to clarify the age group for any quoted NEET rate and, as far as possible, to compare like with like. Through this report, unless specifically stated, we define NEET young people as aged 16-24.

OECD: the Organisation for Economic Cooperation and Development, an international organisation that aims to shape policies that foster prosperity, equality, opportunity and wellbeing for all. It seeks to establish evidence-based international standards and solutions to a range of social, economic and environmental challenges.

ONS: the Office for National Statistics, the UK's largest producer of official statistics and the recognised national statistical institute of the UK. The ONS is responsible for collecting, analysing and disseminating statistics about the UK's economy, society and population.

Unemployment rate: the proportion of the economically active population (those in employment plus those who are unemployed) who are without a job, have been actively seeking work in the past four weeks and are available to start work in the next two weeks.

What Works Centres: independent organisations that aim to improve the way the Government and other public sector organisations create, share and use high-quality evidence in decision-making. The What Works Network is made up of nine full, independent What Works Centres and three affiliate network members.

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Foreword



Barry Fletcher, Chief Executive
at Youth Futures Foundation

As the What Works Centre for Youth Employment, we understand the importance of all young people in our country benefiting from a decent education, the chance to build their skills and better opportunities to enter into and thrive in good jobs.

From young people's potential not being reached, companies seeing skills gaps unfilled, the scarring effect of long-term youth unemployment, to persistent inequalities in the labour market, action to improve opportunities could not be more important.

This report brings together the latest data and evidence on the youth employment landscape in 2024, including experiences of both unemployment and economic inactivity among young people. This evidence spans the most up-to-date analysis of official statistics, new data on how the UK is performing internationally, alongside recent research into voter perspectives and young people's own reflections on the barriers and opportunities that exist for them to progress into the world of work.

Across the UK, we still lack a vision of how to tackle high rates of worklessness for young people, and a lack of join-up across government on the issues and policies that can help reduce the number of young people not in education, employment or training (NEET). At Youth Futures, we are building up the evidence base on the most effective solutions to tackle high rates of youth unemployment and inactivity, but more needs to be done to put that evidence into practice.

While NEET rates in the UK have been stubbornly high for 20 years, there is reason for optimism about what policymakers, businesses and educational institutions can do.

From increasing the number of apprenticeship opportunities that young people can access, and

expanding technical education programmes, to investing to expand the national programme of Youth Hubs, there are significant interventions which the current evidence base suggests we should pursue to reduce the number of young people out of education, employment or training.

By learning from the experiences of other countries around the world like the Netherlands, which have seen success in cutting their NEET rates, the benefits to the UK can be significant.

One study suggests that if the UK matched the lowest NEET rate in the OECD, that of the Netherlands, the full potential of more young people could be unleashed, adding £69bn to our GDP over the long term.

The new Government has an opportunity to make reducing the number of young people who are not in education, employment or training a key priority at the heart of their ambition for national renewal.

We shouldn't pretend there are any easy fixes. The problem is stubborn, persistent and complex. It requires work across many different parts of government, civil society, and the business community.

But the prize is great. Getting this right will not just improve the UK's competitiveness and prosperity, it will help thousands more young people find the pathway in life that is right for them.

Executive summary

Youth employment in 2024

- NEET rates in the UK are worsening, with 872,000 young people out of education, employment or training
- Young men and young people from certain ethnic minority backgrounds experience higher NEET rates.
- There is significant regional variation, with the North East seeing the highest NEET rate at 15%.
- Marginalised young people face significant barriers to employment, particularly those with special educational needs and disabilities and those with experiences in the care system.
- Two of the major issues affecting young people's employment in 2024 are poor mental health and the state of the apprenticeship system.

Youth employment in an international context

- The UK's NEET rate is slightly lower than the OECD average (at 12.5% in 2022, compared to an OECD rate of 14.3%).
- The UK's NEET rate fell from 15.3% to 12.5% between 2002 and 2022, but this is a smaller reduction than in comparable countries.
- Over the long term, UK GDP could be increased by £69bn if NEET rates were reduced to the levels seen in the Netherlands.

The politics of youth employment

- Nearly three in five (57%) voters believe that the UK Government should be doing more to help young people get into work.
- Two-thirds of young people (66%) want to see greater action from the Government to help young people get into work.

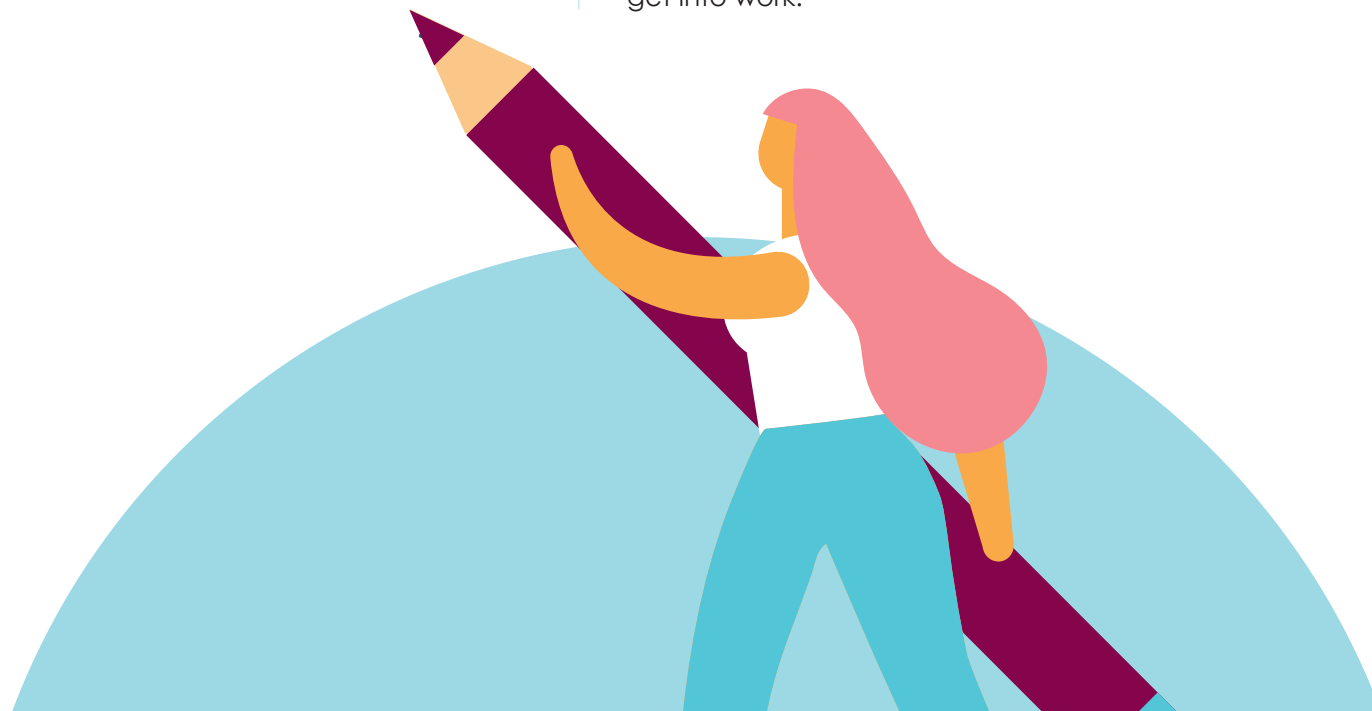
- Voters across the UK back policies to cut youth unemployment to help the economy, support the health and wellbeing of individuals, and to make local communities safer.

Young people's outlook on the labour market in 2024

- Young people perceive that finding a job has become more difficult, but many remain optimistic about the future.
- There is high awareness of many services available to find career, job and training opportunities, with 79% of young people aware of job websites such as Glassdoor, Indeed and Totaljobs.
- In-school and online activities see the highest levels of engagement from 16 to 25-year-olds, with seven in ten young people (69%) reporting they had accessed careers advice and guidance within a school or college.
- There remains variation between the services used by young people who are NEET and those who are in education, employment or training.
- 16 to 25-year-olds face significant barriers to entering the world of work and the most commonly cited perceived barrier is a lack of training, skills and work experience.
- A third of young people report having a mental health condition, and 85% of those believe that their condition affects their ability to either find work, or to function in a professional environment.
- While apprenticeships are seen as helpful, some young people encounter significant barriers to accessing them.

Moving to better solutions for young people

- Building a joined up programme of policy interventions that holistically support young people, particularly those most marginalised, as set out by the Young Person's Guarantee including extending the support offered by Youth Hubs, targeting greater support to young people who are NEET, and establishing a new joint ministerial brief between the Department for Work and Pensions and the Department for Education to oversee youth employment policy.
- NEET prevention and better transition support should be prioritised - including trialling more intensive support for marginalised young people in education who are at risk of becoming NEET.
- Making better support for marginalised young people to access and complete good apprenticeships a priority, with a focus on greater support for line managers and businesses, and reform to the Apprenticeship Levy.
- Providing better support to those who face extra barriers, for example developing a care leavers' employer support package and investing in supported internships.



Youth employment in 2024

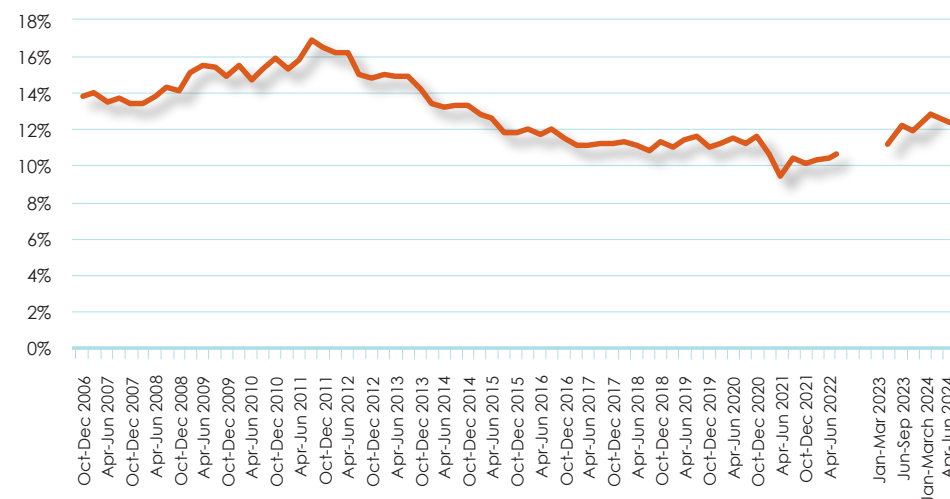
The proportion of young people not in education, employment or training (or 'NEET') is increasing across the UK. The chance of being NEET is higher for many groups who are at risk of social and economic marginalisation, and the rates vary with gender, ethnicity, disability and geography. Young people who are not in employment can be either unemployed (i.e. they are actively seeking work) or economically inactive (i.e. not seeking work).

NEET rates in the UK are worsening

The latest NEET rate for those aged 16 to 24 in the UK stands at 12.2%, which is 872,000 young people - 1 in 8 young people.¹

NEET rates vary considerably by age, with a higher level for those aged 18 to 24 (14.5%) compared with 16 to 17-year-olds (4%), who are more likely to still be in formal education or training programmes.²

Over the past three years, the percentage of young people who are NEET has been growing. People aged 16 to 24 years who are NEET as a percentage of all young people, seasonally adjusted, UK, October to December 2006 to April to June 2024



Source: Labour Force Survey from the Office for National Statistics
Note: Reweighting of the Labour Force Survey from July to September 2022 caused a stepwise jump in the data

The number of young people not learning or in work has remained stubbornly high in recent years. Following the 2008-9 recession, NEET rates reached a peak of 16.9% in mid-2011, followed by a gradual decline until the Covid-19 pandemic. But in the last three years, the UK NEET rate has been climbing once again, growing by over a quarter since April-June 2021.

Young men and young people from certain ethnic minority backgrounds experience higher NEET rates

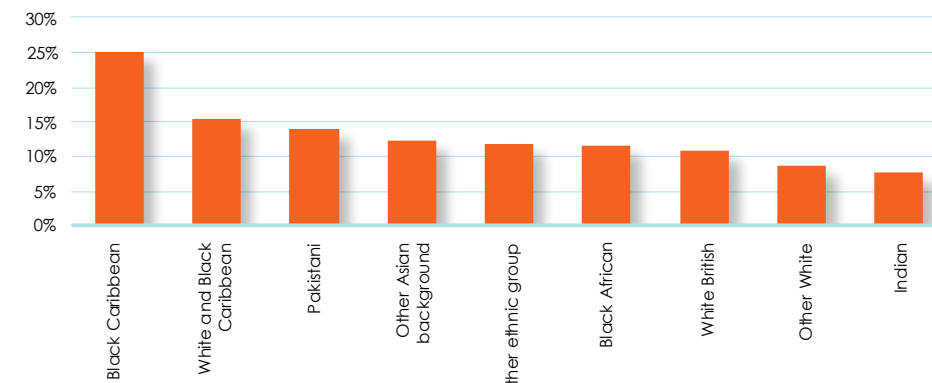
NEET rates vary significantly across different groups of young people in the UK.

Youth Futures' analysis of the ONS's Annual Population Survey shows that young people who are White British have a NEET rate of 10.9%. However, the NEET rate for young people from a Black Caribbean background is 2.3 times higher (25%), while the rate for young people from Pakistani backgrounds stands at 13.9%.

North East and East of England are NEET hotspots

There is significant regional variation in the proportion of young people who are NEET.⁴ Analysis by Youth Futures of data from the Annual Population Survey shows that the North East of

The NEET rate for young people from a Black Caribbean background is 2.3 times the NEET rate for young people from a White British background People aged 16 to 24 years, England, January 2020 to December 2022



Source: Annual Population Survey 3-year pooled data from the Office for National Statistics
Note: Estimates of the following ethnicities have been removed due to small sample counts of between 3 and 25 persons: White Irish, White and Black African, Bangladeshi, Other Mixed, White and Asian, Chinese, Other Black background.

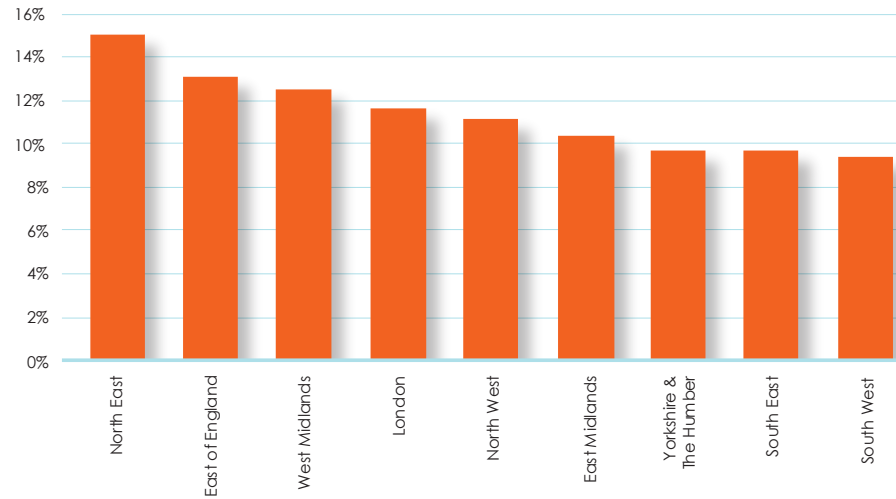
The data in 2024 shows that the NEET rate for young men is 13.5%, compared with 10.8% for young women.³ Young people from certain ethnic minority backgrounds also experience higher NEET rates in England.

England has the highest rate (15.0%), followed by the East of England (13.1%), the West Midlands (12.5%), and London (11.6%).

1. <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/unemployment/bulletins/youngpeoplenotineducationemploymentortrainingneet/august2024>
2. <https://explore-education-statistics.service.gov.uk/data-tables/fast-track/57739194-75a4-4ab4-be91-08dc3901786a>

3. <https://data.youthfuturesfoundation.org/dashboard/neet/>
4. <https://explore-education-statistics.service.gov.uk/find-statistics/participation-in-education-and-training-and-employment>

The North East has the highest NEET rate in England People aged 16 to 24 years, England, January to December 2023



Source: Annual Population Survey from the Office for National Statistics

The areas of England with the lowest proportion of NEET young people are the South West (9.4%), the South East (9.7%), Yorkshire and the Humber (9.7%), and the North West (11.2%).

Marginalised young people face significant barriers to employment

Region, ethnicity, and gender are not the only factors contributing to fluctuation in NEET rates. Many other groups of young people who face significant barriers in their lives are more likely to experience worklessness and fall out of education. The more barriers a young person faces, the more likely this is to be the case.

The Independent Review of Children's Social Care in 2022, commissioned by the last Government, shows that young people aged 19-21 with experiences of

the care system were three and a half times more likely than all other children to be NEET⁵, with the latest figures indicating a NEET rate of 38%.⁶

Young people with special educational needs and disabilities (SEND) are also much more likely to be out of work. Data from the Office for National Statistics show that 23.9% of young people with a disability are NEET.^{7,8}

Analysis of the Longitudinal Education Outcomes (LEO) dataset shows lower rates of employment or engagement in education and training for young people who were identified as having special educational needs while in school.⁹ This disparity is seen both shortly after young people leave compulsory education, and over the subsequent decade.

Research carried out with NatCen and Youth Futures supports this, showing

that the odds of a young person with SEND becoming NEET are 1.9 times higher than for a young person without SEND.¹⁰

Themes in youth employment in 2024: mental health

One of the major issues impacting young people's employment prospects in 2024 is poor mental health.

Analysis of the Understanding Society - The UK Household Longitudinal Study data by the Resolution Foundation and the Health Foundation shows that increasing numbers of young people are experiencing mental ill health.¹¹ From the mid-2010s to 2021, there has been a 42% rise in the number of young people (18-24-year-olds) crossing the threshold at which they are considered to have a 'common mental health disorder' (such as depression or anxiety), with over a third (34%) of young people now affected.¹²

The Resolution Foundation and Health Foundation research suggests the impact of poor mental health on employment is significant. The analysis found that as the share of young people struggling with their mental health has increased over the last decade, the number who are out of work due to ill health has doubled - increasing from 93,000 in 2013 to 190,000 in 2023.

Themes in youth employment in 2024: apprenticeships

Youth Futures' review of the available evidence from high income countries, published in the Youth Employment

Toolkit, shows that apprenticeships are likely to help young people prepare for and access jobs.¹³ However, figures from the Department for Education indicate that apprenticeship participation among young people has fallen over recent years.

In the 2022/23 academic year, 77,700 young people under the age of 19 and 98,800 young people aged 19 to 24 started apprenticeships in England.¹⁴ Taken together, the overall number is 20% lower than the number of apprenticeship starts for young people aged 24 and under in 2017/18.



NEET rates: looking ahead

"With NEET rates rising over the last few years, the data paints a worrying picture with the outlook for young people looking uncertain at best. The Office for Budget Responsibility forecasts little improvement in unemployment rates over the next four years. The National Institute of Economic and Social Research forecast slowly rising unemployment and inactivity in a looser labour market. These wider labour market conditions, alongside entrenched and high levels of economic inactivity (which for young people are connected with increasing rates of mental health issues), look set to make the UK's high NEET levels a persistent and important challenge that we simply cannot ignore."

Andrea Barry, Principal Economist, Youth Futures Foundation

5. https://assets.publishing.service.gov.uk/media/640a17f28fa8f5560820da4b/Independent_review_of_children_s_social_care_-_Final_report.pdf
 6. <https://explore-education-statistics.service.gov.uk/find-statistics/children-looked-after-in-england-including-adoptions>
 7. <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/unemployment/adhocs/15006youngpeoplenotineducationemploymentortrainingneetbydisabilitystatusuk2018to2021>
 8. <https://www.gov.uk/government/collections/statistics-neet>
 9. <https://department-for-education.shinyapps.io/leo-post16education-labourmarket/>

10. <https://youthfuturesfoundation.org/wp-content/uploads/2023/12/OVERLA2.pdf>
 11. <https://www.resolutionfoundation.org/app/uploads/2024/02/Weve-only-just-begun.pdf>
 12. Respondents are classified as having a 'Common mental disorder' if they have a General Health Questionnaire-12 score of three or more.
 13. <https://youthfuturesfoundation.org/toolkit/apprenticeships/>
 This finding is based on a meta-analysis of comparison group studies that meet the criteria for inclusion in the Youth Employment Toolkit. Unfortunately only a small number of studies examining apprenticeships fall into this category.
 14. <https://commonslibrary.parliament.uk/research-briefings/sn06113/> <https://explore-education-statistics.service.gov.uk/data-tables/fast-track/aa56dc4a-7fd5-4432-8b35-5586bcb0c0ce>

Youth employment in an international context

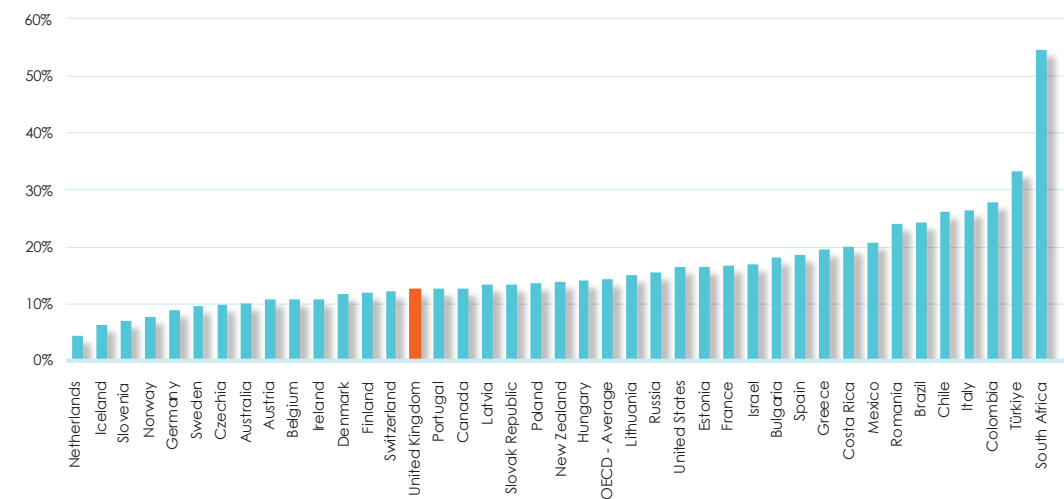
The UK's NEET rate does not exist in isolation, and understanding how the UK compares to others in the OECD is important for policymakers.

The UK sits in the middle of the OECD for NEET rates

The UK's NEET rate in 2022 stood at 12.5%, slightly lower than the OECD average of 14.3%.^{15,16}

The countries with the highest NEET rates in the OECD dataset are Turkey (33.3%), Columbia (27.8%), and Italy (26.4%). The countries with the lowest rates, with more young people employed or engaged in learning, are the Netherlands (4.4%), Iceland (6.2%), Slovenia (7%), Norway (7.7%), and Germany (8.9%).

The UK's NEET rate is slightly lower than the average of other countries in the OECD dataset
People aged 20 to 24 years, OECD, 2022 or latest available data



Source: OECD

The UK's NEET rate has fallen less sharply than comparable countries

Many OECD countries have improved their NEET rates in recent years. The average NEET rate across the OECD fell from 19% in 2002, to 14.3% in 2022. Over the same period the UK rate fell from 15.3% to 12.5% - a slower rate of improvement.

During the last 20 years, the main international success stories among more comparable economies to the UK have been the Netherlands and Germany. The Netherlands has reduced its NEET rate from 6.3% to 4.4%, a 30% decrease.

In Germany, the same period has seen the proportion of young people not in education, training or the labour market decrease by over two-fifths (44%), from a high of 15.9% to a current rate of 8.9%.

Over the long term, UK GDP could be increased by £69bn if NEET rates were reduced to the levels seen in the Netherlands.¹⁷

The UK can learn from other countries

Many OECD countries with low NEET rates also have well-established, large-scale technical and vocational education systems. For example, Germany's 'dual system' of vocational education and training is often cited as a significant driver of low youth unemployment rates.¹⁸ Similarly Switzerland, which has historically one of the lowest NEET rates in the OECD, has a strong technical education system. The country's 'Vocational and Professional Education and Training' system (VPET) sees heavy investment in apprenticeships from employers and is a pathway for two-thirds of all young people leaving compulsory education in Switzerland.¹⁹



17. <https://impetus-org.files.svdcn.com/production/assets/publications/Young-Persons-Guaranteee.pdf>
 18. <https://www.pwc.co.uk/economic-services/YWI/youth-employment-index-2022.pdf>
 19. <https://www.pwc.co.uk/economic-services/YWI/youth-employment-index-2022.pdf>

15. Note on international comparisons: UK figures relate to the age group 16-24 unless otherwise stated. OECD figures relate to the age group 20-24, so UK figures quoted in the context of the OECD may differ from domestic figures.
 16. <https://data.oecd.org/youthinac/youth-not-in-employment-education-or-training-neet.htm>

The politics of youth employment

Last Autumn the Youth Employment Group (YEG), a coalition of the leading youth employment experts, carried out polling to understand voter appetite for policies to tackle the NEET challenge.²⁰

Voters back more action to tackle youth unemployment

Nearly three in five (57%) voters believe that the UK Government should be doing more to help young people get into work.

People who voted for the Labour Party in the past feel most strongly that more should be done to improve young people's employment prospects. Over seven in ten Labour voters (71%) said they backed government action on this issue, compared with just two in five (41%) who at the time, had previously voted Conservative.

Young people want greater action from politicians

When asked in Spring this year if they want to see greater action from the Government of the day to help young people get into work, two-thirds (66%) of young people agreed, four times more than the number of young

people who thought the Government was doing enough (17%).

A greater proportion of young people also felt that their opinions, and the views of other people their age, are insufficiently listened to in political debates about unemployment in the UK.²¹ Over half (54%) said they believed they are not sufficiently listened to, compared to just three in ten (30%) who believe they were.

Specific policies to cut youth unemployment are popular with the electorate

While a majority of voters surveyed last year backed the then Government doing more to support young people into work, specific policies were shown to be more popular with the electorate.

Over eight in ten (81%) said they'd support a policy where, within four months of becoming unemployed or leaving education, all young people receive help from the Government to start work, training or further education.

This type of policy intervention has cross-party appeal. While Labour voters said they'd back this policy most strongly (86%), it was similarly popular with Conservative voters (81%) and Liberal Democrat voters (84%).

Cutting youth unemployment is popular because of its benefits to society and the economy

Voters across the UK backed policies to cut youth unemployment for many different reasons. Three-quarters (74%) believed that reducing youth unemployment rates would support the health and wellbeing of individuals, six times the number of people who believe it would have no impact (12%).

Cutting unemployment among young people was also popular as a measure for improving the economy, with more than seven in ten (73%) supporting policy interventions for this reason. This compares to just 11% who believed it will have no impact on the economy. Previous Liberal Democrat voters were most supportive (79%), followed by Labour voters (77%).

Nearly two-thirds (64%) of voters also believed that tackling youth unemployment would help to make their local community safer. This was popular among two-thirds of voters from the three largest political parties.



20. 2,200 UK adults were interviewed by YouGov for the Youth Employment Group.

21. 2,510 young people aged 16 to 25 were interviewed by Stack Data Strategy for Youth Futures Foundation.

Young people's outlook on the labour market in 2024

Youth Futures commissioned a poll of 2,510 young people aged 16 to 25 across the UK to understand their perspective on the labour market in 2024.²²

Young people perceive that finding a job has become more difficult, but many remain optimistic about the future

Young people in the UK think that it has become more difficult to find a job. When asked to compare the overall situation for young people looking for work now, compared with 10 years ago, approximately three in five (62%) believe it has become harder to find a job, compared with less than a quarter (24%) who think it has become easier.

When asked to compare their generation to their parent's generation, however, young people's perceptions about how job prospects have changed are split. A third (35%) believe things have got better, a third (36%) believe things have got worse, a quarter (23%) believe things have stayed relatively the same, with just 6% unsure.

While there are mixed views on how job prospects for young people have changed, around half (52%) of young people report feeling optimistic about their own job prospects over the next five years, compared with 16% feeling pessimistic.

Young people with higher qualifications are more likely to feel optimistic than those with low qualifications, or with none. Just under half of those with no formal qualifications (46%) and between one and four GCSEs (45%) said that they felt optimistic. Those with bachelor's degrees (59%) or professional qualifications (67%) were most likely to say that they felt optimistic.

One in four (25%) young people who are NEET feel pessimistic about their job prospects in five years' time, a much higher proportion than those who are in education, employment or training (15%).

High awareness of services available to find career, job and training opportunities

Young people are aware of a broad range of different tools to help them find jobs. The tools with the highest awareness are job websites such as Glassdoor, Indeed and Totaljobs (79%), followed by careers advice and guidance within school or college (78%), and the Government's 'find a job' website (72%). Around two-thirds of young people are also aware of the support on offer from Job Centres (68%) and at local careers fairs (66%).

Awareness of other publicly funded services was lower. The National Careers Service had the next highest awareness among young people

(57%), followed by employment support services within councils (52%) and Youth Hubs (40%).

In-school and online activities see the highest levels of engagement from 16 to 25-year-olds

The most commonly accessed services to support job searching were those which are either available online or delivered within an educational setting.

Seven in ten young people (69%) had accessed careers advice and guidance within a school or college and two-thirds (64%) had used the UCAS system, while three in five (61%) had participated in a careers fair.

The most commonly used online tools include job websites such as Glassdoor or Indeed (81%) and the Government's 'find a job' website (63%).

Variation between the services used by young people who are NEET and those who are in education, employment or training

The starkest variation in access to services for young people who are NEET compared to those in employment, education or training is for school-based careers advice and guidance.

While just under six in ten (57%) young people who are in employment, education or training say they received careers advice and guidance when they were at school, this drops to just 33% for those who are NEET.

Young people who are not in work, training or education are slightly more likely to have used Job Centres than

those who are working or studying. Nearly three-fifths of young people who are NEET (57%) report having accessed these services compared with 49% who are in training, education or work.

Other public sector services that NEET young people are more likely to use include local authority employment services, with over half of NEET young people (51%) having used them compared to 43% of young people who are in work or education.

NEET young people find some mainstream services harder to access than other young people

Less than one in ten (6%) young people report never having accessed any mainstream support services that would help them enter the labour market. This increased to 19% for NEET young people.

While there is substantial variation in the awareness and uptake of different types of job search services and tools, the majority of young people who have used them feel they are easy to use.

At least 60% of young people who had used each tool ranked it as 'easy to use'. Many, such as school and college careers guidance (76%), UCAS (75%), or support from local charities (70%), scored much higher.

Young people who are NEET were more likely to rate some of these tools as being difficult to access compared to young people who are in employment, education or training. These included the National Careers Services (50% of NEET young people vs 66% of EET young people), careers fairs (50% of NEET young people vs 72% of EET young people), Youth Hubs (55% of

NEET young people vs 67% of EET young people) and UCAS (56% of NEET young people vs 76% of EET young people).

A similar proportion of young people surveyed rated other services as 'easy to access', including general jobs websites (80%), Job Centres (78%), and housing association support (76%).

A lack of skills or training, low wages and poor mental health are all seen as barriers for young people moving into the workplace

When asked to rank the top three barriers preventing young people from finding a job in the UK today, the most commonly cited barrier by young people was a lack of training, skills or work experience, noted by around four in ten (41%).

The second most cited barrier for nearly two-fifths of young people is low wages (38%), followed by a third (33%) referencing a lack of support to access employment, such as reasonable adjustments or flexible working patterns.

Nearly a third of young people also believe that poor mental health is a significant barrier to entering the world of work (32%), alongside a lack of vacancies at the appropriate skill level (31%).

Young people who are NEET are more likely to cite poor mental health as a barrier (44% of young people who are NEET). This is followed by a lack of training, skills or work experience (39%) and a lack of vacancies at their skill level (35%).

Mental health affects young people's job prospects

Nearly a third (31%) of all survey respondents stated that they had

a mental health condition, rising to 39% among those who are not in education, training or the workplace.

Of the third reporting mental health conditions, 85% believe that their condition affects their ability to either find work, or to function in a professional environment.

When asked whether it is more difficult to find a job due to their mental health, over half (55%) of young people who are NEET and have a mental health condition agreed, compared to 43% of those who are currently in employment, education or training.

Many young people who are already in the workplace also perceive that their mental health is a barrier to progression. More than two in five (44%) of young people believe that it is more difficult for them to progress in their place of work as a result of their mental health.

Apprenticeships are seen as helpful - but significant barriers remain

Apprenticeships have broad support among young people. More than three times as many 16 to 25-year-olds believe that apprenticeships are a good option to help them find work (65%) compared to those who don't (20%). Those already in work, education or training are more likely to believe this (69%) than those who are currently NEET (57%).

The most commonly cited barrier to apprenticeship participation is the low level of the minimum wage for apprentices (33% of respondents named this issue). Nearly three in ten (29%) also felt that a lack of apprenticeships in the sectors they are interested in joining was a barrier to their starting an apprenticeship.

Moving to better solutions for young people

We need to learn more about what works to support marginalised young people into good jobs. But we have enough information from the current evidence base to guide what we should focus on now.

Young Person's Guarantee:

A commitment that all young people under the age of 25 will receive support to access employment, training or education within four months of leaving employment or formal education. The Guarantee has been proposed by the Youth Employment Group, a national coalition of youth employment experts, who have also set out a number of policy asks to support the adoption of the Guarantee:

- Proactively support young people in education who are at high risk of NEET.
- Re-commit to Youth Hubs and extend their services to all economically inactive young people.
- Establish a new joint ministerial brief between the Department for Work and Pensions and the Department for Education.
- Pilot a targeted placement scheme for young people who are long-term NEET.
- Strengthen and broaden the range of Level 2 and Level 3 pathways available to young people.



The new Government has announced a Youth Guarantee for all young people aged 18 to 21, signaling welcome and positive policy intent.

The Youth Employment Group has previously outlined a Young Person's Guarantee which recommends the starting basis for a package of joined up policy support for young people up to the age of 25, to receive support to access employment, training or further studies within four months of leaving the workplace or formal education.

This includes extending the support offered by Youth Hubs, targeting greater support to young people who are NEET, to establishing a new joint ministerial brief between the Department for Work and Pensions and the Department for Education to oversee youth employment and more.

NEET prevention and better transition support

- Increase support for schools and colleges to better enable marginalised young people, particularly those most at risk of becoming NEET (and those unlikely to achieve five GCSEs), to be more prepared for transitioning into work. This must include facilitating more opportunities to engage with employers through an enhanced and accessible careers education offer.

- Trialling more intensive support for marginalised young people in education who are at risk of becoming NEET, such as the Building Futures programme, which will robustly test and evaluate support and mental health interventions for young people.

Better support for marginalised young people to access and complete good apprenticeships

- Introduce an Apprenticeship Guarantee to ensure a Level 2 or Level 3 option is available for every young person qualified who wants one; survey data from the CIPD shows nine in ten employers support this.
- Reforming the Apprenticeship Levy, through ringfencing at least 50% of levy spend for opportunities for young people, and consider increasing and widening the funding to employers to support certain groups of young apprentices who face additional barriers (such as young care leavers).

- Providing more support to employers, especially line managers. Emerging learning from the Workwhile project indicates that bespoke support to employers when they onboard apprentices is likely to support successful delivery, especially for young people facing additional barriers.

Provide extra support to those who face extra barriers

- Developing a care leavers employer support package, including wage subsidies and wrap-around support for young people. This would include reviewing existing bursary levels and benefits conditionalities, so that young people with no family support are not caught in an "employment trap" where working excludes them from wider entitlements.
- Investing in supported internships, apprenticeships and supported employment for young people with learning disabilities and autistic young people.

Mental health

- Increase support for young people to improve their mental health through further funding for school and community-based mental health services.
- Equip Integrated Care Systems to support young people when mental health problems arise and ensure that child and adolescent mental health services (CAMHS) are accessible without long waits. Test further interventions that support young people with mental health issues into work such as Youth Individual Placement and Support.



Methodology

Youth Futures conducted multiple forms of data analysis to inform this report. All official statistics, for example from the ONS or OECD, have been referenced throughout.

On behalf of Youth Futures, Stack Data Strategy conducted 2,510 online interviews with young people aged between 16 and 25 in the UK, including 210 young people not known to be in education, employment or training. Interviews took place between 28 March and 5 April 2024.

The results of the analysis mentioned in this report are weighted by age, gender, region, level of educational attainment, and NEET status, to ensure

that these samples are representative of the UK population of people aged between 16 and 25.

Due to weighting and rounding, the percentages mentioned may not always add up to exactly 100%.

The Youth Employment Group, which includes Youth Futures, also commissioned data analysis from YouGov about the general public's attitudes towards youth employment.

A nationally representative sample of 2,200 adults were interviewed between 21 and 22 September 2023. The sample size was weighted by past vote, their vote in the EU referendum, gender, and region.



Helping understand data and evidence through our digital tools

As the What Works Centre for youth employment, we believe that evidence is essential to building our understanding of the complex challenges we face, and the opportunities we have to support more young people into good jobs. Yet it is often too hard to access and interpret the data and evidence that exists. That's why Youth Futures has developed essential, free, digital tools to support employers, researchers, policy makers and others to access the key information they need.

Our **Data Dashboard** presents the most up-to-date youth labour market and economic data and our latest research. It is automatically updated to reflect relevant official data releases as soon as they are available. It also showcases visual dashboards on NEET rates, the labour market, the consumer price index and job vacancies. The Data Dashboard aims to make a wide range of data on youth employment easily accessible in one location.

Our **Youth Employment Toolkit** presents summaries of evidence on the effectiveness of interventions used to help young people who are out of work to find employment. The current edition

of the Toolkit (published in 2023) includes information about seven interventions (apprenticeships, basic skills training, life skills training, mentoring/coaching, off-the-job training, on-the-job training, and wage subsidy programmes), with more to be added in late 2024. Our **Toolkit Unwrapped** series explores each intervention in more detail, and is specifically designed to support employers to make informed decisions about their policies and/or practice.

The **Youth Employment Evidence and Gap Map (EGM)** is the world's largest mapping resource that shows the scale and shape of the global evidence base on what works to improve skills, employment and job quality for young people. Users can find out what evidence is available, how it relates to specific countries and groups of young people, and where gaps remain.

We will continue to develop these tools in real time, ensuring they bring together the very latest evidence to support evidence-informed decision making. You can access all three tools on our website at www.youthfuturesfoundation.org



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