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bulletin

NEET Strategy: Raising the Participation Age, An Opportunity for All?

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Introduction

In what has been described as the biggest reforms to education, training and skills in a generation, the Government has set out a forceful new strategy to tackle the problem of young people not in education, employment, or training (NEET), in its policy *Raising Expectations: staying in education and training post-16*.

Participation in full-time education amongst 17 year olds, in England and Wales, has increased in each of the four last years, to around 76% at the end of 2005¹. This increase is likely to have been encouraged, at least in part, by the introduction of Education Maintenance Allowances (EMAs), which offer monetary incentives for students staying on in post-16 education. However, the Government's recently announced NEET strategy marks a fundamental shift in policy. Whilst monetary incentives will remain, this will be combined with measures to make it compulsory for young people to stay in education or training until they are 18. It is hoped that the Government's NEET strategy, and in particular its policy *Raising Expectations*, will serve to pre-empt young people from becoming NEET in the first place. In addition, it is hoped that it will tackle the 'hard core' of young people who are long-term NEET and as such hardest to reach.

This bulletin will begin by exploring briefly what is meant by the term NEET and also what it means in with regards to disability, gender, and ethnicity. Following on from this, the bulletin will consider the problem of young people not in education, employment, or training within the context of both the *Leitch Review of Skills* and The *Review of Sub-National Economic Development and Regeneration*. Both reports set out the importance of investing in skills for the

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<http://www.dfes.gov.uk/consultations/downloadableDocs/EQUIA%20%5BFINALFINAL%5D%20word%20version.pdf>

sake of the UK's economic competitiveness. Whilst the global economy will offer opportunities for some, unless people have adequate skills they will risk being left behind, thus missing out on the benefits of globalisation, and consequently cemented social inequalities. Having outlined the benefits of reducing NEET, for both individuals and society, this bulletin will outline the main features of the new strategy. Finally, the bulletin will conclude with a look at how *Raising Expectations: staying in education and training post-16* has been received.

What is meant by NEET?

NEET refers to young people aged between 16 and 19 who are not in education, employment, or training. The term emerged in the 1990s as a way of highlighting the needs of vulnerable young people at a time when youth unemployment was declining. In the UK, the focus on NEET can be linked directly to changes in benefit regimes that were being implemented in the late 1980s. This change had come about with reform of the benefit system in 1988 which saw most under 18 year olds left with only limited entitlements. With eligibility to unemployment benefits removed for under 18 year olds, a new label was needed to identify those who had neither remained in full-time education nor found employment or a training place. In *Bridging the Gap*² (1999), the term NEET was firmly established as the only acceptable form of language to be used in referring to workless youth. The term is used in other countries too, namely in the US and also Japan, where they have also coined the term 'Freeters' (combining the English word Free and the German word Arbeiter) which are young people who move constantly from one low wage job to another as a lifestyle choice.

Whilst the term NEET commonly conjures up images of the long-term unemployed, or the Core NEET, it also refers to the Floating NEET (those who drift in and out of employment and/or training) and Transition/Gap Year NEET (young people who take 'time out' after completing compulsory education and before undertaking post-16 education). Recent data from the DfES³ indicates that 78.1% of 16 year olds are in full time education – a rise of 6 per cent in 3 years. Furthermore, 89.7% of 16 year olds and 81.5% of 17 year olds are in some form of education or training. Overall, the NEET figure for 2006 for all 16-18 year olds is 10.3%, down from 10.9% at the end of 2005.

Whilst overall statistics appear reassuring, when considered more closely variations become evident. For example, some regions perform better than others, especially where partnerships have been in place longest. Between 2004 and 2006, less than 6% of 16-18 year olds were NEET in the South East. In contrast, almost 12% of 16-18 year olds in the North East were NEET. Statistics such as these suggest that whilst improvements have been made, there remains a hard core of young people who are NEET and in need of targeted interventions.

Heterogeneity of NEET

There are also a number of significant equality issues to take into consideration along the lines of disability, gender, and ethnicity. Statistics cited in the DfES' *Initial Equality Impact Assessment*⁴ highlight the following points:

² <http://archive.cabinetoffice.gov.uk/seu/downloadaddoc6fb5.html?id=31>

³ <http://www.dfes.gov.uk/14-19/documents/NEET%20%20Strategy.pdf>

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<http://www.dfes.gov.uk/consultations/downloadableDocs/EQUIA%20%5BFINALFINAL%5D%20word%20version.pdf>

Disability

- Disabled people of working age are more than twice as likely as non-disabled people to have no qualifications at all (25% as opposed to 10%). (LFS, Autumn 2005)
- At age 16, 15% of disabled young people are NEET compared to 7% of those without a disability (YCS SFR04/2005)
- In 2005/06, 13% of level 2 Apprentices considered themselves to have a disability or learning difficulty; 87% did not consider themselves to have a disability or learning difficulty (LSC corporate reports)
- In 2005/06, 7% of level 3 Apprentices considered themselves to have a disability or a learning difficulty, while 93% did not (LSC corporate reports)

Evidently, young people with disabilities are still less likely to achieve qualifications and more likely to be NEET than their able-bodied peers.

Gender

- Girls are more likely to stay on in post-16 full-time education than boys. At the end of 2005, 64% of girls aged 16-18 were in full-time education compared to 55% of boys (SRF 21/2006)
- More young men than young women are NEET (at the end of 2005, 12% of young men were NEET compared to 10% of young women). (SRF 21/2006)
- Young men are more likely to participate in an Apprenticeship (at the end of 2005, 7.8% of young men were participating compared to 4.9% of young women). (SRF 21/2006)

Whilst young men aged 16-18 participate in more Apprenticeships than their female counterparts, overall they are more likely to be NEET. Furthermore, where they are participating in education, their attainment rates are lower.

Ethnicity

- Amongst 16-19 year olds in 2005, 13% of Black Caribbean people were NEET compared to 8% of White and 4% of Indian (Connexions CCIS data Dec 2005)
- Black students have lower Further Education success rates; in 2004/05 the FE success rate for Black students was 67% compared to 71% for Asian people and 75% for White students (ILR SFR 10)
- Some ethnic communities, particularly African-Caribbean and Gypsy/Traveller pupils, are over-represented in permanent and fixed period exclusions pre-16 (SFR 24/2006)

It is clear from the statistics, then, that certain ethnic minority communities are more likely to be NEET than others. Furthermore, the lower success rate of some groups in particular is also a cause for concern. As such, we are once again reminded that whilst we have witnessed overall improvements within NEET statistics, there remains a core group of young people who are not being reached at present, and it is this challenge that the Government's *Raising Expectations* policy hopes to tackle.

Policy Context

Having explored what is meant by the term 'NEET', it is relevant to consider why tackling the problem of young people not in education, employment, or training is

a policy priority for the Government within the wider context of Britain's performance in the global economy.

Leitch Review of Skills⁵

The Government commissioned Sandy Leitch in 2004 to undertake an independent review of the UK's long-term skills needs. The final report, the *Leitch Review of Skills* was published on 5th December 2006. Leitch's central argument states that investment in knowledge and skills is essential in order for the UK to compete in the global economy. In an era where emerging economies such as India and China are altering UK competitiveness, the UK must 'raise its game' in order to compete.

According to the review, unless the UK can develop reforms to schools, colleges, and universities making its skills base one of its strengths, UK businesses will find it increasingly difficult to compete. As such, the *Leitch Review* stresses the significance of skills for the future of Britain's population and economy. Skills are presented as the key to unlocking the potential of the UK population, encouraging higher productivity, the creation of wealth, and social justice. Therefore, if young people are not in education, employment, or training they are not acquiring the essential skills they will need to succeed in the 'knowledge economy'. Without the necessary skills, today's young people will find it difficult to compete for jobs in the future, and as such they risk falling into long-term unemployment and therefore adding to the problem of worklessness. The review concludes that a population not sufficiently 'tooled up' with the necessary skills risks undermining the UK's long-term prosperity.

Review of Sub-National Economic Development and Regeneration⁶

The *Review of Sub-National Economic Development and Regeneration* was published 17th July 2007 and outlines the Government's plans to refocus both powers and responsibilities to support its objectives to encourage economic growth and tackle deprivation. More information on the *Review* can be found in a previous bulletin published by CLES titled, *Review of Sub-National Economic Development and Regeneration: the BIG ISSUES*.

Again, like the *Leitch Review*, the *Review of Sub-National Economic Development and Regeneration* stresses the significance of Britain's position in the global context. It states that we are living in an era of global communications and rapid technological innovation. Places must be able to respond quickly and flexibly to economic change. Young people growing up today can expect a life of change, and it is a priority of the Government to equip them with both the skills and also the personal capabilities, resilience, interpersonal skills and the attitudes that will enable them to benefit from the opportunities that globalisation will bring.

In light of this, there is a premium on enterprise, innovation, and skills. According to the review, Government must devolve further responsibility to regions and local authorities to meet the challenges of the global economy. As such, there is an emphasis on the role of local authorities in promoting young people's participation in further education. The *Review of Sub-National Economic Development and Regeneration* can therefore be seen as a continuation of the principles of *The Local Government White Paper*, which was published in October 2006. This paper advocated measures to give local authorities more opportunity to: lead their area, work with other services, and better meet the public's needs.

⁵ http://www.hm-treasury.gov.uk/media/6/4/leitch_finalreport051206.pdf

⁶ http://www.hm-treasury.gov.uk/media/9/5/subnational_econ_review170707.pdf

This approach sees the rejection of the 'one size fits all' model. Rather, councils are to be provided with the freedom and space to respond with flexibility to local needs and demands. Local authorities will therefore have the powers, and the responsibilities, to shape local places. In a break away from the more traditional vertical power relationship, *The Local Government White Paper* sets out a vision of a horizontal power relationship between central and Local Government.

The underlying objective of *The Local Government White Paper* is to offer reforms to ensure that all parts of the country can respond to the economic changes as outlined in the *Leitch Review*, with the view to increasing prosperity for all. To achieve this, places must be given the opportunity to reach their potential, with an emphasis on accountability, incentives, and the public and private sectors working together. The paper recommends that local authorities, businesses etc in the regions have the tools to achieve sustainable economic, social and environmental development for the whole nation. In addition, local authorities should be encouraged to work together at the sub-regional level, e.g. Multi Area Agreements. As this bulletin will explain later, *Raising Expectations* gives local authorities the responsibility of promoting young people's participation and to support them to find appropriate education and training opportunities.

Why is tackling NEET important to policy makers?: The benefits to individuals and society at large

To sum up, both the *Leitch Review of Skills* and the *Review of Sub-National Economic Development and Regeneration* provide the backdrop for the Government's new strategy for tackling NEET. The UK has notable social disparities with high levels of child poverty, poor employment rates for the disadvantaged, regional disparities and relatively high income inequalities. As the UK becomes increasingly reliant on the knowledge economy (as the manufacturing, construction, and agriculture becomes less significant), those who are not sufficiently 'tooled up' are left behind, and consequently are excluded from reaping the rewards of a flourishing economy. The Government believes that improving skills levels will at least help the UK to compete globally, whilst at the same time tackling these persistent inequalities. It is argued that reducing the disparities between the poorest six performing regions and the rest of England will have the end result of boosting the UK economy. As such, tackling the problem of NEET will ensure a strong economic base, which will in turn help to solve other social problems.

In addition to the economic benefits of reducing NEET, the Government also outlines a number of societal and personal benefits that can be gained from participating in education, employment or training up to the age of 18. Young people who participate between the ages of 16 and 18 are less likely to experience teenage pregnancy, behave anti-socially, be involved in crime or go to prison. They are more likely to be healthy and to develop good social skills than those who are NEET. As such, it is clear that a failure to tackle NEET is likely to lead to future social problems.

The issue of worklessness in particular is high on the Government's agenda. The stated aim of the Government's latest Welfare Reform proposals is to encourage people who are of working age, but who are not in employment, to start working again. The Government's recent publication, *Ready for work: full employment in our generation*⁷, sets out the steps that the Government will need to take in order to reach the long term goals of an 80% employment rate and world class skills.

⁷ <http://www.dwp.gov.uk/welfarereform/readyforwork/readyforwork.pdf>

Clearly tackling NEET is vital for the Government to achieve its aim of reducing worklessness, as it is more difficult to encourage those who have spent periods not in education, employment, or training to enter employment later in life.

Tackling NEET is also a valuable investment for individuals, with significant financial benefits for young people who stay on in education or training up to 18. Increasing qualifications and skills makes young people more likely to be employed and to get jobs paying higher salaries. For example, on average a young person getting five or more good GCSEs earns more than £100,000 more over their lifetime than one who leaves learning with fewer qualifications.

Introducing the Raising Expectations policy

The Government sets out convincing evidence that tackling NEET will have tangible benefits for Britain, i.e. a strong position in the global economy, as well as 'softer' benefits for individuals, such as improved social skills. As highlighted earlier in this bulletin, whilst the number of young people who are NEET has dropped over recent years, the Government still faces real challenges in achieving its ambition of ensuring all young people remain in education or training until they reach 18.

It is with this in mind that the Government has announced its new strategy to tackle NEET: *Raising Expectations: staying in education and training post-16*, with its overall aim being to reduce the number of young people who are NEET by 2013. The most striking, and controversial, element of the new strategy is the Government's aspiration that by 2015, all young people will stay on in education or training until 18. At present, young people are only legally required to remain in education until 16.

1. A new requirement to participate

- The Government proposes to legislate to introduce a requirement for all young people to participate in education or training until the end of the academic year in which they are 17 from 2013 and until their 18th birthday from 2015.
- The Government stresses that young people will have a choice in how they participate in education or training after leaving school at 16. The Government intends that the majority of young people remain in full time education, however those who move into employment will need to complement their 'on the job' learning with some form of education, which could be an Apprenticeship scheme for example. Apprenticeships are designed to give young people the skills they need for work, the basic skills they need for life and a broader learning experience as grounding for progression in learning and work.
- Those who go into self-employment or working in family businesses after leaving school will also be required to participate in part-time education or training amounting to 280 hours of guiding learning per year.
- The Government hopes that their commitment to raising the age of participation sends a strong signal that will change the expectations and aspirations of young people, their parents and the education and training system.

2. Increased choice for young people

Increasing the age of participation to 18 depends on having good education options available to young people, whether in full-time education or employment. There must be appropriate, engaging, and valuable courses on offer for young people. In this policy, the Government proposes a number of options for young people to choose from, allowing them to tailor their own education.

- **Diplomas:** will give young people a fully rounded education through a mix of theoretical and applied learning, enabling them to develop skills and underpinning knowledge in a work related context. Diplomas will have a foundation in learning generic skills such as English, maths and ICT. This will be complemented by principal learning, which will develop knowledge, understanding and skills relevant to a broad economic sector. Finally, students taking a Diploma will gain specialist learning relating to their own particular interests.
- **Apprenticeships:** will offer vocational training for young people, giving them the opportunity to earn money as they train. Apprenticeships are currently over subscribed, and the Government is committed to making more opportunities available for school leavers who wish to pursue this route.
- **Foundation Learning Tier:** is being developed to replace and rationalise the current complex range of provision and qualifications below level 2 (GCSEs grades A*-C). The FLT will create a system of units and qualifications that are easier for learners and employers to navigate. The FLT will focus on skills for life and work, subject and vocational learning, and personal and social development.
- **Work with Training:** young people will still be able to enter employment under the *Raising Expectations* proposals, however, their employer will be required to conduct training towards an accredited qualification, or to release the employee each week for training elsewhere.
- **A Levels and GCSEs:** will continue to be on offer for young people who decide to continue in this route. In addition, access to the International Baccalaureate will be extended throughout the UK.

3. Increased support for young people

To help young people to decide which type of study or training is appropriate for them, in *Raising Expectations*, the Government pledges that personalised guidance and support will be available to young people to make sure they know how to access education, training or employment and to enable them to overcome barriers to participation. The Government sets out a universal offer to young people of good quality, comprehensive and impartial information, advice and guidance to support them to make informed choices about their future.

As such, the role of the Connexions service will become increasingly important. Connexions provides young people aged 13-19 (and people with learning difficulties and/or disabilities up to the age of 25) with information and advice about education, further education, and employment. To deal with the challenges that raising the participation age will face, Connexions will be providing further targeted youth support for those finding it difficult to make a choice, at risk of disengagement, or who face additional barriers to participation. As such, it will implement strategies to pre-empt young people becoming NEET. The Department

for Schools and Families, alongside the Department for Work and Pensions, is also working to support young people to make the transition from education and training to work.

Special measures will be taken to ensure that young people with special educational needs (SEN) will be supported in continued learning, particularly during the transition into post-16 education. Similarly, young people who are in care, or leaving care, will be given additional support.

4. Careful tracking

Careful tracking is advocated as a means to identify early those young people who are NEET, or who are at risk of becoming NEET. The current tracking system is called the Client Caseload Information System (CCIS), and the Government hopes that CCIS will be developed in order to create a comprehensive information system to ensure that information on the education and training experiences, and needs and wishes of young people, are recorded. This system will also assist guidance professionals to identify when a young person has dropped out of education or training. This process will involve rigorous and effective local tracking, which means that local authorities and their Connexions Services: know which young people are most at risk of disengaging; know their history, characteristics and needs; and are able to contact and support them individually. The Government proposes strengthening the tracking system by introducing a new requirement for post-16 learning providers to notify Connexions Services as soon as they drop out of learning and become NEET. Guidance professionals will then have the responsibility to help the young person find an alternative course and resolve any issues that are preventing them from continuing with education or training. If they fail to re-engage they will be issued with an Attendance Order that will specify where they must attend and when. If this Order is breached, civil or criminal sanctions will be enforced.

5. Financial Support

At present, young people from less well off households are eligible to claim Education Maintenance Allowance (EMA), a monetary incentive to encourage students to stay in education post-16. In *Raising Expectations*, the Government suggests that EMA should continue until compulsory participation is introduced in 2013, at which point financial support will be reconsidered. As such, *Raising Expectations* signals a move away from purely financial incentives. However, the Government will continue to provide financial support for disadvantaged young people, as a means of removing barriers to learning. For example, the Care to Learn initiative that helps young parents pay for childcare whilst they are in education or training.

6. Pre/Post NEET

In order to tackle the NEET problem, the Government acknowledges in *Raising Expectations* that strategies need to be in place to ensure young people remain engaged with learning throughout secondary school and up until 18. Measures the Government propose to introduce to ensure this include: the opportunity to study for a Diploma; a more flexible approach to teaching which focuses on literacy and numeracy; providing different learning environments; and demonstrating the importance of learning for their future careers. The Government hopes that these measures will prevent young people from slipping out of the education system at 16 (before it becomes compulsory to remain in education or training until 18 in 2015). In less tangible measures, the Government hopes that raising the

participation age to 18 will also raise both young people and their parents' expectations, making the move into post-16 education a natural progression.

For those young people who *do* become NEET, clear incentives will be put in place for them to re-engage quickly. For example, young people making the transition to Job Seeker's Allowance at 18, who have already been NEET for 26 weeks at the age of 18, will move immediately into intensive support to find employment. As such, the Government proposes an efficient service for getting back into learning and work those young people who became NEET but have no specific barriers to engagement.

Conclusion

The policy outlined in *Raising Expectations* offers a dramatic shift in the Government's NEET strategy. Undoubtedly, the decision to raise the participation age to 18 has emerged as the most controversial aspect of the strategy. Whilst *Raising Expectations* offers a detailed vision of what the new strategy hopes to achieve, there are nevertheless some issues that require clarification:

- The role of financial support is somewhat vague. The government has not said that schemes such as the EMA will be abolished, however, what will the role of monetary incentives be once education/training becomes *compulsory* until 18? More information is therefore required on the financial support available to young people once the participation age is raised.
- How will the success of the strategy be measured? Many of the predicted outcomes are 'soft' and therefore make evidence gathering difficult. For example, how will the Government measure whether young people have developed personal skills etc?
- Whilst the financial benefits of tackling NEET have been discussed at length, the Government is yet to address how the changes to policy will be paid for.
- To what extent is the Government investing in Connexions and the information and guidance services in order for them to be able meet the increase in demand? Will there be enough staff to undertake this work?
- The new strategy relies upon strong relationships and clear communication between multiplicities of partners, i.e. schools, employers, local authorities, parents. How will this be achieved?
- What role do NEETs have in driving the agenda? What changes do *they* want?

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