



Department  
for Education

# **Post-16 Education and labour market outcomes for Looked After Children (LEO)**

**Research report**

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# Executive Summary

## Longitudinal Education Outcomes (LEO) pathways of children looked after (CLA)

1. This report looks at the post-16 education and labour market activities and outcomes of 2.5m young people that took their General Certificate of Secondary Education (GCSEs) exams in England between 2006 and 2009. It focuses on around 25,000 individuals who had been in care ('Children Looked After', or CLA)<sup>1</sup> during some of secondary school<sup>2</sup> are compared to all individuals. It uses the Longitudinal Education Outcomes (LEO) data set to explore the activities that people do after completing school, from education and into the labour market. It sheds light on the effects and implications of being in care on subsequent outcomes.
2. The LEO dataset contains a range of anonymised information about individuals including personal characteristics, education attainment, employment and income, and out of work benefits claimed.

## Key findings

### Post-16 educational achievement is far lower for those looked after than for their peers

3. Post-16 educational achievement is far lower for those looked after than for their peers, and labour market outcomes are much poorer (see Table 1).

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<sup>1</sup>a child is legally defined as 'looked after' by a local authority if he or she: 1) gets accommodation from the local authority for a continuous period of more than 24 hours, 2) is subject to a care order (to put the child into the care of the local authority) or 3) is subject to a placement order (to put the child up for adoption)

<sup>2</sup> those in care from school years 8 to 11 depending on GCSE year. See Technical Report for further information.

**Table 1: Percentage of all individuals and those looked after during secondary school by achievement level for key stage 4 (KS4) cohorts 2005/06 to 2008/09**

Tax years: 2007-08 to 2017-18

Highest achievement level	Percentage of individuals achieving by group		
	All individuals <sup>3</sup>	Looked after at least one day	Looked after 12 months
Non-graduates achieving a level 2 or below qualification	35	81	76
Non-graduates achieving at least a level 3 qualification	31	13	16
Graduates	35	6	8

Source: Longitudinal Education Outcomes dataset

## Labour market outcomes are much poorer for those looked after than for their peers

4. Out-of-work benefits claims are high and employment is low from the year after leaving school for those who were looked after. After 11 years, four times more looked after children were on benefits and less than half were in employment (see Table 2 below).

5. For those in employment, there is a £6,000 pay gap 11 years after finishing compulsory schooling (i.e. around 27 years old) between all individuals and those who were looked after, and this gap has widened from around £4,000 8 years after GCSEs (see Table 2 below).

6. The education and labour market outcomes of those in care for longer periods are better than for shorter periods, but only marginally, and still far worse than for all individuals. Table 2 illustrates this point.

**Table 2: All individuals and those looked after during secondary school in employment, claiming out-of-work benefits and average earnings 11 years after GCSEs for 2005/06 KS4 cohort**

Tax year: 2017-18

	Percentage in employment	Percentage claiming out-of-work benefits	Average earnings
All individuals	57	9	£22,400
Looked after for at least one day	22	44	£16,800
Looked after for 12 months	28	41	£16,400

Source: Longitudinal Education Outcomes dataset

<sup>3</sup> Comparisons are made against all individuals because we do not have complete data on who was in care and when (i.e. only limited data is available). Rather than make a comparison to those 'not in care' we thus make a comparison to all individuals.

## Conclusions and next steps

7. This report contains descriptive analysis of the variations in education attainment and labour market outcomes for children who were in care, however long for, observed in the data. They show ‘what’ is happening at a higher level, but do not explain ‘why’. Other socioeconomic, demographic and education factors could be explaining why these things are happening. For example, children looked after are more likely to have special educational needs<sup>4</sup>, be eligible for free school meals, have lower KS4 attainment and some ethnic groups are overrepresented<sup>5</sup>. These socio-economic and education factors are also linked with poorer labour market outcomes<sup>6</sup>.

8. The data on children looked after is limited for examining labour market outcomes, as we do not have CLA data for all school years for the GCSE cohorts examined<sup>7</sup>. It may be that those in care only in the latter stages of compulsory education have different labour market outcomes than those that were in care at an earlier age.

9. More in-depth technical analysis is being undertaken to account for other factors to investigate if (and if so, by how much) the poorer labour market outcomes is explained by the factors set out in paragraph 7 (for example, socio-economic factors, lower attainment and/or special educational needs). Over time when more data becomes available, further analysis could also investigate whether longer periods of care or the age taken in to care results in different outcomes.

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<sup>4</sup> [Outcomes for children in need, including children looked after by local authorities, in England: 2019 to 2020 - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

<sup>5</sup> [Children looked after in England including adoptions, Reporting Year 2020 – Explore education statistics – GOV.UK \(explore-education-statistics.service.gov.uk\)](https://explore-education-statistics.service.gov.uk)

<sup>6</sup> [Post-16 education and labour market activities, pathways and outcomes \(LEO\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

<sup>7</sup> For example, for those who completed GCSEs in 2005/06 we have data for school year 11, and for those who finished in 2008/09, we have data for school years 8 to 11

## Introduction

10. This research report presents analysis on the education and labour market activities and outcomes of individuals. It tracks those doing their GCSEs between 2006 and 2009 and follows their education and labour market activities for an 8 to 11 year period after they left secondary school.

11. The report examines those who were looked after during the latter stages of compulsory education (see paragraph 14) and compares their education and labour market activities to all individuals who completed GCSEs at the same time.

12. Under the Children Act 1989<sup>8</sup>, a child is legally defined as ‘looked after’ by a local authority if he or she:

- gets accommodation from the local authority for a continuous period of more than 24 hours
- is subject to a care order (to put the child into the care of the local authority)
- is subject to a placement order (to put the child up for adoption)

13. The Department for Education (DfE) publishes annual statistics on children looked after<sup>9</sup>, including data on their educational outcomes, destination measures, absence from school, and expulsions and suspensions.

14. Information on children looked after is only available from the 2005/06 academic year, therefore the number of school years we have CLA information for differs depending on GCSE year. For example, for those who completed GCSEs in 2005/06 we have data for school year 11, but for those who finished in 2008/09, we have data for school years 8 to 11. It is therefore likely that we are unable to capture some children who were in care in earlier school years.

15. The research follows individuals through Post-16 learning and into the labour market using LEO<sup>10</sup>. The LEO dataset links information about individuals, including:

- personal characteristics such as gender, ethnic group, special educational needs, free school meals eligibility, looked after status
- education, including schools, colleges and higher education institutions attended, courses taken and qualifications achieved
- employment and income

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<sup>8</sup> [Children Act 1989 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/1989/20)

<sup>9</sup> [Statistics: looked-after children - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/looked-after-children)

<sup>10</sup> The privacy statement explaining how personal data in this project is shared and used is published at: <https://www.gov.uk/government/publications/longitudinal-education-outcomes-study-how-we-use-and-share-data>

- benefits claimed

16. By combining these sources, we can look at the progress of individuals doing their GCSEs into post-compulsory education and the labour market. This report uses the same analytical methodology as the Post-16 education and labour market activities, pathways and outcomes (LEO)<sup>11</sup> research report, but focuses specifically on the outcomes from children in care, comparing them against all individuals.

17. Further information on the data included in the LEO dataset, data quality, match rates and the analytical methodology can be found in the [Technical Report](#) for the above report. Those who were looked after in school is an additional sub-group, not included in the original pathways report, as due to the data limitation explained above, fewer GCSE cohorts are available to be examined, and these completed GCSEs in later academic years.

## Coverage

18. Data for the 2.5m individuals who completed their GCSEs (finished key stage 4 (KS4)) in 2005/06 to 2008/09 are presented here. Information on which children are looked after (i.e. were in care) is only available in the LEO dataset from the 2005/06 academic year, meaning those doing GCSEs earlier than 2006 cannot be identified. Those who are included are all in the later years of compulsory education (see paragraph 14 and [Technical Report](#) for full details). There are around 25,000 individuals that we know were looked after in our data. It is possible that education and labour market outcomes for those looked after earlier are different.

19. Education and labour market outcomes for those individuals who finished KS4 between 2005/06 and 2008/09 are followed for the 2007-08 to 2017-18 tax years. We are therefore able to observe education and labour market activities for up to 11 full tax years after completing GCSEs.

20. These four cohorts of individuals have been combined to produce a more representative and robust picture so that any changes or patterns (to education, labour market outcomes or pathways) are more likely to be real differences and not reflective of random variations between year groups.

## Comparator groups

21. Because we do not have complete information of those who were in care (see paragraph 14) those looked after are compared with all individuals. There may be

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<sup>11</sup> [Post-16 education and labour market activities, pathways and outcomes \(LEO\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/research-data-and-analysis/publications/post-16-education-and-labour-market-activities-pathways-and-outcomes-leo)

individuals that we do not know were in care during school, i.e. those in care earlier. Hence, rather than remove those that were looked after (from all individuals) and incorrectly label 'individuals that were not in care' we simply chose to have all individuals as a comparator group. Those looked after are split into two groups (see paragraph 23).

## Measures

22. The following measures are used in the analysis (see [Technical Report](#) for full definitions):

- **Employment** – the individual has been in paid employment for at least one day in each of the 12 months of the tax year.
- **Key stage 5 (KS5)** – the individual was entered for one or more level 3 qualifications (A levels or equivalent) and was aged 16 to 18 at the start of the academic year (in English institutions) in the tax year which overlaps the start of the academic year.
- **Other education (16-18)** – (Tax years 1 and 2 only). The individual appeared in the Individualised Learning Record (ILR) aims data (in England) for at least one day in each of six consecutive months of the tax year. This includes classroom learning at level 2 or below (level 3 learning in this time period is covered by key stage 5) and apprenticeships at any level.
- **Adult FE (19+)** – for (tax) years 3 to 11. The individual appeared in the ILR aims data (in England) for at least one day in each of six consecutive months of the tax year. This includes both classroom learning and apprenticeships at any level.
- **Higher education (HE)** – the individual appears in the Higher Education Statistics Agency (HESA) Student Record data (UK HE institutions) for at least one day in each of six consecutive months of the tax year, studying for a level 4 or higher qualification.
- **Benefits** – the individual was claiming out of work benefits for at least one day in each of (at least) six consecutive months of the tax year. Details on out of work benefits can be found in the technical report.
- **No sustained activity** – the individual had some paid employment, participated in some learning (KS5, other education, adult FE or HE) or claimed some out of work benefits in the tax year, but did not fulfil the requirements for any of the definitions outlined above.
- **Activity not captured** – the individual could not be found in any of the applicable labour market or education datasets for that tax year.



23. Those individuals who were looked after have been assigned to two sub-groups as follows:

- **Looked after for at least one day** – individuals who had been looked after for at least one day in any secondary school year (with no continuous periods of 12 months) and excluding those in respite care. In the analysis in this report, there are almost 17,000 individuals in this category.
- **Looked after for 12 months** - children who had been classed as looked after continuously for 12 months in any secondary school year. This report examines close to 9,000 of these individuals.

## Methodology

24. There are three main elements to the analysis discussed in this report:

- main activities
- earnings and
- educational achievement.

See [Technical Report](#) for further details of these.

25. Data tables showing the full findings on main activities and earnings have been released alongside this report.

## Main activities

26. A single activity (one of the activities mentioned in paragraph 22 is assigned to each individual for each tax year based on their education and labour market activity. Should an individual meet the criteria for more than one activity a hierarchy is applied: Education>Benefits>Employment. See Technical Report for further details and rationale.

## Earnings

27. Average earnings (using median) over time are shown for those in employment (see definition above in [Measures](#)) during that year. Average earnings are annualised and inflated to the most recent tax year using price inflation, to allow comparison of earnings in different tax years.

## Educational achievement

28. Individuals are grouped by their highest level of achievement by the latest tax year:

- Graduates – achieved a level 6 qualification (and/or above)

- Non-graduates achieving at least a level 3 qualification - A full level 3 qualification is two A-level passes (or equivalents)
- Achieving a level 2 or below qualification - a full level 2 qualification is five GCSE passes A\* to C (or equivalents)

## Findings

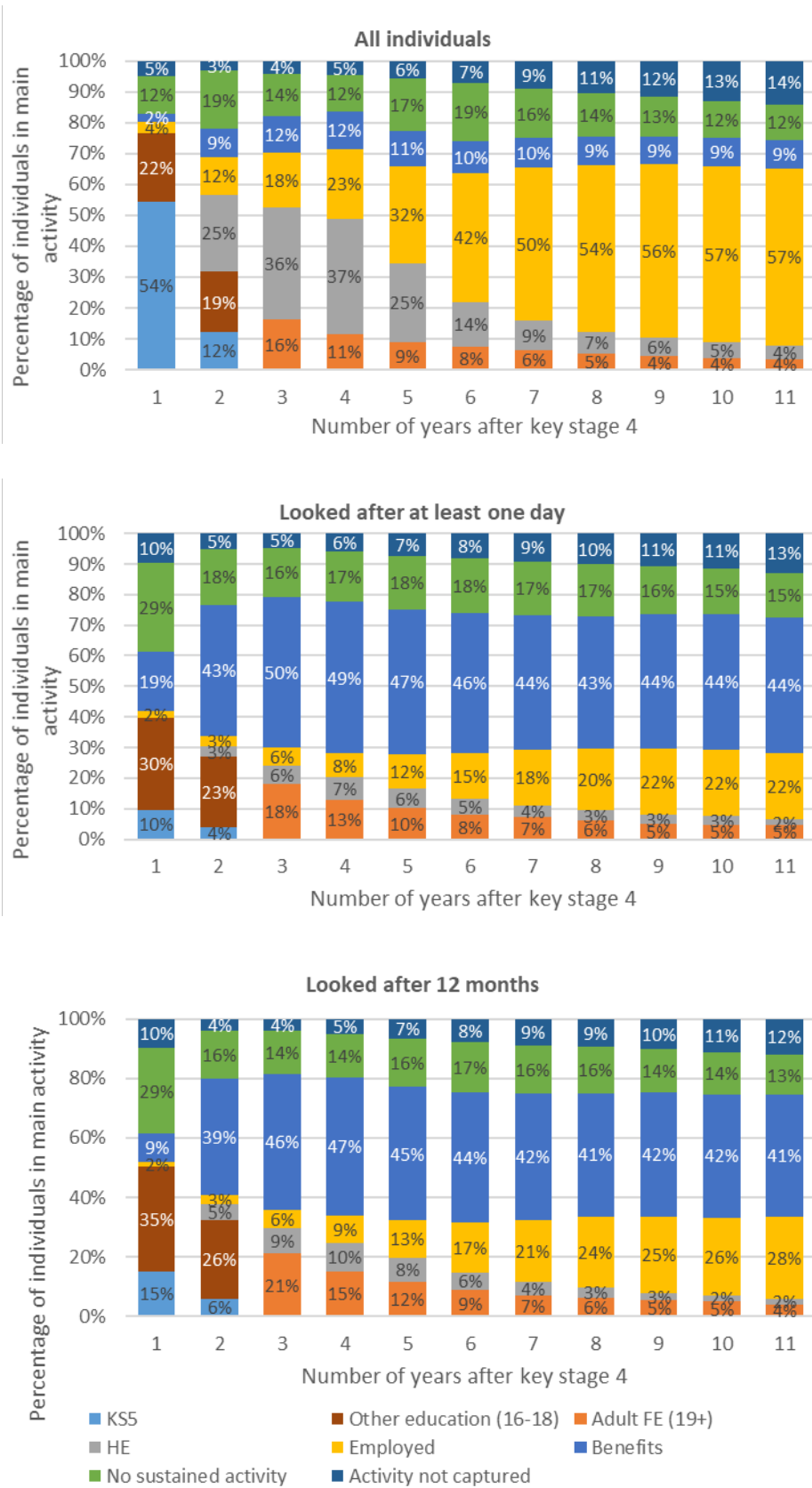
### Education and labour market activities and outcomes are often different for those in care and those not in care

29. Figure 1 shows that those who were looked after are less likely to participate in education post-16 and have poorer labour market outcomes compared with all individuals. In terms of education activity, children that were in care are much less likely to do KS5 and Higher Education (compared with all individuals) yet more likely to have done Other Education (16-18) and Adult FE (19+) (see [Measures](#) above for definition of these activities). In the latest tax year (2017-18) individuals that were in care are also much less likely to be employed than all individuals, and much more likely to be claiming out of work benefits. In earlier years looked after children are much more likely to have no sustained activity or no activity captured.

30. Post-16 education participation and employment are higher, and out-of-work benefits claims are lower for those in care for at least 12 months than those in care for shorter periods but are still far poorer than for all individuals.

**Figure 1: Main activities of all individuals and those looked after during secondary school for KS4 cohorts 2005/06 to 2008/09**

Tax years: 2007-08 to 2017-18



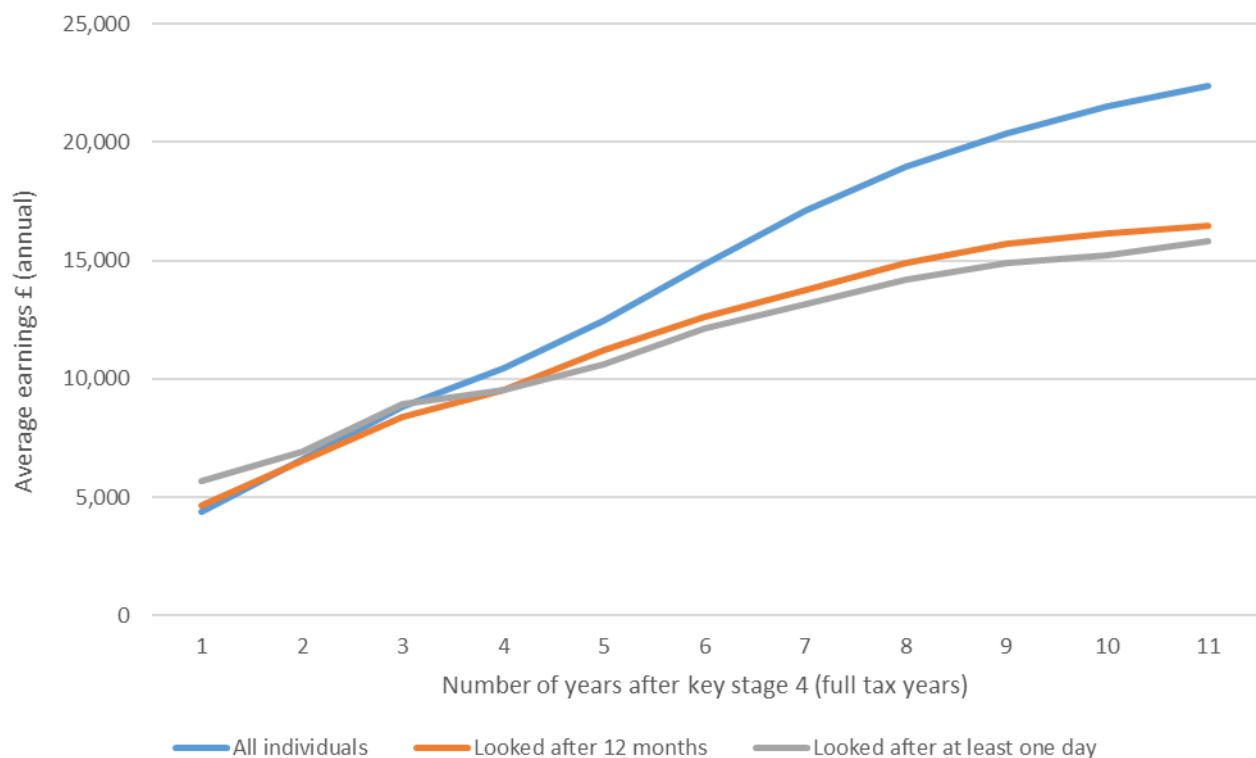
Source: Longitudinal Education Outcomes dataset

## Average earnings are much lower for those in care than for all individuals

31. Not only do those who were in care have lower proportions in employment, but their earnings (on average) tend to be lower when they are employed. Figure 2 shows that although average earnings for all groups are similar in the first three or four years after finishing KS4, by 11 years after KS4 (i.e. around 27 years old) there is a gap of around £6,000 between the 12 months sub-group and all individuals. This gap has increased from around £4,000 since 8 years after KS4, thus it continues to widen over the time that we have data for.

**Figure 2: Average earnings of all individuals and those looked after during secondary school for KS4 cohorts 2005/06 to 2008/09**

Tax years: 2007-08 to 2017-18



Source: Longitudinal Education Outcomes dataset

## Post-16 education levels are lower for children looked after than all individuals

32. Children looked after are less likely to complete a degree than all individuals and (for non-graduates) less likely to achieve a full level 3 qualification (see table 3). Conversely, the vast majority of looked after children achieve a level 2 or below as their

highest level. Achievement is slightly higher for those who were looked after for longer periods in secondary school, but still far lower than for all individuals.

**Table 3: Percentage of all individuals and those looked after during secondary school by achievement level for KS4 cohorts 2005/06 to 2008/09**

Tax years: 2007-08 to 2017-18

Highest achievement level	Percentage of individuals achieving by group		
	All individuals	Looked after at least one day	Looked after 12 months
Non-graduates achieving a level 2 or below qualification	35	81	76
Non-graduates achieving at least a level 3 qualification	31	13	16
Graduates	35	6	8

Source: Longitudinal Education Outcomes dataset

# Conclusions and next steps

## Conclusions

33. The findings of the analysis of data for children looked after show that those who were looked after during secondary school have a lower probability of being in employment, are likely to have lower earnings when employed and have a higher dependency on out-of-work benefits than all individuals. Those who were looked after in school have lower levels of engagement with further (post-compulsory) learning after GCSEs and consequently lower achievement at all levels of qualification.

34. This report contains descriptive analysis of the variations observed in the data. They show 'what' is happening at a higher level, but do not explain 'why'. Consideration of other socioeconomic, demographic and education factors could also explain why these patterns are observed. Differences could also, in part, be due to employer behaviour or sector of employment.

35. The analysis suggests that those who were in care longer have better education and labour market outcomes. It may be that those in care longer have a more stable environment, and this is connected to better outcomes. However, equally, it could be explained by other differences between the groups.

36. DfE CLA statistics<sup>12</sup> show that a much higher proportion of children looked after have special educational needs than their peers (around half had a special educational need compared to 15% of the overall pupil population in 2019/20). It may be that the higher out-of-work benefits uptake by these individuals is linked with disability benefits.

37. The statistics also show that higher proportions of children looked after are eligible for free school meals, have lower KS4 attainment and that some ethnic groups are overrepresented<sup>13</sup>. The findings shown in the main report (Post-16 education and labour market activities, pathways and outcomes (LEO)<sup>14</sup>) show that these socio-economic and education factors are linked with worse labour market outcomes.

38. There may be other education factors that are important as well, such as attendance and expulsions or suspensions from school. Similarly, for Post-16 education, as well as the level and type of education there may be systematic differences in subjects studied or quality of institution attended that account for differences in labour market outcomes.

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<sup>12</sup> [Outcomes for children in need, including children looked after by local authorities, in England: 2019 to 2020 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/outcomes-for-children-in-need-including-children-looked-after-by-local-authorities-in-england-2019-to-2020)

<sup>13</sup> [Children looked after in England including adoptions, Reporting Year 2020 – Explore education statistics – GOV.UK \(explore-education-statistics.service.gov.uk\)](https://www.gov.uk/government/statistics/children-looked-after-in-england-including-adoptions-reporting-year-2020)

<sup>14</sup> [Post-16 education and labour market activities, pathways and outcomes \(LEO\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/post-16-education-and-labour-market-activities-pathways-and-outcomes-leo)

39. The poor education and labour market outcomes seen for CLA individuals are likely to be due to a combination of these factors, which are all interlinked. There are also a host of other factors that may be more difficult to capture (as they are not in the LEO data) such as motivation, parental aspirations, innate ability, mental health and wellbeing, home learning environment etc that would undoubtedly be important, particularly for these vulnerable individuals.

40. The data on children looked after is limited for examining labour market outcomes, as we only have CLA data for the GSCE year for the oldest individuals included (i.e. if any of the 2005/06 cohort were in care in earlier school years, we do not have this information). Analysing later cohorts than those who completed KS4 in 2008/09 would allow us to pick up those who had been in care at a younger age, but would give less time for individuals to have completed post-compulsory education and interact with the labour market.

## **Next steps**

41. More work is being undertaken to examine the additional issues highlighted above that might have contributed to the observed patterns of outcomes for looked after children. We are considering factors such as socio-economic group, lower attainment, special educational needs and reasons for entering care for which we have data. In time, when more data becomes available, investigating whether longer periods of care and the age at which taken in to care result in different outcomes will provide further insight into the effects of the care system on support for young people in education.





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