



Delivering Skills that Work for Wales

Reducing the proportion of young people not in education, employment or training in Wales



Consultation

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Delivering Skills that Work for Wales

Audience	All bodies concerned with education and training in Wales, Heads of Primary and Secondary Schools, Local Education Authorities, 14-19 Networks, Children and Young People's Partnerships, Keeping in Touch partnerships, Extending Entitlement Partnerships, statutory and voluntary Youth Service, Estyn, Further Education Colleges, work based learning training providers, employer organisations and forums, Trades Unions, Sector Skills Councils, Jobcentre Plus, Careers Wales, Voluntary and Community organisations, Prison and Probation Services, Youth Offending Teams, WLGA, the Department for Work and Pensions, Police.
Overview	This document consults on proposals to reduce the number of young people not in education, employment or training (NEET) in Wales. It is part of a series of themed papers which address skills issues identified in Skills that Work for Wales, the draft skills and employment strategy. The paper also relates to the draft Learning and Skills (Wales) Measure (2008).
Action required	Responses to this draft consultation document should be sent by 11 August 2008 to Ella Davidoff at the address given below or emailed electronically to reducingneet@wales.gsi.gov.uk
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Additional copies	Further information and additional copies may be obtained from: Ella Davidoff see contact details above. This document is also available on the internet at: http://new.wales.gov.uk/consultations/ and can be copied from there.
Related documents	One Wales The Learning Country: Vision into Action Skills that Work for Wales Promise and Performance – the independent review on the mission and purpose of further education 14-19 Learning Pathways draft Measure (2008)

MINISTERIAL FOREWORD

In the context of an improving labour market situation in Wales with historically high levels of employment and low levels of unemployment, we face a continued challenge in the proportion of our young people who are not in education, employment or training (NEET).



The number of young people NEET matters: For some of these young people the time they spend outside of education, employment or training will have a significant negative impact on their future lives – affecting their ability to compete for jobs and earn a good living, as well as their levels of health, motivation and self-esteem. This, in turn, has an impact on all of us.

Since devolution we have made progress. A range of activity has contributed to reducing the numbers of young people NEET in Wales, helping us achieve our 2007 Vision into Action target to reduce the proportion of 16-18 year olds NEET to 10%. But we can't afford to be complacent. 10% of young people NEET still means more than 12000 individuals very many of whom are not engaged in a positive form of activity. That is unacceptable.

Skills that Work for Wales, our draft Skills and Employment Strategy sets out our skills and employment vision. It is a hugely challenging agenda and one which is of direct relevance to young people NEET and those at high risk of becoming so. Without concerted action now to ensure that these young people have sufficient skills to enable them to compete successfully for jobs, they are likely to face a future characterised by worklessness and the consequential social, economic and health-related disadvantage that this brings with it.

To maximise participation in learning beyond the age of 16, our vision, as set out in One Wales is to transform learning provision for young people by providing attractive, flexible learning options matched by enhanced support and guidance. If enacted, our proposed Learning and Skills (Wales) Measure 2008, will make this a legal entitlement for all learners. We believe that by increasing the quantity and quality of the options available to young people they will want to continue to participate in learning and training and will be able to see the value in doing so.

I am pleased to introduce this consultation document which is the first in a series of themed papers making proposals to address the issues identified in Skills that Work for Wales. The timing of this consultation reflects the importance and urgency that we attach to increasing the rate of participation by young people in education, employment or training.

This exercise is your opportunity to help shape our agenda for the next five years and beyond. I look forward to receiving your responses.

A handwritten signature in black ink, which appears to read 'John Griffiths'.

John Griffiths AM – Deputy Minister for Skills

CONTENTS

	Page
Executive Summary	1
1. What's in a name?	5-14
2. The Right Systems	15-21
3. The Right Provision	23-28
4. The Right Support	29-38
 Annexes	
Annex A	
Next Steps and Consultation Questions	39-40
Annex B	
Policy Gateway Summary	41
Annex C	
Draft guidance on local data collection	43-44
Annex D	
Measuring the size of the NEET group needing support	45-46

EXECUTIVE SUMMARY

What's in a name?

In the context of an improving labour market situation in Wales, the proportion of young people not engaged in education, employment or training (NEET) aged 16-18 has remained at a relatively consistent level – at around 10-12% or 12000 young people for nearly a decade.

Our analysis shows us that young people who are categorised as NEET are a diverse group. Some of them are taking planned breaks in their education or labour-market careers – perhaps on a gap year – and won't need help to re-engage in learning or working. Others might have significant and multiple barriers to participation – domestic responsibilities or an insecure home environment, substance misuse problems or a history of offending behaviour. Our policy responses need to take account of the different needs of the individual young people whom we group together under the catch all term 'NEET'.

We know that young people who have disengaged from school, played truant, have low basic skills levels or achieved no or low qualifications are at greatest risk of a damaging period spent NEET. Being male and having a statement of special educational needs may increase that risk. This suggests that measures to make learning environments more attractive, to increase attendance, to improve literacy and numeracy and to boost attainment are likely to have the biggest long-term affect in preventing young people becoming NEET down the line.

That is why we're investing so heavily in preventative work in Wales through our Flying Start and Foundation Phase programmes supported by the Parenting Action Plan, RAISE initiative, the Basic Skills Strategy and the Childcare Strategy. Taken together, these form a comprehensive suite of programmes helping to improve the long-term chances for some of the most disadvantaged.

But we also need to make sure that support exists for those young people who need it right now. That is the purpose of the proposals outlined in this consultation document.

Our proposals for reducing NEET

We want to ensure that as many young people as possible choose to stay in learning post-16, including those with multiple barriers. To maximise participation in learning beyond the age of 16, our vision is to transform learning provision for young people by providing broader, more flexible options matched by enhanced support and guidance. We need to make changes so that we have:-

- efficient processes for identifying and re-engaging young people who become NEET;
- a full range of learning options to meet demand ; and
- learning support and careers advice and guidance so that young people are given the skills to access education, training or employment. And

perhaps most importantly for many young people NEET we also need targeted and intensive personal support to enable young people to overcome significant and sometimes multiple barriers to participation.

We set out in this consultation document how we propose to strengthen these three strands of activity further.

The right systems

We know there is strong correlation between reducing the numbers of young people who are NEET and intelligent mapping and use of information - identifying numbers and characteristics of NEET young people; examining the stock and the flow; efficient assessment and referral processes and better long term monitoring.

Our proposals include improvements to local data collection and sharing and enhancements to Keeping in Touch (KIT) protocols. The protocols should set out how Young People's Partnership (YPP) organisations will identify, engage, assess and refer young people NEET. We also propose a stronger role for Careers Wales companies in collaboration with YPPs in driving forward action to reduce the proportion of young people NEET.

The right provision

We know that most young people who are NEET say it is because the right learning provision is not available or that they do not have the qualifications to progress. The central part of our response to the NEET issue has therefore to be to try to engage young people more effectively in learning by offering them a wider choice of options as to what and how they study as they move through their education, and to make sure that their choices give them the skills they need to progress.

Our proposals include legislating to place a duty upon local education authorities, schools and further education institutions to co-operate in the delivery of a local options menu for young people and to deliver an enhanced entitlement for learners to the options, experiences and support that are part of their learning pathway; and testing a new Entry level programme which will focus on tackling the significant additional support needs that many young people NEET have before they are able to move closer to the labour market.

The right support

Most young people, supported by parents, friends and school or college can manage the transition from childhood to adulthood successfully. But for some, this support, for whatever reason, is simply not available. Given the multiple challenges that many young people NEET face, bespoke solutions involving more intensive support and guidance are often required.

Our proposals include investing in the development of an enhanced model for Learning Coach support specifically for NEET and potentially NEET young people; developing guidance on the delivery of personal support - significant in attempting to overcome the complex additional needs that many young people NEET have; considering the scope for, and benefits of, a statutory entitlement to free basic skills learning for all post-16 learners; and working closely with the Department for Work and Pensions to make changes to benefit entitlements so that young people aged 18 with a history of being NEET can be fast-tracked straight onto the New Deal.

1. WHAT'S IN A NAME?

What does 'NEET' mean and why does it matter?

1.1 In literal terms, NEET is a statistical category relating to a group of young people who are not engaged in education, employment or in training. In practice however the term is often used to describe young people who are disaffected or who have disengaged completely from learning and employment and who may also be increasingly marginalised from society.

1.2 One of the reasons that the NEET issue has featured so prominently on the public agenda in recent years is that, in the context of an improving labour market situation in Wales, the proportion of young people not engaged in some form of education, employment or training aged 16-18 has remained at a relatively consistent level – at around 10-12% or 12000 young people for nearly a decade.

1.3 The picture in the rest of the UK is similar. In Scotland¹ the proportion of 16-19 years olds who are NEET has ranged between 13-15% since 1996. In England², over a similar period, the proportion has fluctuated between 8 to 10% with the latest figures showing 10.3% of young people aged 16-18 NEET.

1.4 So why does it matter if some young people are NEET? A number of studies³ have looked at the effects that a period of youth inactivity can have on an individual's life outcomes. These effects include the direct costs of lost income from employment as well as the physiological and psychological impacts that a period of inactivity may have on an individual's levels of health, motivation and self-esteem. There is also evidence of a long term "scarring"⁴ effect linked to an early period of inactivity which may lead to further periods of worklessness as an adult.

1.5 Attempts have been made to estimate the financial costs of extended periods of NEET status. These costs are high. A study by the DfES published in 2002⁵ estimated that the additional resource cost associated with being NEET amounted to £97,000⁶ per person over a lifetime.

1.6 The estimate attempts to place a value on the additional costs of unemployment, under employment, crime, poor health, substance abuse, premature death and early motherhood. So, in Wales, the costs of failing to help 12000⁷ NEET young people aged 16-18 out of NEET status over their lifetime would amount to well over £1 billion.

¹ Scottish Executive <http://www.scotland.gov.uk/Topics/Statistics/Browse/Labour-Market/TrendNEET>.

² Participation in Education, Training and Employment by 16-18 Year Olds in England: 2005 and 2006 and Participation in Education and Training by 16 and 17 Year Olds in each Local Area in England: 2004 and 2005, SFR22/2007, DfES.

³ <http://www.blackwell-synergy.com/links/doi/10.1111/14680297.00666/abs/>;
<http://www.bristol.ac.uk/Depts/CMPO/workingpapers/wp97.pdf>

⁴ *ibid*

⁵ Estimating the cost of being 'Not in Education, Employment or Training' at age 16 to 18 DfES Research Report RR346.

⁶ 2000/01 prices.

⁷ See paragraph 1.28 where we demonstrate that not all young people will need additional support to move out of NEET status. We estimate that approximately 6500 of the 16-18 NEET cohort will need help to re-engage.

How many young people are NEET in Wales?

1.7 If we are to target our strategy effectively to reduce the size of the NEET cohort in Wales, we need to know more about who they are.

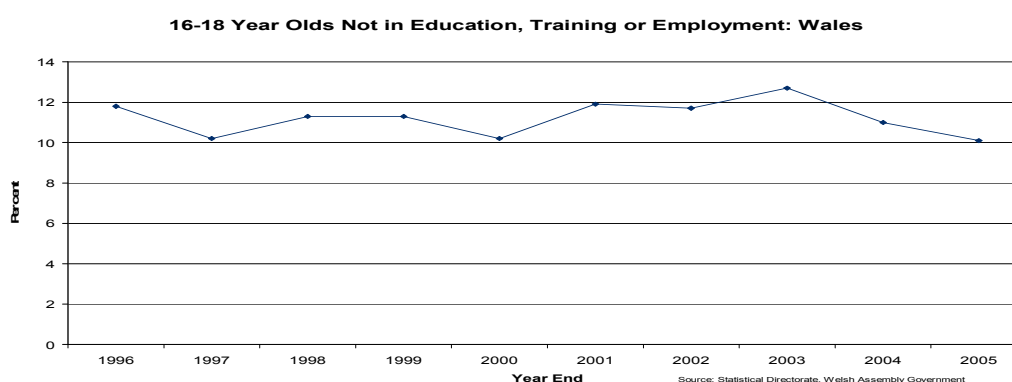
1.8 This is more complicated than it sounds. None of our existing sets of data will allow us to put together a comprehensive picture of the people who make up the NEET group. The measure used nationally in Wales to report the number of young people NEET⁸ is not able to provide us with any detail on who those young people actually are. Neither does it allow for the production of local area statistics, limiting the extent to which the data can be used to target interventions or to measure their impact.

1.9 The main source of local data, the Careers Wales Destination Survey⁹ is likely to underestimate the number of young people who are NEET since it surveys only leavers from schools – in other words not all young people are included.

1.10 As part of this consultation we set out areas where we and our partners need to take action to improve the way we collect and use data. That said, current limitations should in no way be used as an excuse for inaction. From the data we already have we can attempt to gain a fuller understanding of the make-up of the NEET group and from that, target our action at those members of it who need additional levels of support.

1.11 Figure 1 shows us that over the period 1997 to 2005, the proportion of young people NEET in Wales has ranged between 10-12%, with the latest figures¹⁰ showing 10.1% of 16-18 year olds¹¹ NEET - about 12,000 young people.

Figure 1



⁸ Participation of young people in education and the labour market (Year end 2005), WAG 2007. Subtracting known data from population statistics to leave a remainder or residual of young people who are classed as NEET. A similar method is used in England allowing us to make cross-border comparisons. An alternative approach is to use the Annual Population Survey as currently done in Scotland. This method will lead to comparable estimates across the whole of the UK.

⁹ Pupil Destinations from Schools in Wales, 2006. The Destination Survey was developed as an aid to careers services in identifying transition trends; it was not designed to be a comprehensive database detailing young peoples' status 'in real time'.

¹⁰ Participation of young people in education and the labour market (Year end 2005), WAG 2007

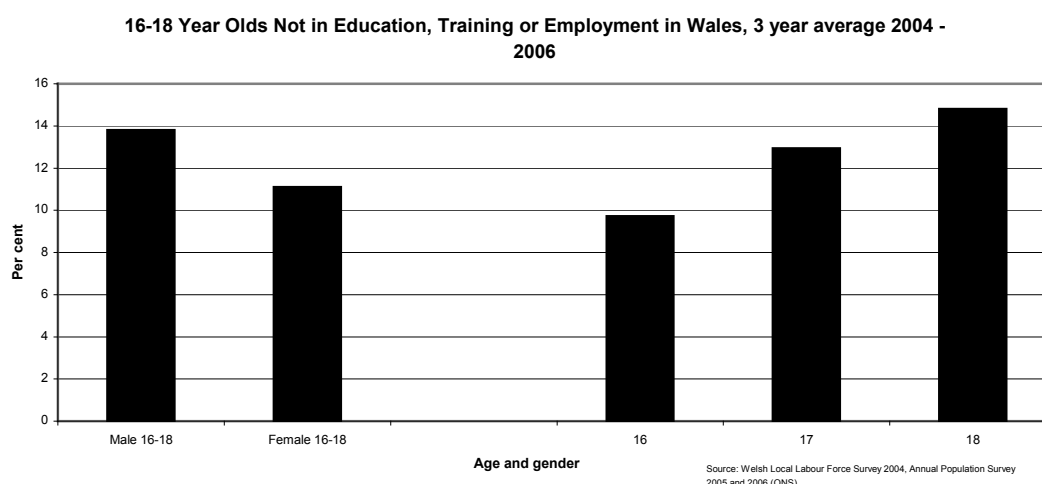
¹¹ This relates to age at the start of the academic year; thus the 16-18 year age group covers the three years after the end of compulsory schooling.

1.12 Survey sample sizes are too small to analyse NEET by gender in Wales by individual year so figure 2 shows us the percentage of males and females NEET averaged over the three years 2004-2006. The graph illustrates that there is a higher proportion of young men NEET than young women.

1.13 Figure 2 also shows us the percentage of 16, 17 and 18 year olds NEET averaged over the three years 2004-2006¹². It shows us that the percentage of young people NEET at 17 and 18 is significantly higher than at 16. This suggests that the sustainability of destinations after compulsory education is at least part of the problem, alongside the transition from compulsory education itself.

1.14 Possible reasons for greater numbers of 17 and 18 year olds NEET include parenthood and caring responsibilities, health issues, custodial sentences and a drop-off in learning participation. It might also be the case that the lower proportion of NEETs at age 16 masks underlying inactivity, with a number of young people marginally engaged in education simply for something to do.

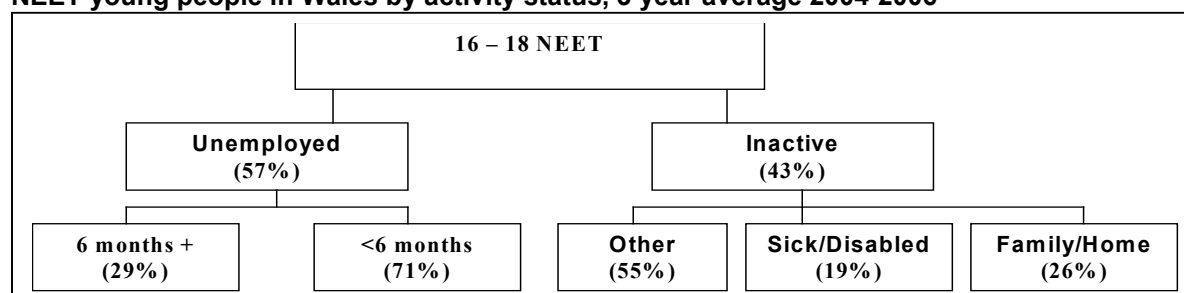
Figure 2



1.15 Figure 3 provides us with a breakdown of the headline figures of NEET young people by activity status in Wales. It shows us that roughly seven out of ten of the group are actively seeking work while nearly half of the inactive are sick or disabled or have family or caring responsibilities.

Figure 3

NEET young people in Wales by activity status, 3 year average 2004-2006



Source: Welsh Local Labour Force Survey 2004, Annual Population Survey 2005 and 2006 (ONS).

¹² Sample sizes are again too small to analyse NEET by single year of age in Wales.

1.16 These headline figures are useful in providing us with a broad picture of the NEET group, but we also need to identify the more specific characteristics of NEET young people which should determine the priorities for government intervention.

1.17 Although, as we have seen, the proportion of young people who are NEET in Wales has remained fairly stable over time, research shows us that the make up of that group has not stayed the same. There are flows of young people into and out of NEET status – commonly referred to as the ‘revolving door’ or NEET ‘churn.’ Understanding the rate of churn is important because research¹³ tells us that it is both the frequency of NEET spells experienced by a young person and/or the overall duration of NEET status (with three months commonly cited as significant) that can impact negatively on a young person’s future.

Figure 4
Change in status of young people NEET

OF THOSE YOUNG PEOPLE NEET IN 2006			
Remained NEET in 2007		Moved out of NEET in 2007	
51%		49%	
Unemployed	Inactive	Into Employment	Into Education
26%	25%	27%	22%

Source: Labour Force Survey, Spring 2007. Due to small sample sizes, this analysis is UK level. Percentages may not tally due to rounding.

1.18 Figure 4 shows us that:-

- of those young people NEET in 2006, 51% remained NEET in 2007 and 49% moved into employment or full-time education;
- of those that remained NEET there is a fairly even split between unemployment and inactivity¹⁴; and
- of those that moved out of NEET in 2007, a higher proportion chose employment rather than education.

1.19 This is important for several reasons. It shows us that the NEET group is dynamic with only a proportion of the cohort remaining NEET over time¹⁵. Indeed, it shows us that approximately half of young people who experience NEET status over the course of a year are willing to engage, and in fact do engage with employment, education or training at some point during that time even if only for periods of short duration. This suggests that it is the *sustainability of the employment, education or training options for those young people* that we need to improve both nationally and locally.

¹³ Young People Not in Education, Employment or Training: an Analysis of the Scottish School Leavers Survey, Linda Croxford and David Raffe, Edinburgh 2000.

¹⁴ Inactive people are classified as those who are neither in employment nor unemployed. This includes those who want a job but have not been seeking work in the last four weeks, those who want a job and are seeking work but not available to start work, and those who do not want a job. Unemployed people are without a job, want a job, have actively sought work in the last four weeks and are available to start work in the next two weeks or; out of work, have found a job and are waiting to start it in the next two weeks.

¹⁵ The Prime Minister’s Delivery Unit (PMDU 2005) estimate that just 1 per cent of those NEET at 16 remain so from 16 to 18.

Characteristics of young people who become NEET

1.20 Ensuring that our interventions are targeted effectively means drilling down further to the characteristics and circumstances of those young people who are most likely to be NEET. Research¹⁶ highlights a number of factors linked to a young person's behaviour and personal circumstances that are associated with an increased likelihood of becoming NEET.

Attendance and attainment at school

1.21 NEET young people are likely to have a history of not attending school and to report higher rates of persistent truancy during Years 10 and 11 (15.4%) than young people in general (3.3%). In addition, young people NEET are over three times more likely to have been excluded from school than young people overall.¹⁷

1.22 Research has shown that in some areas young people NEET are up to eight times more likely to have a statutory statement of special educational needs (SEN) and up fourteen times more likely to have school action plus status.¹⁸

1.23 Figure 5 shows us that NEET young people are much more likely to have no or low qualification levels than the population as a whole. Indeed, 32% of young people in the NEET cohort have no qualifications in comparison with only 7% of the non-NEET population. Similarly, 35% of NEET young people have only low level qualifications (below NQF level 2) compared with 20% of the non-NEET population.

Figure 5

**HIGHEST QUALIFICATION HELD BY 16 TO 18 YEAR OLDS IN WALES,
3 YEAR AVERAGE 2004-06**

Qualification Level	Per cent		
	NEET	Non-NEET	All
No qualifications	32	7	10
Below NQF Level 2	35	20	22
NQF Level 2	24	51	47
NQF Level 3 and above	9	22	21

Source: Welsh Local Labour Force Survey 2004, Annual Population Survey 2005 and 2006 (ONS)

Percentages may not add up to 100 due to rounding

¹⁶ Payne J (2000) youth cohort study Education, training and employment of 16-18 Year olds in England and the factors associated with non-participation.

<http://www.dfes.gov.uk/rsgateway/DB/SBU/b000162/sb02-2000.pdf>

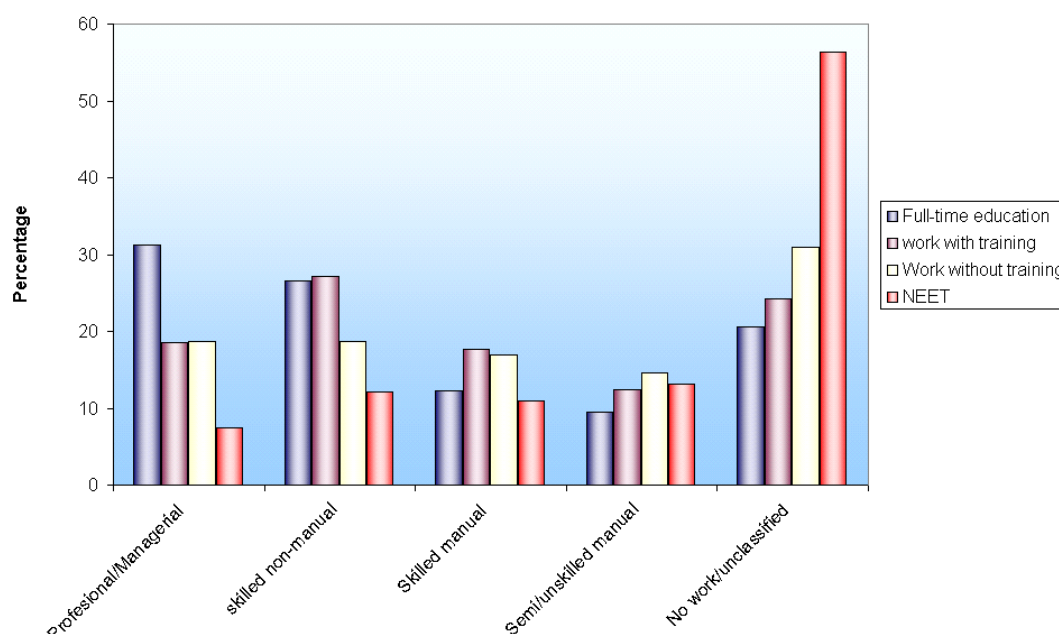
¹⁷ *ibid.*

¹⁸ Cordis Bright, Research into post-16s who are NEET in Cardiff and the Vale of Glamorgan, July 2007.

Parents' socio-economic status

1.24 Data collected at the end of compulsory schooling¹⁹ shows that young people NEET are more likely to come from workless backgrounds. Around one in four of all young people are from workless households compared to over half of young people in the NEET group. Figure 6 appears to demonstrate that the nature of parents' work has less influence on whether a young person is NEET than whether his or her parents work at all.

Figure 6: Parents' socio-economic status



1.25 We can see from this analysis that household worklessness and disengagement from education are likely to be two of the main factors relating to NEET status. There are also a set of individual circumstances and barriers which are strong indicators of potential NEET status:-

- Only 8% of Looked After Children achieved five or more GCSEs A* to C in Wales in 2005, compared with a figure of 52% for all pupils. 50% of care leavers are NEET on their 19th birthday²⁰;
- NEET young people are twice as likely to have caring responsibilities than other young people. Evidence²¹ suggests that caring responsibilities prevent nearly one in ten of the NEET group from staying on at school compared with only one in twenty young people overall;

¹⁹ Education Maintenance Allowance Pilot database – data relates to England.

²⁰ http://dissemination.dataunitwales.gov.uk/webview/index.jsp?study=http%3A%2F%2F192.168.100.31%3A80%2Fobj%2FStudy%2Fugd01060_oc3_table_3_care_leavers_I2&mode=cube&language=en&v=2&cube=http%3A%2F%2F192.168.100.31%3A80%2Fobj%2Fcube%2Fugd01060_oc3_table_3_care_leavers_I2_C1&top=yes

²¹ Payne J (2000) youth cohort study: Education, training and employment of 16-18 Year olds in England and the factors associated with non-participation.
<http://www.dfes.gov.uk/rsgateway/DB/SBU/b000162/sb02-2000.pdf>.

- The Millennium Cohort Survey (MCS) provides information on teenage mothers and NEET status²². At the time of the first survey, 84% of teenage mothers in Wales who were under 21 were NEET. This compared to 46% of older mothers; and
- A Youth Justice Board study of young offenders in England and Wales found that 80% did not have five or more GCSEs A*-C and that 80% were not in full-time education at the time of their arrest²³.

1.26 Small sample sizes in Wales mean that it is difficult to assess the extent to which different ethnic groups are more or less likely to become NEET. What we have demonstrated is that there is a link between low attainment at school and an increased likelihood of a NEET outcome. Linked to this, we know that some ethnic groups under-perform in school – white males, for example, and certain ethnic minority groups - and may therefore be at increased risk of becoming NEET down the line.

1.27 From our analysis in this section it is possible for us to approach a broad categorisation of the NEET group along the lines of a continuum representing the level of seriousness or entrenchment in NEET status:-

- a. core NEET – those with social and behavioural problems or other more complex needs including those who come from families where worklessness is an accepted norm;
- b. floating or ‘at-risk’ NEET – young people who lack direction, motivation and tend to have spells of being NEET in between attending school or further education courses or low wage, low skill employment with little or no training opportunities. Can and mostly do have the problems/barriers listed in a) but perhaps at different levels meaning they are more willing to engage with support; and
- c. transition/gap year NEET – those young people who have chosen to take time out before progressing to further or higher education opportunities and are likely to return to education, training or employment, but it is not always clear when this will occur. Such ‘transition periods’ are often short-term and mean that NEET status for this group is a relatively benign experience not requiring government intervention.

1.28 From this analysis we can see that the number of young people NEET in Wales who require significant additional intervention in order to progress towards the labour market is likely to be considerably fewer than the headline figure taken from the our national statistics. Taking the features identified above as a starting point we can use the Annual Population Survey (APS) to estimate the proportion of young people who are unemployed for six months or more and those who are classed as inactive and require support. On this basis we can estimate that there are around 6500 young people NEET in Wales who require additional support in order to

²² Using the definition of a teenage mother as a mother of the Millennium cohort child who was no older than 20 at the time of the first interview almost all of whom would have been teenagers at the time of the cohort birth.

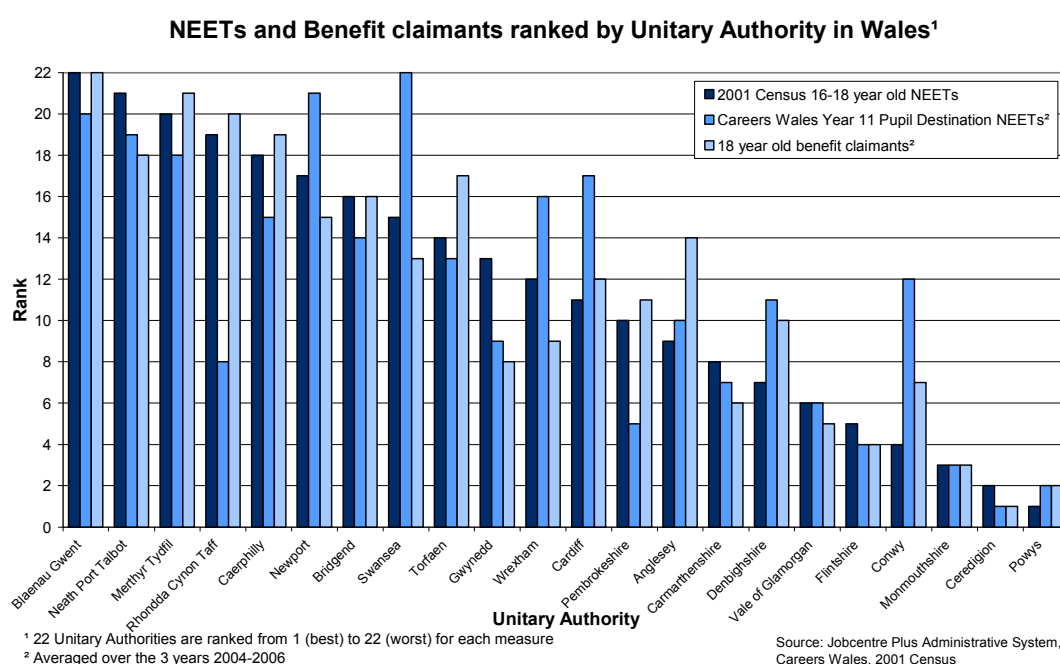
²³ Youth Justice Board, 2002.

engage with the labour market and to sustain that engagement once there²⁴. We can use this figure of 6500 young people NEET and needing support as a more meaningful target from which to monitor the success of our interventions.

Where are young people NEET in Wales?

1.29 There is significant correlation between the percentage of young people NEET in a particular area and the performance of the wider labour market in that area. As Figure 7 shows²⁵ a regional ranking of the percentage of 16–18 year olds NEET indicates that the local authorities with the highest proportion of young people NEET also have some of the highest levels of unemployment and economic inactivity among the adult population.

Figure 7



1.30 The table shows that it is possible to identify NEET 'hot-spots' at a unitary authority level and that these are closely linked to areas suffering from high levels of inactivity and unemployment amongst the older adult population. That is not to say that the issue of young people NEET is only a problem in these areas. The evidence also shows that there are small pockets (i.e. wards or housing estates) with high levels of adult worklessness and young people NEET in areas of low unemployment and inactivity. This suggests that higher rates of adult economic inactivity and young people experiencing a period NEET are not simply associated with a low level of demand for labour.

1.31 We also know that rurality can present barriers to the identification and to the re-engagement of young people NEET. Fewer local opportunities coupled with poor transport links may see quiet disaffection turning to entrenched NEET status in some rural communities - although the actual numbers are relatively small.

²⁴ Annex D provides more detail on the methodology used to reach this figure.

²⁵ <http://new.wales.gov.uk/about/strategy/spatial/?lang=en>

1.32 Our analysis has shown us that NEET young people are more likely to come from a background with one or both parents out of work and to have left school with few or no educational qualifications. This, alongside other evidence, suggests that there is a generational cycle of periods spent NEET which may lead to similar periods of inactivity and unemployment as an adult. These patterns appear to affect particular families and specific communities across Wales.

1.33 Such concentrations of disadvantaged people support the need for tightly focused policy interventions and coherent working in support of the Wales Spatial Plan²⁶, our economic development strategy for Wales, WAVE, Wales: A Vibrant Economy²⁷, and Communities Next our flagship programme to improve the living conditions and prospects of people in the most disadvantaged communities across Wales.

Implications for policy and practice

1.34 Our research and analysis provides us with a number of pointers to direct future Welsh Assembly Government policy:-

- NEET young people are a diverse group. Treating them as a single category, merely on the basis of what they are not (i.e. in education, employment or training), is not the best basis for forming policy. Policy interventions need to take account of the different activities and 'characteristics' of NEET young people. Those with domestic responsibilities or with drug or alcohol problems will require different forms of support from those who are unemployed. Some unemployed young people will require more support to enter work or training than others;
- it is possible to approach a broad categorisation of the NEET group along the lines of a continuum representing the level of entrenchment in NEET status. Within the continuum we can see that some NEET young people are taking planned breaks in their educational or labour-market careers, and we don't need to include them as indicators of a policy 'problem' in this context;
- both the length of time a young person spends NEET and the number of different periods of NEET status they experience are significant factors necessitating additional intervention;
- young people who have disengaged from school, played truant, have low basic skills levels or achieved no or low qualifications are at greatest risk of becoming NEET. In addition, being male and having a statement of special educational needs may increase a young person's chances of experiencing NEET status. This suggests that measures to make school and other learning environments more attractive and effective, to increase attendance, to improve literacy and numeracy and to boost attainment are likely to have the biggest long-term affect in preventing young people becoming NEET at a later stage. These factors also provide a means for identifying young people 'at-risk' and for targeting specific interventions;

²⁶ <http://new.wales.gov.uk/about/departments/dein/publications/wave?lang=en>

²⁷ Scheduled to begin in 2009-10.

- there is a significant increase in the number of NEETs at age 17 and 18; this may suggest that some young people leaving school face problems of transition and might find the range of options available to them unattractive;
- area factors have some influence on a young person's chances of being NEET in Wales. Tightly targeted area-based interventions – at school or local ward level - may be an effective way of identifying those young people who are in greatest need of assistance, and in helping to alleviate the harmful 'area effects' of being brought up in a relatively poor community; and
- coming from a workless background may also increase a young person's chances of experiencing NEET status. This suggests that we need to join up our approach to reducing the numbers of young people outside of education, employment or training with our efforts to reduce adult inactivity and worklessness in an attempt to halt the cycle of unemployment within particular families becoming an accepted norm.

Our proposals for reducing NEET

1.35 We want to ensure that as many young people as possible choose to stay in learning post-16, including those with multiple barriers to learning. Rather than introduce a compulsion to participate beyond the age of 16, our vision is to transform learning provision for young people by providing broader, more flexible learning options matched by enhanced support and guidance. We believe that by increasing the quantity and quality of the options available to young people during their education they will want to continue to participate in learning and will be able to see the value in doing so.

1.36 To achieve our Learning Country: Vision into Action goal to reduce the proportion of young people aged 16-18 NEET to 7% by 2010 we need to make changes so that we have:-

- efficient processes for identifying and re-engaging those young people who become NEET;
- a full range of learning options to meet demand – to engage young people through sufficient provision at every level and in every style of learning. This is the rationale behind our 14-19 Learning Pathways programme - it means that each young person will have an individually tailored Learning Pathway leading to approved qualifications and awards of credit at the right levels and at the right time for the learner to meet his or her needs, interests and aptitudes; and
- more targeted and intensive learning and personal support as well as careers advice and guidance to make sure young people know how to access education, training or employment and to enable them to overcome sometimes significant personal barriers to participation.

1.37 We set out in this consultation document how we will strengthen these three elements of activity further.

2. THE RIGHT SYSTEMS

We intend to:-

- issue revised guidance on developing Keeping in Touch (KIT) protocols building on the lessons we have learned over the past five years;
- work with our partners to develop and enhance methods for early identification of young people likely to become NEET to prevent them falling out of the system in the first place;
- work with our partners to improve the data that is held locally about young people NEET. We have provided draft guidance for local data collection at Annex C of this document;
- commission Estyn to investigate how effectively local authorities and their partners use the data they hold about young people to target their interventions;
- introduce a new Statement of Arrangements setting out requirements for schools, colleges and training providers to notify Careers Wales as soon as a young person disengages from education or training;
- monitor how effectively organisations share information for the benefit of young people and consider whether there is a need to strengthen our requirements upon them;
- seek provisions in the Education and Skills Bill to enable data to be shared between different arms of government in order to inform a more integrated process of supplying employment and skills services to individuals; and
- develop, subject to approval, a new project funded via the European Social Fund which will help deliver against all aspects of this document - systems, provision and support.

The questions in Annex A invite your responses and comments.

Getting the systems in place

2.1 We know there is strong correlation between reducing the numbers of young people who are NEET and intelligent mapping and use of information - identifying numbers and characteristics of NEET young people; examining the stock and the flow; efficient assessment and referral processes and better long term monitoring of young people.

2.2 There are many different organisations working with NEET young people locally. They include education, health and social service departments within local authorities, educational institutions, Children and Young People's Partnership organisations, Careers Wales, statutory and voluntary Youth Services, young offender teams, housing providers, JobCentre Plus, the police and youth justice services as well as numerous third sector²⁸ organisations. But without the right

²⁸ The third sector includes organisations that are not profit-making and are independent of the state. They are value driven and principally re-invest surpluses or raise funds to further social, environmental or cultural objectives. The sector includes community groups, voluntary organisations, faith and equalities groups, charities, social enterprises, co-operatives, mutuals and housing associations.

systems in place there is a risk of duplication and inefficiency as well as young people falling through the network of support and provision available.

2.3 Keeping in Touch (KIT) protocols developed as part of our Extending Entitlement programme by Young People's Partnerships are an important part of the 'systems solution'. KIT is not about direct delivery of services to young people. KIT protocols establish local processes for identifying, engaging, assessing and referring (for support) the hardest to reach young people. The protocols set out how local partners will identify and solve gaps in provision, get rid of duplication and join up their funding.

2.4 There are examples of very good emerging practice in implementing KIT across Wales. In all areas however there is more work to be done and this document should bring fresh impetus to developments. We intend to provide authorities with updated guidance on developing and implementing KIT protocols taking into account the lessons we have learned over the past five years.

2.5 Given the proliferation of services and agencies working with young people NEET, we think there is a need for one organisation to take responsibility for co-ordinating and leading this work. Taking into account their existing remit to identify and to register young people NEET, to support post-16 transition, the increasing amount of preventative work they are engaged in and their established links with JobCentre Plus, we think that Careers Wales companies - within the context of Young People's Partnerships - should take on that role.

2.6 This means that Young People's Partnerships - with Careers Wales playing a lead role on this issue - will be responsible for driving forward collaborative action and delivery on NEET. For them to be effective we believe that KIT systems should be closely allied to Careers Wales in order to provide the operational link between Young People's Partnership organisations and the Careers companies.

2.7 Nationally, our role will be to develop a stronger approach to KIT, monitoring work in this area and helping to disseminate good and innovative practice. The new European funding programmes provide us with an opportunity to do this. Subject to approval, we intend developing a new project funded through the European Social Fund (ESF) for Convergence areas which will help deliver against all aspects of this document – systems, provision and support. Findings and best practice from the project will be shared with areas of Wales not eligible for Convergence funding.

A shared understanding

2.8 Careers Wales companies are the main source of local area data about young people NEET. Careers Wales has worked hard in recent years to improve the quantity and quality of the data it holds on young people, reducing significantly the percentage of young people whose activity is unknown at the time its destination survey is undertaken. However, there is still work to do and Careers Wales should continue to make improvements to data collection and assurance processes.

2.9 A huge amount of information is collected by other local organisations working with young people NEET. An important task for KIT partners will be to make improvements around how this information is collected, collated, analysed and disseminated. Central to this is common use of terminology. At present, local organisations interpret the term NEET differently - the range of interpretations generally reflects the focus of support provided by a particular organisation. This is understandable, but the absence of a shared 'definition' leads to an inconsistent approach to identifying, monitoring and measuring the numbers of young people who are NEET locally.

2.10 We have provided draft guidance at Annex C on how we would like Children and Young People's Partnership organisations to define and to record 'NEET'. We are consulting on this draft guidance at the same time as we are consulting on this document.

Early Identification

2.11 There is clear consensus that as most young people do not arrive at extreme need overnight, early identification and preventative work can lead to a reduction in vulnerability and to the necessity for future support. It is vital to prevent young people falling out of the system in the first place, both for individual well-being and because it is more difficult and costly to re-engage people at a later stage.

2.12 What has emerged from our analysis in chapter one is that young people who are NEET or at strong risk of becoming so do not spring up from nowhere – they are likely to be on the radar of organisations from an early age. Low attainers or attenders, and children with behavioural problems will be known to schools and to local authorities; Looked After children will be known to social services; while young offenders will be known to youth justice services.

Emerging Practice: Early Identification

The Glasgow Community Planning Partnership intends to develop a common trigger for intervention which will be when an individual child at the age of 12 is two levels below average attainment. This will be logged by the head teacher who will go on to produce a personalised development plan for that young person.

2.13 It is important that local authorities and schools identify as early as possible which young people are most at risk of disengaging so that they can act to prevent it from happening. Local authorities should take the lead in developing mechanisms for the identification of young people at risk and triggers for intervention. KIT will have an important part to play in supporting and shaping these developments. Our forthcoming guidance on Children Missing Education (linked to KIT) will help authorities to develop systems for identifying children who do go missing.

2.14 To support this work, we have asked Estyn to investigate how effectively local authorities are currently using the data that they hold on young people. Estyn's research will focus on the use made of exclusion, attendance and attainment data as well as post-16 destination data from schools.

2.15 This work will help us to consider whether there would be value in enhancing the information on the destinations of former pupils which is currently made available to schools. This would help schools to evaluate how effective their information, advice and guidance (IAG) services are in supporting young people to make positive and appropriate choices at age 16.

2.16 We know that there are many more young people excluded from learning than official figures suggest. We need to establish a complete picture of current practice and to establish a means of consistently providing high quality education for those taught outside mainstream schools. Our National Behaviour and Attendance Review²⁹ will make recommendations on how we should do this. The introduction of an Education Otherwise Than At School (EOTAS) pupil census collection will support this development.

2.17 From September 2007, secondary schools in Wales and their feeder primary schools have been required, jointly, to draw up a Transition Plan setting out arrangements to provide continuity and progression for pupils moving from Key Stage 2 to Key Stage 3. Transition plans will establish a framework for schools to work together to consider how they can make best use of the information on pupils to improve the quality of teaching and learning for those pupils. Transition planning will inform the early identification process as well as the action required to ensure that a young person does not remain at risk of dropping out of education at an early age.

Emerging Practice: Early Identification

Croydon Local Authority: Identification of local risk factors in NEET status.

Croydon Education Research and Statistics carried out a mapping exercise of all school leavers since 2001 with all (identified) NEET young people since 2001 to try to identify local risk factors in predicting future NEET status.

Young people were matched on all census items – SEN status and type, eligibility for free school meals, ethnicity and school attended. They were also matched on all attainment data from KS1 – KS4, their predicted GCSE outcomes, and socio-economic measures including whether they had moved school after KS3. The model identified the significance of each variable in predicting future NEET status.

As a result of this work, a database has been provided to all local schools in the area which produces pupil list reports of those with a greater than 75% chance of a future NEET outcome.

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²⁹ In March 2006, the Minister for Education and Lifelong Learning committed to undertake a National Review of Behaviour and Attendance to shape and develop our future approach to those issues. The Steering Group is made up from representatives of key stakeholder groups, supported by colleagues from Estyn and the Children's Commissioner's Office for Wales.

Sharing information

2.18 Wales is in a good position to exploit the opportunities afforded by its scale to gain effective insight through data sharing. We will take the lead in this: We are seeking provisions in the Education and Skills Bill to enable data to be shared between different arms of government in order to inform a more integrated process of supplying employment and skills services to individuals, and to track the progress people make once in employment. These provisions will allow us to monitor the performance of the skills and employment system in Wales and to measure the real employment and earnings impact of our programmes.

2.19 We will also investigate ways of sharing the data that we hold to support our local partners. For example our post-16 learner database holds information which would be valuable to Careers Wales and we need to ensure that, where possible, they are able to access it.

2.20 At a local level we know that there is not enough sharing of information about NEET young people. Too many providers and agencies work in isolation leading to duplication of effort and inefficiency. We recognise that there are sensitivities around data sharing but these challenges are not insurmountable and must not be used as an excuse for inaction.

2.21 Local organisations must work together to agree on and implement a local information sharing strategy. “Safeguarding Children: Working Together under the Children Act 2004” provides guidance on information sharing in respect of children and young people. It covers all services including health; education; early years and childcare; social care; youth offending; police; advisory and support services and leisure. The Wales Accord on the Sharing of Personal Information³⁰ guidance, developed by the Care and Social Services Inspectorate Wales will also be useful in this regard. Local Service Boards³¹ might also provide support - the Boards have a role in tackling barriers to co-operation and delivery and enhancing the capacity and expertise of partnerships.

2.22 We will monitor how effectively organisations are sharing information for the benefit of young people and will consider whether there is a need to strengthen our requirements upon them.

2.23 We have seen from our earlier analysis that the number of 17 and 18 year olds who are NEET is higher than the number of 16 year olds. This suggests that the sustainability of post-16 destinations is as much of an issue as the transition from compulsory education itself. We think that stronger notification systems are needed for when young people disengage from training or education. This is essential to make sure that young people receive support as soon as they drop out of learning and become NEET.

2.24 We intend to develop a revised Statement of Arrangements setting out requirements for schools, colleges and training providers to notify Careers Wales as

³⁰http://new.wales.gov.uk/social_services/Publications/latestpublications/WASPI_2007?lang=en

³¹ Established in accordance with Making the Connections: Delivering Beyond Boundaries (2006).

soon as a young person disengages from training or education. We are considering whether we should strengthen these arrangements further through stronger contractual conditions and, if appropriate, through legislation.

Emerging Practice: Information Sharing Agreement and Multi-agency Database

Careers Wales Cardiff and Cardiff Youth Service have entered into a local information sharing agreement resulting in the Youth Service gaining access to Careers Wales' client database in Cardiff.

As an enhancement, Cardiff 14-19 Networks, YPPs and Careers Wales have collaborated to establish a multi-agency database. When launched, the database will enable any official who is in contact with a young person to register their interest and to see which other workers and agencies are also involved. The model will also enable an individual to be assigned a lead professional who will take responsibility for co-ordinating cross agency intervention. As the model develops, agencies with access will include Local Authority Schools Services, YOT teams, local health services, the police, fire service and Children's Services.

Assessment and referral

2.25 Notification of a young person NEET is not enough; a co-ordinated response requires assessment and referral processes which lead to integrated action to try to re-engage a young person with education, employment or training opportunities or to deal with the issues that prevent them from re-engaging in a planned way.

2.26 This is where KIT systems are important. Children and Young People's Partnerships should establish assessment and referral processes with the purpose of co-ordinating the provision of an individualised package of support matched to the needs, interests and aptitude of identified young people. Our work in developing and piloting the Common Assessment Framework (CAF)³² will be helpful here. The CAF is being developed as a new way to help children, young people and their families through the provision of a standardised assessment of need undertaken by a trained worker.

2.27 Careers Wales Youth Gateway (post 16) and Education Gateway (pre-16) are two of our main programmes aimed at supporting young people who are unfocused on what they want to do and at risk of being NEET. The programmes offer young people intensive assessment, mentoring and support so that they can re-engage or progress to training, education or other options. Post 16 Youth Gateway offers tailored programmes with no prescribed length of stay - in some instances a week of assessment is sufficient to focus young people and help them to move on. In other cases there may be a need to devise a programme of confidence building, skill development and work tasters over a period of several months.

³² The Common Assessment Framework (CAF) in Wales will help a range of practitioners undertake an initial holistic assessment of a child or young person's needs. It will help them identify and understand the child's needs and decide what the most appropriate response should be. <http://www.cafwales.co.uk/>

2.28 Careers Wales has achieved positive results with both Youth Gateway and with Education Gateway which is targeted at young people still at school who have been identified as at high risk of disengaging. However, we know that there are significant regional variations in the delivery of the programmes. This is often to fit with locally identified needs. We would like Careers Wales to work with schools to provide a more standardised delivery of its Education Gateway programme across Wales and to make clearer the links and distinctions between Post 16 Gateway and further work based training programmes.

2.29 Local targets will underpin and prove the effectiveness of good systems. Under the Children Act 2004, local authorities are required to work with partners to publish a Children and Young Peoples Plan (CYPP). Strategic planning to meet the needs of young people who are NEET falls under Core Aim 2 of the planning guidance.³³ Partners are encouraged to select additional measures that they find relevant and use can be made of this opportunity to show how progress in relation to young people NEET is being made.

³³ Shared Planning for Better Outcomes - Planning Guidance and Regulations for Local Authorities and their Partners on Children and Young People's Plans, WAG, 2007.

3. THE RIGHT PROVISION

We intend to:-

- continue with reforms to vocational qualifications so that they better match the needs of learners and employers;
- legislate to place a duty upon local education authorities, schools and further education institutions to co-operate in the delivery of a local options menu for young people and to deliver an enhanced entitlement for learners to the options, experiences and support that are part of their learning pathway;
- take forward our Youth Enterprise Strategy and Dynamo role model programmes to help ensure young people develop the skills they need for work;
- investigate the reasons for low take-up of in-work training by 16 and 17 year olds and develop new ways of promoting skills development and training to working young people and their employers;
- pilot a new Entry level programme to replace Skill Build which will focus on tackling the significant additional support needs that many young people NEET have before they are able to move closer to the labour market;
- support the continued development of service providers through our contract management and quality improvement processes; and
- work with our partners including Jobcentre Plus, Careers Wales, Sector Skills Councils and employers to improve the quantity and quality of job opportunities available to young people and tie this closely to the new Careers Ladders concept outlined in Skills that Work for Wales, our draft skills and employment strategy.

The questions in Annex A invite your responses and comments.

What do young people say about learning?

3.1 We are committed to driving forward implementation across Wales of the principles of Article 2 of the UN Convention on the Rights of the Child by taking steps to ensure that all children and young people aged 0-25 have opportunities to contribute to and have their voices heard in decision making on issues which impact on their lives. We have recently published guidance³⁴ for partners to support the development of local participation strategies. It is vital that participation strategies enable young people to have say about the learning and employment options available to them which are an important part of their lives.

3.2 We know from the Youth Cohort Survey that most young people who are NEET say it is because the right jobs or learning provision is not available or that they do not have the qualifications to progress.³⁵ Our work with young people as part of the development of this strategy supports those findings.

³⁴ <http://wales.gov.uk/docrepos/40382/4038232/403821/204461/lp-strat-e.pdf?lang=en>

³⁵ Payne J (2000) youth cohort study: Education, training and employment of 16-18 Year olds in England and the factors associated with non-participation.
<http://www.dfes.gov.uk/rsgateway/DB/SBU/b000162/sb02-2000.pdf>

3.3 The central part of our response to the NEET issue has therefore to be to try to engage young people more effectively in learning by offering them a wider choice of options as to what and how they study as they move through their education, and to make sure that their choices give them the skills they need to progress to good quality jobs.

3.4 We are already reforming the qualifications framework to ensure there is the right range of provision to meet young people's needs and provide them with the skills they need for work and for life. All future vocational qualifications used across England, Wales and Northern Ireland will have credit as an integral element, forming a part of the wider Credit and Qualifications Framework for Wales (CQFW). Credit is important because not everyone wants or is able to study for a full qualification. Credit is a new way of recognising achievement that will enable learners to work towards qualifications in small steps and at their own pace, receiving credit for completing accredited short courses, on-the-job training and even informal learning.

A new approach to learning at 14-19

3.5 Rather than introduce a compulsion to participate in learning beyond 16, our approach is to increase the quantity and the quality of the options available to young people during their education so that they want to continue to participate in learning and can see the value in doing so. Learning Pathways 14-19 is transforming learning provision for young people in Wales, giving them a greater say in decisions about their learning as well as broader, more flexible learning options matched by enhanced support and guidance.

3.6 The six key elements of Learning Pathways are:-

Learning Pathways:-

- *Individual Learning Pathways to meet the needs of each learner.* This means that each young person will have an individually tailored Learning Pathway leading to approved qualifications and awards of credit at the right levels and at the right time for the learner. Each learner's Learning Pathway will have a combination of formal, non-formal and informal elements³⁶ and the balance between the elements will vary according to the learner's needs. The individual strands of a Learning Pathway are designed to enable all learners to have wider enriching experiences to gain wider skills which will be helpful in motivation and for future employability;
- *Wider choice and flexibility of programmes and ways of learning.* Each young person will be given wider choice of relevant options from a range of domains and a greater flexibility to vary speed and direction of pathway; and
- *A Learning Core which runs from 14 through to 19 wherever young people are learning.* As a minimum, it consists of the skills, knowledge,

³⁶ FORMAL – organized learning opportunities leading to approved qualifications and/or CQFW credit achievements.

NON FORMAL - organized programmes that may lead to accreditation but typically outside the National Qualifications Framework (NQF).

INFORMAL - wider experiences normally without formal recognition e.g. volunteering.

understanding, attitudes, values and experiences that all learners need to prepare them for further learning, employment, personal fulfillment and their contribution to our bilingual and diverse society, regardless of the Learning Pathway that a learner chooses to follow.

Support for Learners:-

- *Learning Coach.* Entitlement to learning support – an opportunity for each young person to discuss learning and progress on a regular basis;
- *Access to personal support.* Access to support to overcome personal barriers to learning; and
- *Careers advice and guidance.* Impartial careers advice and guidance.

3.7 To underpin 14-19 Learning Pathways, we are consulting on legislation to place a duty on local education authorities, schools and further education institutions to cooperate in the delivery of a local options menu for young people. We are also legislating to secure an enhanced entitlement for learners to the options, experiences and support that are part of their individual learning pathway, a commitment that we made in One Wales.

3.8 To implement Learning Pathways, local 14-19 Networks play an important strategic role in ensuring there is the right range of provision available for learners in their areas. This includes learners who are already NEET and those at high risk of becoming so. Since 2002, Networks have been required to carry out audits of local provision assessing whether it is sufficient to meet needs. We believe that in some areas there is still not enough provision available to meet the learning needs of vulnerable young people. Young People's Partnerships and Careers Wales companies need a stronger voice in informing the commissioning and co-ordinating the mix of provision which should be resourced, proportionately, by mainstream and additional funding made available to 14-19 Networks.

3.9 Theme E of Cymorth is the main source of additional grant funding to support NEET and potentially NEET young people. We have updated our guidance on the use of Theme E to help improve its focus. We have also requested that local authorities review the projects that they fund through Cymorth Theme E to ensure that they are consistent with our proposals in this document and that they are offering the third sector³⁷ sufficient opportunity to access funding. We intend to monitor closely local authority decisions on projects funded through Theme E of Cymorth. Cymorth Guidance requires Children and Young People's partnerships to ensure that the spread of investment is maintained for the Cymorth themes. Planning profiles will be referred back if they do not cover the themes sufficiently, when compared with 2007-8 plans.

Skill Build

3.10 Because of the numbers of young people in the NEET group who are lower achievers it is particularly important to have good level 1 and entry level provision. Currently our major programme with young people who are NEET or at risk of being

³⁷ The third sector includes organisations that are not profit-making and are independent of the state. They are value driven and principally re-invest surpluses or raise funds to further social, environmental or cultural objectives. The sector includes community groups, voluntary organisations, faith and equalities groups, charities, social enterprises, co-operatives, mutuals and housing associations.

NEET is Skill Build³⁸. Skill Build is a learning programme for people who are not yet ready or able to enter an apprenticeship, employment or further learning opportunities.

3.11 The evaluation of our work-based learning programmes has shown that Skill Build has not always provided for the level of intensive support required by some young people³⁹ especially those who have significant basic skills problems and who may also have a range of personal and social problems which impact on their ability to progress – in other words those young people most likely to become NEET.

3.12 In response to the formal evaluation and feedback from stakeholders we are making changes to Skill Build. We have extended access to training at levels 2 and 3 for 16-18 year olds – this was identified as a barrier to progression for some young people. We have also widened the delivery criteria by removing the barrier to accessing both basic and key skills as part of the programme. This is an important change which gives providers the option of contracting out additional support for clients who offer good quality life skills or other provision - crucial for the sustained progression of many vulnerable young people.

3.13 However, feedback suggests that despite the changes we have made there remains a lack of opportunity for young people who have a range of additional support needs which need to be addressed before attempting to develop the skills to support employability.

3.14 Taking into account the evaluation of the programme as well as the recommendations made in Promise and Performance, the independent review of the purpose and mission of further education in Wales, we are developing a new Entry level programme which will focus on tackling the significant additional support needs that many young people NEET have before they are able to move closer to the labour market.

3.15 We will develop and test aspects of the programme in 2008 in two areas of Wales – one urban and one rural and will link it closely with the implementation of 14-19 Learning Pathways. This approach will attempt to raise the overall quality of provision; reduce the number of re-entrants to the programme – significant in minimising the revolving door of NEET young people; increase the rate of progression into employment and to identify the types of informal learning opportunities which are most successful in engaging learners.

3.16 We also propose to align the programme more closely with JobCentre Plus provision, recognising that what is needed by young people NEET is not so very different from what is needed by unemployed adults.

³⁸ At present, Skill Build is an all-age programme. In 'Skills that Work for Wales', our draft skills and employment strategy we propose the retention of Skill Build for unemployed young people but the replacement of the adult element with a new Ambitions programme. The consultation period for Skills that Work for Wales ends on 10 April 2008.

³⁹ The evaluation of Skillbuild in Wales concluded that "(Skillbuild) does not meet the need of those who are most disadvantaged.". Skillbuild predominantly focuses on developing skills to support employability, even though for some young people addressing a range of additional support needs should be the primary concern. Other concerns included a lack of secure quality placements for young people (only 8% of 16 year olds take up Work-based learning); a high level of Skillbuild starts in 16 -18 age group (75%); Reasons for Early Leaving from FE and Work-Based Learning Courses, Claire Simm, Rosie Page, Linda Miller, Institute for Employment Studies, 2007.

A flexible provider network

3.17 One of the most important measures of success of the post-16 system is the extent to which it helps the most vulnerable young people get into, stay in and progress between education, training and employment.

3.18 We need to increase the flexibility of the system to enable more young people to start programmes during the course of the academic year, so that those who drop out or do not start a course in September can be re-engaged quickly. It is particularly important that we ensure that young people can start courses in January, which has historically been a moment when some young people drop out, having made a poor choice in September. We will work with providers, 14-19 Networks and young people to consider how best more flexible learning offers of this type can be made.

Skills for work

3.19 We know that many young people are keen to enter the world of work and that pushing them towards full-time education when this is the case may be counterproductive. That said, we need to ensure that young people do not churn between low-paid, low skill employment with little hope of progression or sustainability.

3.20 Our 14-19 policy includes an ambitious aspiration for everyone to be able to follow a learning pathway including preparation for, and engagement with, the world of work. Delivering this goal means involving employers much more closely in a wide range of education and training for young people. Careers and the World of Work⁴⁰ is our new approach to delivery of the careers and work related curriculum in schools – the mechanism for embedding career planning and career management skills in young people.

3.21 In our Skills and Employment Action Plan 2005⁴¹ we committed to develop programmes to enable young people to combine learning in schools and college with more practical learning in the workplace. We have provided guidance for schools on delivering vocational provision pre-16⁴² and we are working with Sector Skills Councils (SSCs) to pilot Work-Based Learning Pathways for young people.

3.22 Learners undertaking work-based learning pathways are mainly 14-16 year olds who are keen to learn in a more practical way. The learning pathways are challenging and combine core GCSEs in schools, with a more practical hands-on approach through employer contact and real work experience. As part of this work learners achieve an industry recognised vocational qualification. The new work-based learning pathways have significant potential to re-engage motivated young people who are turned off by traditional forms of learning.

⁴⁰ http://wales.gov.uk/topics/educationandskills/curriculum_and_assessment/arevisedcurriculumforwales/careersandtheworldofwork/?lang=en

⁴¹ Skills and Employment Action Plan 2005.

⁴² Making a Difference, Vocational Provision 14-16, Guidance for Schools, WAG.

3.23 Our Youth Enterprise Strategy⁴³ seeks to enhance this agenda through the promotion of entrepreneurial skills within the curriculum, training for staff, and the promotion of entrepreneurship champions in colleges and universities. Similarly, our Dynamo Role Model programme and Careers Wales Education Business helps to bring industry and education together delivering workshops led by local business leaders to over 50,000 pupils in Wales. We will consider how best we can build on the success of these programmes to ensure that young people can develop the skills they need for work.

In-work training

3.24 Modern Apprenticeships (MAs) and Foundation Modern Apprenticeships (FMAs) are high-quality learning routes offering a unique combination of paid employment or work-experience, on-the-job training and the opportunity to develop the knowledge and skills needed for a career. Apprenticeships provide an alternative to full-time education for many young people who prefer practical rather than classroom-based learning. We will significantly increase the number of Modern Apprentices in Wales, a commitment that we made in *One Wales*.

3.25 We are aware that many employers, particularly small and medium-sized enterprises, struggle to provide MA and FMA places, and this can have a significant impact on the availability of provision. In the Work-based Learning Improvement Plan we announced that we would explore the potential for Shared Apprenticeship schemes that could address these issues. We will be conducting pilots from 2008 onwards to determine the best way forward.

3.26 We also need to increase the number of apprenticeship places specifically for 16-18 year olds. We will work with Careers Wales and with Sector Skills Councils to encourage more employers to offer these places.

3.27 Low-skilled 16 and 17 year olds have a statutory right to time off from work to study or train.⁴⁴ However evidence suggests that take-up of this entitlement is poor. We will investigate the reasons for low take-up and develop new ways of promoting training to working young people as well as to their employers.

3.28 We also intend expanding our successful Basic Skills Employer Pledge, which commits employers to 'help employees with poor basic skills to improve these basic skills'. The Pledge already covers 10% of Welsh employees and we have a target of 50% by 2010. We will encourage more employers to take the Pledge by taking account of a commitment to it when we allocate discretionary funding grants.

⁴³ http://www.projectdynamo.com/application/downloads/WDA_YES.pdf

⁴⁴ Under the terms of section 63A of the Employment Rights Act 1996 and the Right to Time Off for Study or Training Regulations 2001, any employee aged 16 or 17 in England and Wales who does not already have a specified level of qualification (broadly set at Level 2) has the right to take reasonable paid time off work in order to study or train for a relevant qualification.

4. THE RIGHT SUPPORT

We intend to:-

- continue to improve our strategic approach to the provision of information, advice and guidance for young people;
- invest in the development of an enhanced model for Learning Coach support specifically for NEET and potentially NEET young people;
- work with young people themselves to help them develop ownership of and buy in to our future approach;
- develop a National Strategy for Financial Inclusion, which will incorporate the specific needs of young people NEET;
- develop a guidance pack to support local partnerships in delivering personal support to young people - helping them to overcome personal barriers which may prevent them from engaging in education, training or employment;
- consider the scope for, and benefits of, a statutory entitlement to free basic skills learning for all post-16 learners;
- extend our Want2Work programme, subject to a successful bid for ESF funding, to target families where more than one person is inactive;
- review the financial forms of support offered to 16-19 year olds and examine the feasibility of delivering financial parity across all types of non-advanced education and unwaged training participation;
- conduct an evaluation of the Education Maintenance Allowance (EMA) scheme in Wales assessing ways in which to maximise the potential of the scheme to encourage engagement, retention and progression for young people at risk of becoming NEET;
- work with the Department for Work and Pensions (DWP) to consider the impact of changes to Jobseeker's Allowance for 16 and 17 year olds in Wales; and
- work closely with DWP to consider the impact of changes to the New Deal for young people in Wales.

The questions in Annex A invite your responses and comments.

Information, Advice and Guidance

4.1 Most young people, supported by parents, friends and school or college can manage the transition from childhood to adulthood successfully. But for some, this support, for whatever reason, is simply not available. Vital components of the infrastructure required for young people to engage in learning and to make informed decisions on their future are quality programmes of Careers and Work Related Education supported⁴⁵ by access to impartial information advice and guidance which can help prepare them for, signpost them to and sustain them in education, employment and training opportunities.

⁴⁵ Careers and the World of Work is our new approach to delivery of the careers and work related curriculum in schools – the mechanism for embedding career planning and career management skills in young people.

4.2 The information, advice and guidance (IAG) that young people receive can be an important factor in their decision-making. Research has⁴⁶ demonstrated that the timing of information given to individuals is important in framing their choice of learning route. Currently, much information is made available or received in 'short bursts', often just before a critical career or educational transition. But evidence⁴⁷ has highlighted that disaffection from the educational system is deeply rooted long before the minimum school leaving age; choices about staying on or leaving learning do not normally involve conscious decisions taken during the last year of compulsory schooling, but are based rather on long-standing assumptions.

4.3 We will develop our approach to the better provision of information, advice and guidance to young people and have recently started planning the next stage of the CLIC Project (the Third National Information and Advice Project for Young People Aged 11-25).

4.4 Financial exclusion - be it from affordable credit, money advice or products such as current accounts which many take for granted - is particularly acute for many young people NEET. Consequently, the National Strategy for Financial Inclusion, which we are currently developing, will incorporate the specific and particular needs of young people NEET.

Personal and Learning Support

4.5 Given the multiple challenges that many young people at risk of being NEET face, bespoke solutions involving more intensive support and guidance are often required.⁴⁸ Critical success factors in this type of work include support to identify needs, motivations and aspirations; detailed mentoring; help to overcome personal barriers to learning and an advocacy role on behalf of the young person when engaging with employers or training and education providers. This approach is the rationale for the Support for Learners strand of our 14-19 Learning Pathways programme.

4.6 One of the most important developments of 14-19 Learning Pathways is the introduction of Learning Coach support for all young people. Learning Coaches will help learners to develop and improve their learning skills and style. Learning Coaches will support all young people, but we believe that this development is likely to have an especially beneficial impact on young people who, for example, might have chosen an inappropriate learning pathway; are reluctant learners; or who are at risk of disengaging from the curriculum - those young people most at risk of becoming NEET.

⁴⁶ Reasons for Early Leaving from FE and Work-Based Learning Courses, Claire Simm, Rosie Page, Linda Miller, Institute for Employment Studies, 2007.

⁴⁷ Rees G. et al (1996) Status zero. A study of jobless school leavers in South Wales. Research Papers in Education 11 (2) pp219-235.

⁴⁸ Edward Melhuish (2004) A Literature Review of the Impact of Early Years Provision on Young Children, with Emphasis Given to Children from Disadvantaged Backgrounds. Institute for the Study of Children, Families & Social Issues Birkbeck, University of London (Prepared for the National Audit Office). <http://www.dfes.gov.uk/rsgateway/DB/RRP/u013349/index.shtml>; What works in preventing and re-engaging young people NEET in London, Research on young people 'not in education, employment, or training (NEET)' commissioned by the Greater London Authority, 2007.

4.7 Young people who have already left education or training will require the most skilled Learning Coach support to enable them to re-engage. We are investing in the development of a model for Learning Coach support specifically for NEET and potentially NEET young people. This model will link closely with the Personal Support strand of Learning Pathways since it is the intensive level of personal support that is often most essential with NEET young people enabling personal needs to be met before or alongside re-engagement in learning.

Case Study: Multiple Barriers to Re-engagement

Young person X lives in a deprived urban area and is a member of the Bengali community. X is severely and profoundly deaf and has difficulty with speech and language, finding new vocabulary and concepts difficult to process. X has found the transition period from school very difficult and confusing and this has manifested in emotional and physical outbursts. X has previously received support from Social Services including involvement with a project to address sexual offences.

At the request of X, meetings with a Youth Gateway advisor took place sitting down and face to face using action planning and session reviews. This process helped both keep track of next steps and achievements.

The initial sessions enabled X to highlight additional support needs. The adviser helped X to understand learning styles and spent a session identifying comfort zones before discussing work, training and education opportunities. The adviser identified that X required mentoring to develop social skills and positive role modelling which would help with self-esteem and motivation. X would also need 1-1 support to help access and sustain a training place.

They identified a local training provider that would be able to offer relevant work based training and work experience. They also discussed and visited informal training providers that could offer programmes of support, anger management, self esteem and confidence building activities.

The adviser contracted with three local providers to provide a tailored and purposeful training package. X accessed work based qualifications and placement two days a week. The remaining three days were spent working on soft outcomes including confidence building, self esteem, and life skills with a specialist 1-1 support worker with access to a Bengali speaking worker when required. X will eventually attend mainstream training on a full time basis with continued support beyond the transition.

*At the last mentoring meeting with the adviser, young person X commented “**I am loving all the different things I’m doing.**”*

4.8 The Personal Support aspect of Learning Pathways will ensure access for learners to services or people to support them in developing solutions to the personal, social, emotional and physical problems, which may ultimately result in a premature exit from learning.

4.9 All learners have an entitlement to access personal support, though not all learners will need to take advantage of these services. Those who do may require various degrees of support ranging from knowledge of where to seek information, someone to listen to a problem, or specialist help.

4.10 The range of personal support needs that an individual young person might face is vast. We know that a high proportion of young people with caring and domestic responsibilities are NEET. They will need support to enable them to balance their domestic responsibilities with a return to learning or working. For others, personal support might mean help to overcome substance abuse,⁴⁹ mental health support, housing advice or preparation for independent living.

Case Study: Insecure Housing

An Employment Training Advisor from Careers Wales identified that client Y lacked confidence and needed help and guidance with career choices. The advisor established that she would benefit from working with a 1-1 Personal Advisor on a Youth Gateway course.

The personal advisor and client discussed career ideas and sent out CVs and application forms to hairdressing establishments. The client gained a two week trial with a local hairdresser with view to a permanent job if successful.

During the trial the client advised that she had left the family home due to an incident of domestic violence. The advisor accompanied the client to the Social Service office and homeless agencies to support the client to find temporary accommodation and help with completing any forms. The client finished her placement and was offered a full time position with training.

A multi agency approach with collaboration between Social Services, third sector organisations and Careers Wales, ensured the client was found temporary accommodation at a homeless hostel whilst waiting for council accommodation.

The client is now working in the hairdresser's. She is attending college one day a week and has secured permanent council accommodation.

4.11 General types of personal support might be available from a young person's learning setting – from a youth worker, school counselling service, careers adviser or school nurse. But often personal support will be provided in the community – in a health centre, a youth centre or from a street-based youth worker. For young people facing specific issues, personal support could be provided directly or via referral to a specialist, for example a social worker, housing advisor or YOT worker. For the most needy young people personal support is likely to be longer term and more intensive, based on developing personal relationships with young people to enable them to stay in specialist programmes. These young people will continue to need support as they progress as they are often at their most vulnerable when they are turning their lives around.

Case Study: Personal Support in Custody

One-year re-offending rates for males aged 10-17 in custodial sentences stand at 78%. Access to education, training and employment can help prevent re-offending. However, young people often have complex needs and face multiple barriers which make the transition from custody to the community and then on into education, training or employment

⁴⁹ Our ten year strategy, 'Working Together to Reduce Harm,' the substance misuse strategy for Wales 2008-2018 is currently out for consultation.

particularly challenging. Our Personal Support in Custody Pilot Project aimed to support the transitions of Welsh young people from Bridgend and Denbighshire serving their custodial sentences in two English Young Offender Institutions (YOI), Ashfield and Stoke Heath.

Initial results from the project appear positive: The evaluation found that¹.

- the project helped ensure that young people did not lose focus in the first two weeks following release: 19 of the 21 young people on the project who were released by March 2007, made it through their first two weeks in the community without serious incident.*
- Overall, the project enabled just under half the young people it supported to access education, training and employment and a third had not re-offended by the end of the project.*
- Key worker relationships with young people influenced the success of the interventions as did the ease with which workers could broker access to education, training and employment opportunities and the extent to which the work was integrated with the local Youth Offending Team, Young People's Partnership and YOI.*
- The project was most effective for those young people who had reached a point in their lives when they wanted to change. In these cases, the project could provide both practical and pastoral support to help both broker access to opportunities and services and develop young people's personal capabilities, particularly social and emotional skills so that they could make effective use of those opportunities and services.*

4.12 YPPs in each local authority area are responsible for co-ordinating the planning and delivery of young people's entitlement to personal support. Each YPP has conducted an audit of provision and should be working with 14-19 Networks to ensure that this key element of Learning Pathways is available for the young people who need it.

4.13 Our forthcoming Personal Support pack will provide guidance to YPP organisations and 14-19 Networks on the delivery of personal support to young people – maximising the opportunities to link up advice and service provision across different agencies within the formal and third sector. To complement this we will carry out a mapping exercise of the personal support that is currently available across all 14-19 Network areas.

4.14 The aim of our Youth Service Strategy⁵⁰ is to ensure greater coherence across the youth work field by securing more effective engagement between the youth service, 14-19 Learning Pathways, community based schools and learning coaches. The strategy identifies a range of outcomes for young people achieved through their involvement with the Youth Service including participation in a wide range of meaningful activities, wider skills development, and enhanced emotional competence. The Youth Service has a clear role to play in the delivery of personal support: Youth work can and should make a significant contribution to the creation of a framework of personal support within learning settings and in communities out of formal learning hours.

4.15 Subject to approval, we will develop a new project funded via the European Social Fund which will help deliver against all aspects of this document - systems, provision and support. An important theme will be the provision of intensive personal

⁵⁰ Young people, youth work, Youth Service National Service Strategy for Wales, WAG, 2007.

support directly to young people. Approaches will be trialled and tailored to address the needs of specific ‘at-risk’ groups – including Gypsy Travellers, refugee and asylum seeking young people, young offenders, young carers, looked after children, care leavers and certain ethnic minority groups.

Careers advice and guidance

4.16 The third aspect of the Support for Learners strand of Learning Pathways is careers advice and guidance. Careers Wales works with young people in schools and FE colleges to ensure that they have the support and advice needed to make a successful transition at 16 and beyond to further learning or employment. Careers guidance plays a key role in helping young people to test out their career and learning ideas, ensures that their aims have been explored and challenged, helps them evaluate their individual strengths, interests, abilities, experiences and learning styles and raises their aspirations in making informed choices about their learning/career pathways.

Supporting families and communities

4.17 Being a parent is a big job. Everyone who looks after children needs support and encouragement. They also need advice and information about a range of things as their children grow up. Our Parenting Action Plan⁵¹ seeks to ensure that parents in Wales get the advice and support they need. We will continue to develop this work over the coming years.

4.18 There can be little doubt that the primary influence over most young people is their parents or immediate carers. A study⁵² examining the importance of parental involvement on pupil achievement suggests that a significant proportion of school-based success can be attributed to the interest and involvement of parents.

4.19 Children whose parents have poor basic skills are more likely to struggle with basic skills themselves. The purpose of our Family Learning programmes, delivered as part of our Basic Skills Strategy⁵³ is to support parents and to raise standards of literacy and numeracy for both them and their children. It is also to extend parents’ skills in supporting their children’s education. We recognise that addressing the basic skills problem will take time and resource. In our draft skills and employment strategy we have committed to consider the scope for, and benefits of, a statutory entitlement to free basic skills learning for all post-16 learners. Improving both basic (and work related) skills are important elements in our drive to tackle child poverty and improving outcomes for vulnerable children and their families are key to its success.

4.20 Community Focused Schools have a role to play in involving local adults in the life of the school - embedding the community in the school and the school within its community. A Community Focused School is one that provides a range of services and activities, often beyond the school day, to help meet the needs of its

51 http://new.wales.gov.uk/docrepos/40382/4038232/4038211/Guidance_and_Information/parenting-action-plan-e.pdf?lang=en.

52 Desforges et al (2003).

53 Words Talk, Numbers Count, WAG, 2005.

pupils, their families and the wider community. Across Wales many schools have extended their level of involvement to pupils and their families to provide some community services including adult education, out of hours learning, ICT facilities and community sports programmes.

4.21 Our analysis in chapter one has illustrated that coming from a workless background may increase a young person's chances of experiencing a period NEET. This suggests that we need to join up our approaches to tackling youth NEETness with our efforts to tackle adult inactivity and worklessness.

4.22 In Chapter 3 we proposed aligning our Skill Build programme more closely with Job Centre Plus provision, recognising that what is needed by young people NEET is not entirely different to what is needed by unemployed adults. In addition, subject to a successful bid for funding, we will seek to extend our Want2Work programme⁵⁴ to target families where more than one person is inactive to attempt to end the cycle of unemployment and inactivity within particular families and communities becoming an accepted norm.

4.23 The major direct causes of worklessness relate to the characteristics of individuals – notably, a low level of educational qualifications – rather than places. However, people with similar characteristics are often concentrated in certain locations, which is one reason why there is such a prevalence of economic inactivity in certain areas such as the Heads of the Valleys.⁵⁵

4.24 Our Communities First programme exists to provide people in the most disadvantaged areas of Wales with opportunities to improve their own lives and the future of their communities. In 2008 the Communities First Programme will evolve into its Communities Next phase, with an increased emphasis on delivering agreed outcomes for each Communities First area.

4.25 Communities Next will place a renewed focus on Partnerships tackling issues to do with poverty and disadvantage e.g. income maximisation, improving employability and child poverty. There is a close correlation between the authorities with the greatest number of Communities First areas and those with the highest incidence of young people who are NEET.

4.26 Communities First Partnerships have established structures for engaging local people and working in partnership with statutory and third sector organisations. Many Communities First Partnerships have development workers dedicated to working with young people, including those who are NEET or at risk of becoming so. Most Partnerships also have long-established links with Young Peoples Partnerships, the local Youth Service and other referral agencies.

4.27 Many factors may influence why a young person is NEET and these cannot be addressed in isolation. Finding solutions will require close collaboration, between

⁵⁴ Want2work is a joint venture between the Welsh Assembly and Jobcentre Plus, funded by the European Social Fund. Its aim is to get those economically inactive into work. It is not designed for those on Jobseekers allowance who are eligible for NEW Deal. It targets wards with high rates of economic inactivity. Personal advisors work with individuals to develop an action plan. The advisors operate in outreach centres such as post offices, libraries and community centres.

⁵⁵ Wales A Vibrant Economy, Welsh Assembly Government 2005.

statutory agencies, third sector organizations and the young people concerned. Communities First partnerships offer a facility to encourage and sustain such collaboration, particularly in devising and taking forward initiatives in more informal, unthreatening settings.

Removing financial barriers to learning

4.28 Understanding finances and managing money is an important skill for young people. From September 2008, financial literacy education will be embedded in both the Personal and Social Education and Mathematics frameworks for ages 7-19 and 7-16 respectively. We have also announced a package, with the assistance of the Financial Services Authority, that will fund the establishment of a Welsh Unit for Financial Education which will help support schools and teachers deliver these changes. The Unit will first focus on supporting schools but it will also look at more innovative outreach work that would better target and more effectively serve young people NEET.

4.29 We know that financial constraints and opportunities play a significant role in determining the choices people make. Fear of accruing debt through undertaking education is a prominent characteristic of young people NEET. Recent research⁵⁶ shows that although many young people NEET understand the benefits of staying on in school or college, a relatively high proportion opt to look for work - we can be fairly sure that financial considerations are at least part of the basis for such decisions.

4.30 The student support system in Wales, Education Maintenance Allowance (EMA), Minimum Training Allowance, Individual Learning Accounts and UK-wide measures such as introducing a national minimum wage rate for 16-17 year olds all contribute to making education, employment or training more accessible for young people. But the fact remains that we need to tackle some of the anomalies within the financial support system, and to employ a more comprehensive set of levers to influence the behaviour of young people who are NEET.

4.31 We think that disparities between payment levels on national training programmes and education schemes may influence progression choices in ways that may not always be helpful. For example, young people leaving Skill Build for a college option may face a reduction in income because the Minimum Training Allowance is worth more than the financial support they would receive in college. Better understanding of how different financial support mechanisms interrelate and how they influence the choices made by young people is critical if we are to ensure resources can be more fairly, and more effectively, targeted.

4.32 We will review the financial support mechanisms offered in Wales to 16-19 year olds and examine the feasibility of delivering financial parity across all types of non-advanced education and unwaged training participation. Any change could not be implemented until 2010 at the earliest, following expiration of the current WBL contracts.

⁵⁶ Reasons for Early Leaving from FE and Work-Based Learning Courses, Claire Simm, Rosie Page, Linda Miller, Institute for Employment Studies, 2007; Payne J (2000) youth cohort study: Education, training and employment of 16-18 Year olds in England and the factors associated with non-participation. <http://www.dfes.gov.uk/rsgateway/DB/SBU/b000162/sb02-2000.pdf>

4.33 The Education Maintenance Allowance (EMA) Wales scheme is designed to provide an incentive to young people from lower income families to continue and to remain in full-time education. We know from our earlier analysis that young people NEET are more likely to come from lower income families and so the introduction of EMA has been a significant development.

4.34 The scheme is founded on a 'something for something' basis providing a weekly cash allowance linked to school or college attendance, combined with a series of bonuses linked to retention and achievement. Significantly, in 2006, 82% of approved applications were from students with a household income of £19,630 or less and thus were entitled to the maximum EMA of £30 per week.

4.35 We intend conducting a full evaluation of the EMA scheme in Wales having regard to the impact of the scheme on those who do not qualify, as well as those who do. Our evaluation will investigate whether EMA is enabling at risk young people to enter education, employment or training or whether it is simply deferring a NEET outcome for those same young people. It will also look at ways to maximise the potential of EMA to encourage engagement, retention and progression for young people known to be at risk of becoming NEET.

Getting the incentives right

4.36 The Welfare system influences the decision-making of many disadvantaged young people after they have left school. We know that losing benefits acts as a disincentive to move into employment or learning. At the very least, many benefit clients have the perception that they would be worse off working. As our draft skills and employment strategy makes clear, we are working closely with the Department for Work and Pensions (DWP), to deliver a flexible welfare system coupled with integrated employment and skills support.

4.37 We need to make sure that there are clear incentives in place for all young people to re-engage quickly should they become NEET. England is piloting a new type of financial incentive aimed specifically at re-engaging 16 and 17 year olds who have been long term NEET. An 'Activity Agreement' is a personalised action plan negotiated and agreed with a Personal Adviser. In return for committing to, and completing, agreed activities to aid reintegration into learning, young people get a weekly allowance for up to 20 weeks.

4.38 We are working with DWP to consider whether piloting this type of approach with 16 and 17 year olds in Wales who are in receipt of Jobseeker's Allowance (JSA) (severe hardship) might help them to re-engage, and to take up their entitlement to an appropriate place in education or training.

4.39 In normal circumstances young people become eligible for JSA as soon as they reach the age of 18. However, (unless they are in one of a small number of groups who qualify for early entry, such as ex-offenders and young people with disabilities) it is a further six months before they enter the intensive support and sanctions regime of the New Deal. This is true even if they have been NEET for a considerable period before their 18th birthday.

4.40 The DWP will make changes to New Deal from April 2008 to make sure that 18 year olds with any history of being NEET in the past can, by agreement with their Personal Adviser, be fast tracked to the gateway stage of New Deal on a voluntary basis. In addition, from 2009 DWP will take this approach further by making fast tracking to the gateway mandatory for 18 year olds who have already built up a six month period of NEET.

4.41 This means that from April 2009, there will be mandatory fast-tracking to the six months gateway stage of New Deal for all 18 year olds who have:-

- a. been 26 or more weeks NEET immediately prior to turning 18; or
- b. reach 26 weeks on JSA and NEET whilst they are 18 years old.

4.42 In consequence, young people under 18 will know that every day spent NEET will contribute towards moving them towards the New Deal regime. This will provide them with a clear incentive to re-engage as quickly as possible, while also ensuring that those who are NEET aged 18 will receive intensive support more quickly. We are working closely with DWP to consider how these changes may be introduced in Wales.

ANNEX A

Next Steps and Consultation Questions

Following the close of this consultation we shall produce a final document. This will be followed by an action plan describing the steps we will take to deliver our commitment to reducing the numbers of young people NEET in Wales.

The Assembly Government is committed to involving children and young people in decision-making on issues that affect their lives. As part of the consultation on this document, we will make specific arrangements to encourage and take account of comments from young people up to age 25.

We invite your responses to the following questions. A feedback form is available on request.

General questions:-

1. Do you welcome the broad policy direction set out in this document?
2. What should be the priority actions if we are to deliver in line with our ambitions for reducing the proportion of young people NEET?
3. Is there anything missing from our analysis of young people NEET (see Chapter 1) which should help to direct our future policies?

Specific questions:-

4. What are your views on the systems we outline in Chapter 2? In particular
 - a. Should one organisation have lead responsibility at operational level for young people who are NEET? If so, what should this mean in practice?
 - b. What more can we do to embed KIT processes within local authorities?
 - c. Would there be value in enhancing the information provided to schools on the destinations of former pupils?
 - d. What more can we do to support information sharing between organisations?
5. What are your views on the provision for learners that we outline in Chapter 3? In particular,
 - a. What more can we do to support 14-19 Networks in developing learning provision for NEET and at-risk young people?
 - b. How can we best direct Cymorth Theme E in future?

- c. Do the proposals go far enough in outlining changes to our national training programmes? If not, what more do we need to do to improve the quality of those programmes for vulnerable young people?
- 6. What are your views on the support for learners that we outline in Chapter 4? In particular:-
 - a. What more can we do to develop the Support for Learners element of Learning Pathways 14-19 for the benefit of NEET and potentially NEET young people?
 - b. Is the idea of financial parity across different types of learning for 16-19 year olds a good one?
 - c. What more can we do to ensure that learners are not swayed in their choices by unintentional financial incentives or disincentives?
- 7. We have provided draft guidance for local data collection at Annex C of this strategy. We would like to know whether:-
 - a. the two main categories of NEET are helpful to CYPP organisations for their data collection?
 - b. there be any difficulties in implementing data collection on this basis within organisations?
 - c. we could do more to encourage local organisations to collect data in a consistent way?

ANNEX B

Policy Gateway Summary

The results below represent the agreed outcomes of this consultation document tested against the Assembly's Integration Tool. The assessment involved representatives from The Department for Children, Education, Lifelong Learning and Skills; The Department for the Economy and Transport; The Department for Social Justice and Local Government; The Department for the Environment, Sustainability and Housing. These representatives agreed this is an accurate overview of their collective comments.

Key: **U** – Undermining; **P** – Poor; **N** – Neutral; **F** – Fair; **G** – Good; **E** - Excellent

ONE WALES COMMITMENT	OVERALL CONTRIBUTION						EXPLANATION
	U	P	N	F	G	E	
1. A Healthy Future				X			Thought to make a fair indirect contribution to preventing ill health, supporting health and well-being, and helping people gain access to services.
2. A prosperous society					X		Considered to have a significant positive impact. By increasing participation in learning and employment and supporting better quality jobs and skills productivity and employment will be increased.
3. Living Communities					X		A positive contribution to enhancing communities, in particular by helping individuals address barriers to improving their quality of life, reducing inactivity, lowering dependence on welfare benefits and reducing the crime rate.
4. A sustainable environment			X				Not thought to contribute directly to this objective – likely to be a range of benefits and disbenefits.
5. Learning for life						X	A close to optimal contribution to enabling people to develop the skills they need to prosper in a modern economy, promoting lifelong learning and providing young people with the opportunities and resources they need for the best start in life.
6. A fair and just society					X		A positive contribution to promoting social inclusion, in particular by helping individuals address barriers to improving their quality of life, reducing inactivity, lowering dependence on welfare benefits and reducing the crime rate. The proposals make a contribution to promoting equality of opportunity – recognising that the target group is fairly small.
7. A rich and diverse culture				X			Improving skills and increasing participation in learning and employment provides a significant boost to confidence, enabling people to participate more fully in the decision-making processes of local and national government and encouraging active citizenship.

ANNEX C

Draft Guidance for Local Data Collection

Central to enhancing the picture we currently hold of young people NEET is a common understanding of what we mean when we use the term. Currently, organisations interpret NEET in different ways: Some interpret it according to the strict labour market definition – those young people who are not in education, employment or training. Others interpret it as a reference to a narrow group of individuals who are not only not in education, employment or training but who have completely disengaged from society. The range of interpretations often reflects the focus of support provided by an organisation, and while this is understandable, the absence of a shared 'definition' leads to an inconsistent approach to identifying, monitoring and measuring the numbers of young people who are NEET at a local level.

This matters: We know that there is strong correlation between reducing the numbers of young people who are NEET and 'intelligent,' usable mapping of the cohort - identifying numbers in key sub groups; the stock and the flow; and better long term monitoring of young people. This helps to improve the process of evidencing programmes that have worked successfully with NEET young people as well as building on the evidence base concerning their characteristics.

In 2005, the Welsh Assembly Government commissioned Arad Consulting to review the measurement options for young people NEET in different age cohorts. The ARAD research⁵⁷ forms the basis for this draft guidance which is primarily for implementation by **CYPP organisations within and connected to local authorities**. Its aim is to promote greater consistency in data collection across local organisations which might, in time, support the development of more robust aggregate national data.

We know that organisations will already collect personal data concerning, for example, a young person's name; address; age; gender; and ethnicity. For the purpose of consistency at operational level when adding to this personal data information on a young person's activity we think that the term NEET should be divided into two main categories:-

NEET not receiving support - Young people who are known to YPPs or Careers Wales but who are not on any transitional support programmes;

NEET receiving support - Young people who are receiving support e.g. drug rehabilitation or Youth Gateway.

⁵⁷ ibid

This approach has the benefit of being consistent with the labour market definition of NEET while allowing local organisations a degree of flexibility in reporting. Movement between the two categories may be used as one way of monitoring the success of Keeping in Touch strategies, helping to avoid disincentives to the accurate reporting of numbers of NEET young people.

These high level categories should be subdivided further to provide detail of the particular circumstances of young people - encouraging a focus on the causes of and possible solutions to disengagement.

PROPOSED CYPP CATEGORISATION	CIRCUMSTANCES FALLING WITHIN THE DEFINITION⁵⁸
NEET not receiving support	Out of work and not seeking EET e.g. on incapacity benefit. Substance abuse/addiction and not engaged in a rehabilitation programme. Former young offender not engaged in follow-up programme. Caring for children/family and not seeking EET. Pregnant/teenage parent and not seeking EET. Homeless and not registered with YPP organisation. Known to be working in the informal or black economy.
NEET receiving support	Actively seeking employment – registered with Careers Wales and/or JobCentre Plus. Registered with Youth Gateway support programme. Registered in drug rehabilitation programme. Registered in Young Offender programme. Undertaking voluntary work/placement.

We think that KIT co-ordinators, where they exist, should play the lead role in seeking to embed this method of data collection in CYPP organisations locally; in monitoring the data; and in cross-referencing it with Careers Wales and LEA data.

In time, consistent use of this categorisation by CYPP organisations should bring us one step closer to building a more comprehensive picture of the number and profile of young people NEET in Wales.

But we know that this will not solve issues around data collection or data completeness entirely: There are a number of young people who may not be known, either to Careers Wales or to CYPP organisations - for example someone who has recently moved into the local authority or who is unknown and working in the informal economy. This categorisation will not include them. In order to minimise the numbers of young people NEET unknown to local organisations – or known to some and not to others - we need better data-sharing between organisations.

⁵⁸ Lists are not exclusive. The range of possible circumstances of a young person NEET is vast and not mutually exclusive – a young person may be both a teenage parent and homeless.

ANNEX D

Measuring the size of the NEET group needing support

Evidence suggests that the size of the NEET group which should concern us – in terms of those young people who might need additional targeted support and opportunities from government in order to progress towards the labour market – is considerably less than the headline figure. The Annual Population Survey (APS) is used in the estimate of the national NEETs level to apportion those young people not in education or training by economic activity. The APS can also be used to provide estimates for a more detailed breakdown of those young people who are NEET.

In the absence of a national database of young people, it is not possible to directly count those who fall into the NEET categories that need support. We therefore provide an interim method for calculating this figure using the APS to identify those who are unemployed for six months or more and those who are inactive and require support. Using this method results in an estimate of 53 per cent of NEET individuals requiring support.⁵⁹ When applied to the national NEETs estimate, this results in an estimate of 6500 NEET individuals requiring support.

In this note, NEET stands for 16-18 year olds Not in Employment, Education or Training. It includes those who are unemployed or economically inactive. The unemployed are those without a job, who are available to start work in the next two weeks and who have been seeking a job in the last four weeks, or who are waiting to start a job already obtained in the next two weeks. People who are economically inactive include people looking after the home or family, people who are permanently sick or disabled and people who are inactive for other reasons.

The number of NEET young people requiring support include those who have been **unemployed for six months or over**, those who are inactive due to being **sick/disabled** or **looking after the family/home**, those who are inactive for another reason and **do not want to work** and those who are inactive for another reason and **do want to work** but require additional support to achieve this. This equates to 6500 NEET individuals requiring support. The diagram below shows how this figure is arrived at, with the shaded cells indicating those who require support:-

- a. Source: Welsh Local Labour Force Survey 2004, Annual Population Survey 2005 and 2006 (ONS).

⁵⁹There are limits to this methodology: Young people 16-17 only have to register with JobCentre Plus if they are claiming benefits and these are only available to young people with specific hardship issues.

This chart and methodology replicates that developed in “More Choices, More Chances: A Strategy to Reduce the Proportion of Young People not in Education, Employment or Training in Scotland”, Scottish Executive, June 2006. The split of inactive/other/want into requiring support or no support is based on the split of unemployed into six months + and less than six months.

BREAKDOWN OF 16 TO 18 YEAR OLDS NOT IN EDUCATION, TRAINING OR EMPLOYMENT, IN WALES THREE YEAR AVERAGE 2004-2006

