



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
- Further information** Ella Davidoff
Welsh Assembly Government
Ty'r Llyn, Waterside Business Park, Clos Llyn Cwm,
Swansea Enterprise Park, Swansea SA6 8AH
Tel: 01792 765828
Fax: 01792 765803
E-mail: reducingneet@wales.gsi.gov.uk
- 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, appearing to read 'John Griffiths'.

John Griffiths AM – Deputy Minister for Skills

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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.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.

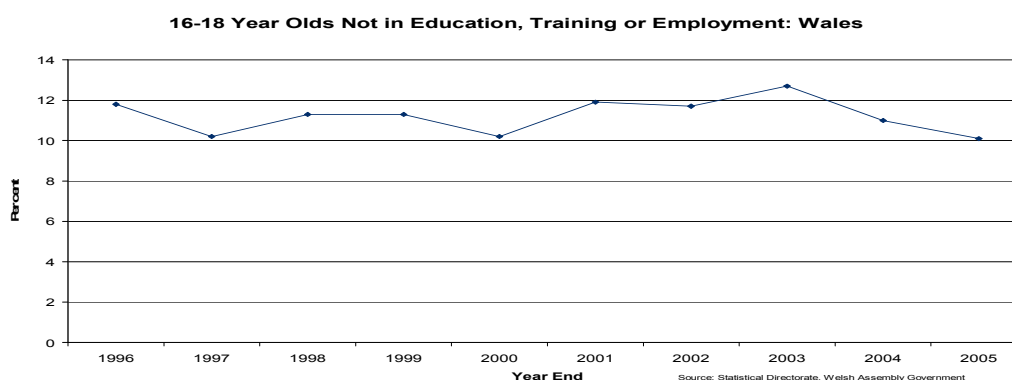
1.8 This is more complicated than it sounds. None of our existing sets of data will allow us to put together a comprehensive picture of the people who make up the NEET group. The measure used nationally in Wales to report the number of young people NEET⁸ is not able to provide us with any detail on who 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

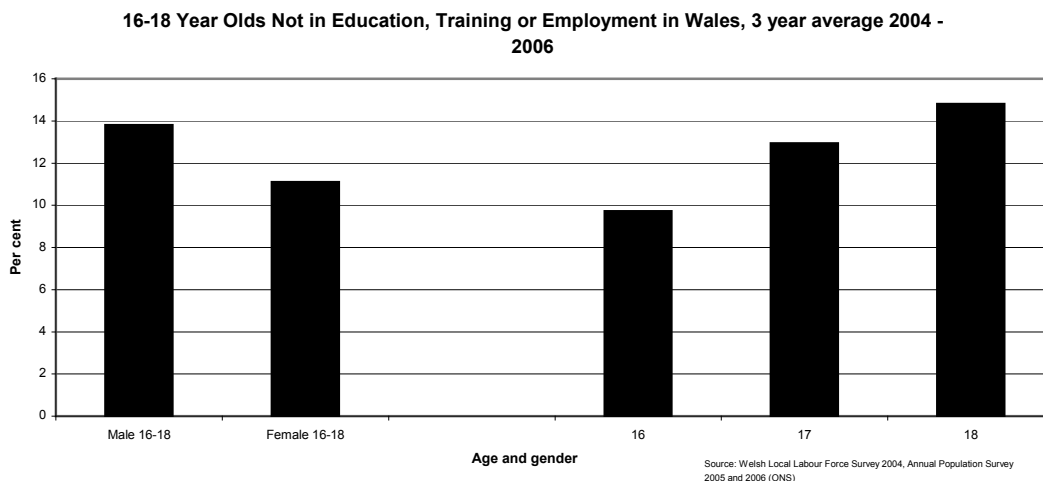
¹¹ This relates to age at the start of the academic year; thus the 16-18 year age group covers the three years after the end of compulsory schooling.

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.

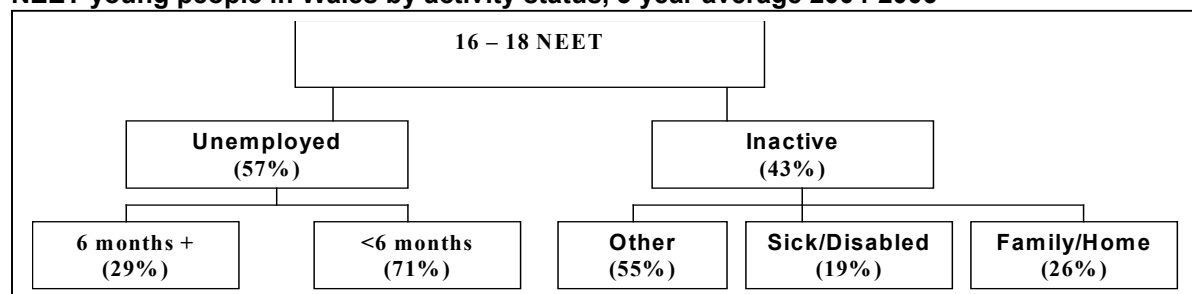
1.14 Possible reasons for greater numbers of 17 and 18 year olds NEET include parenthood and caring responsibilities, health issues, custodial sentences and a drop-off in learning participation. It might also be the case that the lower proportion of NEETs at age 16 masks underlying inactivity, with a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

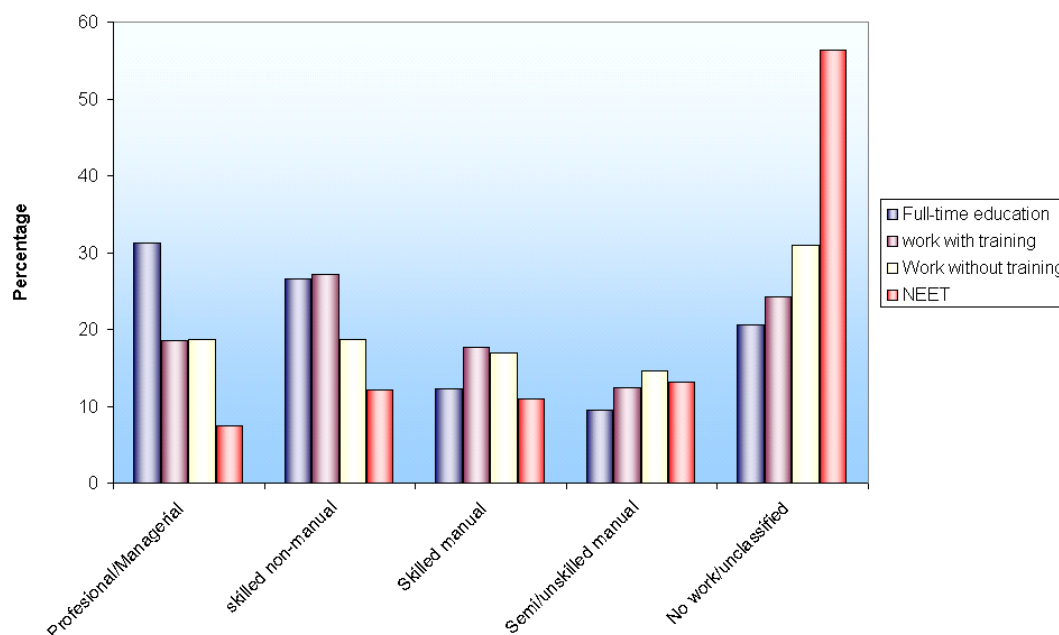
¹⁷ *ibid.*

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%2FfStudy%2Ffgd01060_oc3_table_3_care_leavers_I2&mode=cube&language=en&v=2&cube=http%3A%2F%2F192.168.100.31%3A80%2Fobj%2FfCube%2Ffgd01060_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.

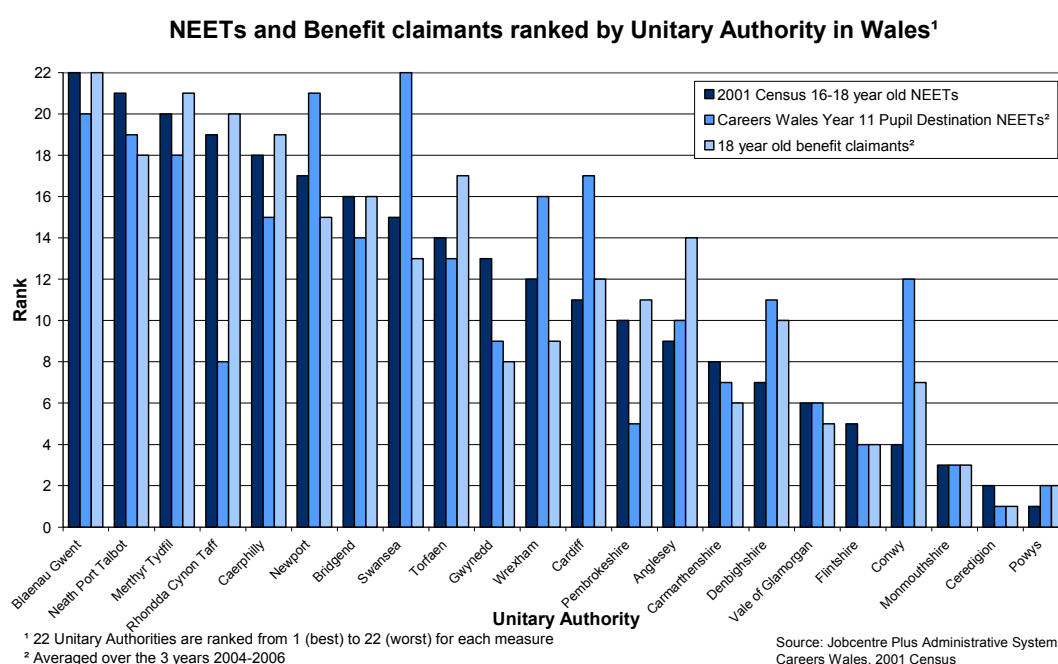
²³ Youth Justice Board, 2002.

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.

