



House of Commons

Children, Schools and Families
Committee

Young people not in education, employment or training

Eighth Report of Session 2009–10

Volume I



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Report, together with formal minutes

*Ordered by the House of Commons
to be printed 24 March 2010*

HC 316-I
Published on 8 April 2010
by authority of the House of Commons
London: The Stationery Office Limited
£0.00

The Children, Schools and Families Committee

The Children, Schools and Families Committee is appointed by the House of Commons to examine the expenditure, administration and policy of the Department for Children, Schools and Families and its associated public bodies.

Membership at time Report agreed

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The Committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No 152. These are available on the Internet via www.parliament.uk

Publications

The Reports and evidence of the Committee are published by The Stationery Office by Order of the House. All publications of the Committee (including press notices) are on the Internet at www.parliament.uk/csf/

Committee staff

The current staff of the Committee are Kenneth Fox (Clerk), Anne-Marie Griffiths (Second Clerk), Emma Wisby (Committee Specialist), Judith Boyce (Committee Specialist), Jenny Nelson (Senior Committee Assistant), Kathryn Smith (Committee Assistant), Sharon Silcox (Committee Support Assistant), and Brendan Greene (Office Support Assistant).

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Conclusions and recommendations

Who are “NEETs”?

1. We accept that the term “NEET” is imperfect. In particular, its use as a noun to refer to a young person can be pejorative and stigmatising. It is, however, a commonly used statistical category, and—in the absence of an appropriate alternative—we have accepted it as a first step in understanding the issues. (Paragraph 18)

What action has the Government already taken?

2. There have been substantial changes to the provision of information, advice and guidance, not least of which is a greater role for local authorities. The Government must monitor the quality of delivery of information, advice and guidance across England. (Paragraph 30)

What more needs to be done?

3. Young people make progress at different rates. Policies and funding mechanisms should not disadvantage those who work at a different pace from the majority of their peers. We welcome the work that the Government has already done to introduce flexibility into its Strategy for young people; we recommend that greater stress should be placed on the creation of an over-arching and seamless strategy for 16–24 year olds. (Paragraph 35)
4. We recommend that the Government consider extending the September and January Guarantee to those 18 year olds for whom further education or training is appropriate. However, these Guarantees have to have been delivered successfully for 16 and 17 year olds before any extension to 18 year olds is considered. (Paragraph 36)
5. We recommend that the Government provide a scheme of work placements for 16 and 17 year olds in projects of benefit to the community, such as those offered through the Community Task Force. Young people taking part in such a scheme should receive any benefits to which they would otherwise be entitled. Such an initiative is essential if the Government is to properly plan for the raising of the participation age to 17 in 2013 and to 18 in 2015. (Paragraph 40)
6. Young people who are NEET often face a number of barriers to participation and need to access support from a variety of sources. The co-location of services such as healthcare, housing support, access to benefits and financial support and careers advice and guidance in a joined-up approach could help young people to access more easily the help they require. Such provision could prove to be more cost-effective than current structures. We recommend that the Government take steps to commission a number of pilots, in order to assess the costs and benefits of the “one-stop-shop” approach. (Paragraph 44)

7. Not all young people will be in a position to begin a training course in September or January of a given year; some may drop out of education or training during the academic year and wish to begin a new course. We recommend that the Government set aside some of the funding for the September and January Guarantees to support local authorities in offering places in education and training to young people throughout the year. (Paragraph 47)
8. We were struck by the approach taken in the Netherlands, in which relatively generous levels of benefits and other support are offered to young people in exchange for greater compulsion to take up education, training or work. We recommend that the Government consider the merits of this approach. (Paragraph 52)
9. We welcome the fact that the Government is undertaking a cross-departmental review of the financial support offered to 16–18 year olds. We urge the Government to bring forward changes to the benefit arrangements for young people living in supported housing, in order to enable them to access all appropriate opportunities for training and employment. We also urge the Government to address the barriers that risk preventing young people on benefits from improving their skills through unpaid work or full-time volunteering. We expect the Government to examine closely the provision made for 16 and 17 year olds in severe hardship, and to ensure that these young people are not deterred from pursuing opportunities in education and training by the constraints of the benefits system. (Paragraph 53)
10. Local authorities play a central role in delivering initiatives intended to increase rates of participation among 16–18 year olds. We are concerned that existing rewards for good progress are not sufficient to drive the necessary improvements in local authorities' performance. We urge the Government to review the mechanisms by which local authorities are rewarded for significant increases in the rates of participation of 16–18 year olds. In particular, we recommend that the Government give consideration to linking such rewards with savings made by the Department for Work and Pensions when an increase in participation in education, employment and training leads to a reduction in the number of young people claiming benefits. (Paragraph 57)
11. We recognise that future solutions to reduce the proportion of young people not in employment, education or training will have to be more cost-effective and will require efficient, joined-up working at a local level. To this end, we warmly welcome the piloting of the Total Place programme and strongly encourage the Government's stated objective of achieving a "whole area" approach to public services. (Paragraph 59)

Summary

The proportion of 16–18 year olds not in education, employment or training has changed relatively little over the past decade, despite a succession of government policy initiatives intended to increase rates of participation among this age group. The Government's most recent strategy to increase rates of participation, *Investing in Potential*, is welcome, but more radical change is needed if it is to be more successful than earlier government interventions.

In the course of our inquiry we visited the Netherlands, a country with consistently low rates of youth unemployment. We were struck by a number of features of the Dutch approach: the fact that support for young people was available to those up to the age of 27; the fact that payment of a benefit equivalent to our Jobseeker's Allowance was dependent on participation in education, employment or training; and the provision of support and guidance in "one-stop shops".

One such lesson is that young people make progress at different rates, and that many require tailored provision well beyond the age of 18. The Government has made some progress towards developing a strategy for 16–24 year olds, and this is welcome. However, few of the provisions described in *Investing in Potential* actually apply to all 16–24 year olds. The Government could enhance the benefits of its strategy by extending current policies to a wider range of young people.

Substantial changes have been made in recent years to the provision of information, support and guidance to young people. The Government should closely monitor the success of such changes. But young people do not only need to access advice on the opportunities for employment or education and training: many need advice on claiming benefits, on housing support, or on health matters. A joined-up approach to the provision of such services in a "one-stop shop" would enable local authorities and their partners to support young people more effectively, and could prove more cost-effective than current structures.

The Government is conducting a review of the financial support offered to 16–18 year olds. It is crucial that young people, particularly those who are most disadvantaged, should not be deterred by the benefits system from accessing opportunities in education and training. We urge the Government to give consideration to the approach taken in the Netherlands, in which relatively generous levels of benefits and other support are offered to young people in exchange for greater compulsion to take up education, training or work.

Local authorities play a central role in raising the rate of participation in education, employment or training. We were deeply impressed by the work done by some local authorities, but we are concerned that existing rewards for good progress are not sufficient to drive widespread improvement of local authority performance. We urge the Government to consider strengthening the incentives offered to local authorities who are successful in raising rates of participation.

