

**Issue Date: 17<sup>th</sup> February 2015**

**‘Community work proposal is a short term solution to a long term problem’, says  
Impetus – The Private Equity Foundation**

David Cameron’s announcement today (17 February) on the introduction of community work for 18-21 year-olds out of work for more than six months, provides a short-term solution for what has become a long-term problem, say Impetus – The Private Equity Foundation, a charity who has specialist knowledge of the NEET crises.

Jenny North, Director of Policy and Strategy at Impetus-PEF comments, “Given the structural nature of the youth unemployment problem, with numbers of NEETs consistently remaining high through the last 15 years, this seems like another go at cure, rather than prevention. There isn’t ‘a well-worn path from school to the job centre, and NEETs aren’t the feckless hoodies of media portrayal. Impetus-PEF research shows that the majority of young people who end up NEET enrolled in FE colleges. And yet they are either failing to secure qualifications there, or studying for qualifications which don’t lead to employment. The link from school to work has been broken for many years in the UK – and this latest attempt will do little to repair it.”

Every year, thousands of young people fail to make a successful transition from school to work due to conflicting policies, over-complicated sources of funding and fragmented responsibility. The annual cost to the public of Britain’s NEET problem is estimated at £15bn a year.

Impetus - The Private Equity Foundation (Impetus-PEF), the charity which brings funding and strategic resources to high-potential charities and social enterprises working to improve the lives and prospects of children and young people from disadvantaged backgrounds, are calling for a five-year cross-departmental strategy to Make NEETs History by the end of the next Parliament; driven by clear accountability at the heart of Government and overseen directly by the Prime Minister.

There has been little change in the percentage of young people who are NEET over the last 15 years averaging at one in six of 16-24 years olds, and currently nearly one million young people are being let down by the current system of school to work transitions.

Current policy is failing to find effective solutions for a problem which can result in a young person who has never been to university, who experiences a period of NEET, losing up to £225,000 in earnings over the same period, when compared to a peer who has never been NEET and graduated from university<sup>1</sup>.

After three years of extensive research into the problems and issues surrounding NEETs, Impetus-PEF is presenting a four-stage solution to the main political parties to help them tackle the current conflicting policies, over-complicated sources of funding and fragmented responsibility that continue to hamper progress in this area.

Impetus-PEF is calling for the appointment of a dedicated Secretary of State to develop a five-year strategy to making NEETs history. The newly appointed Secretary of State should focus on:

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<sup>1</sup> Make NEETS history in 2014, Impetus The Private Equity Foundation, January 2014

- **Improving school-to-work transitions** by ensuring schools in England and Wales are responsible for the post-16 destinations of their pupils and that they will be properly resourced to help ensure every pupil is supported into either education, training or employment.
- **Focusing on higher-quality further education and apprenticeships:** young people who go into further education or apprenticeships are experiencing lower-quality provision than those who go into higher education, with predictable effects on attainment. Public funding continues to prop up poor-quality provision. This money should be refocused on further education and apprenticeships provision that works.
- **Tailoring job-search services for young people:** there needs to be greater emphasis on careers education in school coupled with more coordinated and focussed careers guidance post-education.
- **Incentivising local authorities to make an impact:** there are large variations across local authorities in the proportions of young people who are NEET. While these are inevitably due in some part to different economic conditions, activist local authorities can have an impact, and more must be encouraged to play that role.

By 2020, the Secretary of State should be in a position to report that:

- Every school in England and Wales is responsible for the post-16 destinations of their pupils and that they are properly resourced to help ensure every pupil is supported to a destination in education, training or employment.
- Further education providers have significantly improved the rates of learners achieving the qualifications that will help them in the workplace; and two-thirds of all government-funded apprenticeships are now reserved for those aged under 25.
- Every Jobcentre Plus in England and Wales now employs specialist youth advisers, helping young people navigate and secure the traineeships, apprenticeships, and skills training they need to eventually find secure employment.
- Every local authority has developed active partnerships of schools and colleges, employers, and the voluntary sector to develop strategies, which are delivering programmes aimed at reducing numbers of local young people NEET.

**ENDS**

### Media Enquiries

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### Notes to the editors

#### Background Information on NEETS

- One in five (120,888) children born in the Millennium is at risk of becoming NEET between the ages of 16 and 24. 604,441 children were born in England & Wales in 2000.<sup>2</sup>
- Seven out of ten Millennium pupils entitled to free school meals will not achieve five good GCSEs (A\*-C grade).<sup>3</sup>
- Having experienced a period of being NEET, these young people stand to lose around 11% annually in wages well into their forties, compared with their peers.<sup>4</sup>

<sup>2</sup> [https://docs.google.com/spreadsheets/ccc?key=0AgdO92JOXxAOdFZIUU1SODRaMXI5cFdvMkRI\\_Qm5Obmc#gid=0](https://docs.google.com/spreadsheets/ccc?key=0AgdO92JOXxAOdFZIUU1SODRaMXI5cFdvMkRI_Qm5Obmc#gid=0)

<sup>3</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/219337/sfr04-2013.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/219337/sfr04-2013.pdf)

<sup>4</sup> Impetus-PEF, Make NEETS History in 2014 Report, page 10-11; January 2014. <http://impetus-pef.org.uk/policy-initiatives/make-neets-history/>

**Impetus – The Private Equity Foundation (Impetus-PEF)** transforms the lives of disadvantaged 11-24 year olds by ensuring they get the support they need to succeed in education, training and employment. It does this by identifying the most promising youth charities and social enterprises and providing them with a combination of long-term funding and sustained strategic advice. This pioneering approach enables its portfolio charities to reach their full potential, in turn enabling them to reach more disadvantaged young people and to positively impact all our lives for generations to come. For more information, please visit [impetus-pef.org.uk](http://impetus-pef.org.uk) or call 020 3474 1007.