The number of young people not in employment, education and training is rising, and the problem is getting worse, especially in the North

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Even before the economic downturn, there was concern about young people not in employment, education and training (NEETs). The Work Foundation's Neil Lee discusses recent findings of research that shows that NEETs are concentrated in Northern cities already affected by the downturn, and also that they are growing in number.

There's increasing concern about NEETs - young people not in employment, education and training. We know that a period of being NEET can have big consequences in the longer term on a young person: lower wages and employment chances, and perhaps lower life satisfaction. The cost to the individual can be large, and the cost to society is also significant. Yet, with a challenging labour market and cuts in youth services this is likely to get worse.

The geography of those not in education, training or employment is important, but difficult to assess. By definition, this is not a group who engage with any statutory bodies. There are disincentives for further education colleges to admit that students are no longer attending. Official statistics fail to capture the location of many of these people. Yet it matters where they are located. Services for this group tend to be provided locally, and in areas with high numbers of NEETs individuals can slip through the net.

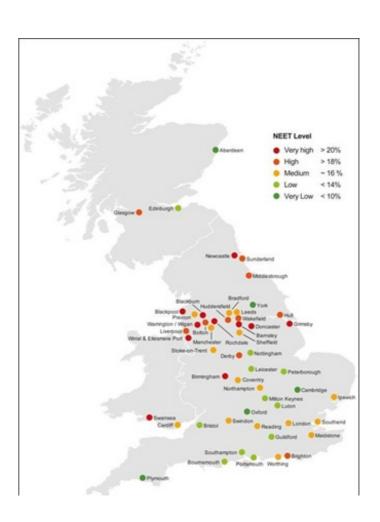
To coincide with a new campaign – Luke's World – by the <u>Private Equity Foundation</u>, we've produced a new snapshot report on the geography of this group. We've identified a series of blackspots where NEET levels are high: cities like Grimsby and Doncaster, but also Birmingham and Newcastle, where up to a quarter of those aged 16-24 are in this group, as Figure 1 shows.

Figure 1 – Distribution of NEETs across the UK

The data isn't perfect. Small sample sizes mean we have to be cautious about putting exact figures on the results. And because we've used data from both 2009 and 2010 together our figures are an undercount, given that NEET levels have been rising for a few years. But our results do highlight two important problems.

First of all, there are clusters of cities where the high level of young people not in education, employment or training is a symptom of wider economic problems. Places such as Doncaster and Grimsby are not thriving economically and their populations often have poor skill levels. This is reflected by their high levels of NEETs - one of many economic indicators on which these cities underperform.

And second, the levels of young people who are NEET in the blackspots has been getting worse, and at a faster rate than in other areas. Cities with successful economies such as Oxford tend to have lower levels. But we have also seen numbers of NEETs increase there, albeit at a smaller rate than elsewhere. As with so many other indicators, the recession has been worse in parts of the country that were doing poorly beforehand. There's a real danger that young people in these cities will be affected far worse as the economy continues to struggle. This could result in wage scarring which



may follow these young people throughout their lives.

Source: The Work Foundation analysis using LFS 2009 / 2010

Great Britain urban average: 16.1%

What can we do about it? At a local level there's a

big coordination issue. Services are not always joined up enough at a local level. For young people who are NEET it can be hard to go to from one support agency to another. A number of different services, ranging from Primary Care Trusts to Further Education colleges to JobCentre Plus will all deal with this group of young people in different ways. Yet, a lack of coordination makes it easy for young people who are not in education, employment or training to fall through the gaps.

But we can't achieve this approach to services until we have better, more accurate data at a local level. This will help us to realise what is happening in these blackspots and how changes in the economy are impacting on this group. In particular, it's still unclear about how the composition of NEETs is changing and how the exit routes in employment are changing. We'll be bringing out new research that looks at this over the next year. In the meantime, it's important to make sure that NEETs as a concept stays on the map.