



THE UNIVERSITY *of* York



# Understanding the risks of social exclusion across the life course: Youth and Young Adulthood

A Research Report for the Social Exclusion Task Force,  
Cabinet Office

By Linda Cusworth, Jonathan Bradshaw, Bob Coles, Antonia Keung and Yekaterina Chzhen

A large, thick, blue wavy graphic that starts from the left edge of the page and curves upwards towards the right, creating a sense of movement and flow.

**Making  
government  
work better**

The analysis and views expressed in this paper are not a statement of Government policy.

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## Executive summary

The Social Exclusion Task Force (SETF) commissioned four studies based on the secondary analysis of existing data with a view to providing evidence to better understand social exclusion at different stages of the life course. This report covers 16-24 year olds.

There are three main questions tackled in this project:

- What proportion of young people experience different forms of risk leading to social exclusion and how does this vary for young people in different circumstances?
- How do risks overlap and which young people are prone to multiple disadvantages?
- How do risks vary over time and what drives social exclusion?

As with the three other studies covering people of working age, families with children, and older people, we drew on the Bristol Social Exclusion Matrix (B-SEM) (Levitas et al, 2007), which conceives social exclusion as multidimensional and operating in ten themes within three domains: resources (material/economic resources; access to public and private services; social resources); participation (economic participation; social participation; culture, education and skills; political and civic participation); quality of life (health and well-being; living environment; crime, harm and criminalisation).

Stage one identified indicators in the Family Resources Survey (FRS) and the British Household Panel Survey (BHPS) to represent a number of the B-SEM domains and used them to calculate levels of risk of disadvantage amongst different groups of young people. In general, females experienced greater number of risks than males, and young people living with a lone parent, or independently with their own children faced higher risk than other young people. Lack of educational qualifications and experience of young people not in employment, education or training (NEET) were particularly high amongst young people who had their own children.

Using data from the BHPS, stage two of the project investigated how individuals experience different forms and combinations of risk, how individual indicators of risk interact and overlap and whether it was possible to derive more summary measures of risk. Based on an additive scale of individual indicators of risk, young peoples' experience of multiple disadvantages was investigated. Female young people were more likely to experience multiple risks, as were older young people. As before, those young people who were living independently with their own children, and those living with a lone parent were also more likely to experience multiple risk, as were social and private tenants. Not surprisingly, those living in areas with higher levels of exposure to disadvantage (as measured by the Index of Deprivation) were more likely to experience multiple disadvantages, whilst risk of social exclusion was less severe for young people living in villages than in urban areas.

Cluster analysis was then used to assign individuals to a single cluster based upon their exposure to risk of disadvantage and a five-cluster model (subjectively disadvantaged, not disadvantaged, disengaged and on benefits, poor housing/lacking necessities, income and tenure disadvantaged) was adopted. The clusters represent different combinations of risk, and their members differ in their socio-economic characteristics.

Stage three of the research looked at trends in singular and multiple risk, persistence of risk, transitions in and out of risk, and some potential triggers of multiple disadvantage risk. There were

few obvious trends in singular forms of risk over the period studied (2001/2 – 2005/6), although severe disadvantage (experience of seven or more risks out of a total of 21) did fall from 20.9% to 15.9% over this period.

The persistence of risk experienced varied for the different indicators with the most persistent risks of social exclusion being: lack of home ownership; lack of internet connection; smoking more than five cigarettes a day; not having undertaken any qualification or training; and living in a workless household. The least persistently experienced risks were lack of adequate heating, debt, subjective poverty, poor health, and having no contact with neighbours.

A three-cluster model was then used to look at the movement between low, medium and high levels of risk and the factors that influenced these transitions. The most frequent cluster to be in was the 'medium disadvantage' cluster, while the 'low disadvantage' cluster had the longest average spell. Those with a partner had much lower odds of making the transition from the 'medium disadvantage' cluster to the 'high' disadvantage cluster than those without a partner. Young people living independently of their parents were about half as likely to move from the 'medium disadvantage' cluster to the 'low disadvantage' cluster as those with two parents in the household, everything else being held equal.

The final section investigated the relationship between adolescent experience and disadvantage in young adulthood. Having lived with parents (either couple parents or a lone mother) who was in receipt of income support increased the odds of later disadvantage, suggesting the intergenerational persistence of disadvantage. Investigating the association between adolescent subjective well-being and disadvantage in young adulthood showed that higher self-esteem for both males and females reduces the odds of later disadvantage. No association was found between feeling troubled in adolescence and disadvantage in young adulthood for either males or females, although interestingly, higher odds of disadvantage were found for males who had been happier in adolescence.

These findings have several general implications for policy. The evidence that young people who were living independently with their own children tended to experience higher risk of social exclusion, both in individual measures and in influencing multiple disadvantages, suggests that more needs to be done to prevent teenage pregnancy and support young parents. Levels of NEET were particularly high for young people with their own children, who need to be offered more opportunities for education and training, supported by improved childcare facilities.

Young people living with a lone parent also experienced higher rates of disadvantage or risk than those living with two parents, perhaps as a result of lower average household income. Increased promotion of policies, such as the educational maintenance allowance (EMA) may improve rates of education and training, improving later prospects and experiences. The analysis of transitions between levels of disadvantage also suggested that young people living independently of their parents were less likely to improve their situation year-on-year.

There is evidence from this research that one of the most significant triggers of risk of social exclusion in young adulthood is having lived in a family who was in receipt of income support during adolescence. This stresses the need to break the intergenerational cycle of deprivation by increasing support for poor families with children in order to improve the life chances of the next generation.

## Introduction

The Social Exclusion Task Force (SETF) commissioned four studies based on the secondary analysis of existing data with a view to providing evidence to better understand social exclusion at different stages of the life course. This report covers 16-24 year olds. This work follows the production of the SETF Action Plan on Social Exclusion which suggested that policy should focus on those who face the most extreme forms of social exclusion. There is evidence that young people are still at considerable risk of social exclusion, as the UK has the highest teenage fertility rate in the EU and there are continuing worries about the high level of young people not in employment, education or training (NEET).

There are three main questions tackled in this project:

- What proportion of young people experience different forms of risk leading to social exclusion and how does this vary for young people in different circumstances?
- How do risks overlap and which young people experience multiple risks?
- How do risks vary over time and what drives social exclusion?

As with the three other studies covering people of working age, families with children, and older people, we drew on the Bristol Social Exclusion Matrix (B-SEM) (Levitas et al, 2007), which conceives social exclusion as multidimensional and operating in ten themes within three domains: resources (material/economic resources; access to public and private services; social resources); participation (economic participation; social participation; culture, education and skills; political and civic participation); quality of life (health and well-being; living environment; crime, harm and criminalisation).

## Methods

The project intended to be largely based on the secondary analysis of existing data. However for this project on youth, we thought it was also important to include a review element covering research on young people who were likely to be excluded from survey data. Annex B (by Bob Coles) contains the results of this review.

In a study with this time scale, we had to be selective in our choice of data sets that can bear on the age group and their problems. In selecting the data sets, we were influenced by:

- The size of the sub-sample of young people,
- Their potential for longitudinal analysis,
- The extent to which they included questions relating to social exclusion,
- Our experience of handling them, and
- How up to date they are.

On these grounds and as a result of a preliminary review we decided to use two sources.<sup>1</sup>

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<sup>1</sup> We decided not to use the following although they cover 16-24 year olds: the Poverty and Social Exclusion Survey (1999), the Labour Force Survey, the Youth Cohort Survey, the Longitudinal Study of Young People in England, the Offending, Crime and Justice survey, the 1958, 1970 and 2000 birth cohorts, the Family and Child Survey (FACS).

The **Family Resources Survey** (FRS) provides cross-sectional data for both 16-24 year olds living independently and those living with their parents. The FRS is the basis for the Households Below Average Income (HBAI) series and therefore it is the main vehicle for exploring income poverty. However to our knowledge there has not yet been an attempt to select the 16-24 year olds for separate and detailed analysis.

Of the B-SEM themes of social exclusion there are variables in the FRS that can be used to represent material resources, economic participation and health.

The **British Household Panel Survey** (BHPS) provides data for both cross-sectional and longitudinal data analysis. Of the B-SEM themes of social exclusion there are variables in the BHPS that can be used to represent material resources, social resources, participation, culture education and skills, political and civil participation, health and well-being and living environment and, in a limited way, access to services.

The BHPS has been used by Burchardt et al (2002), Taylor (2005) and Barnes (2005) to explore social exclusion. These studies have demonstrated how social exclusion can be operationalised in the survey. We build on this experience by focusing on 16-24 year olds, and how their experience of social exclusion changes over time.

## **Analysis strategy**

The analysis is divided into three stages:

- Stage one is a cross-sectional analysis of the Family Resources Survey 2005/6 and the British Household Panel Survey 2005/6. The analysis presents the prevalence of social exclusion based on indicators that represent the different domains and themes of social exclusion, and that are available in those data sets.
- Stage two explores overlaps of different indicators of social exclusion and is based entirely on the BHPS, because of the limited number of indicators in the FRS.
- Stage three is a longitudinal analysis of experiences of social exclusion by young people, based mainly on four waves of the BHPS.

# Stage One: Cross sectional analysis

## Family Resources Survey (FRS)

A preliminary challenge for the project was to classify 16-24 year olds into coherent analytical groups. Young people are a group in transition; they include 16-18 year olds in full-time education and living with their parent(s). These young people are classed as children in the surveys and are part of the same analytical (benefit) unit as their parent(s). All other 16-24 year olds are classed as adults and even when living with their parent(s), they are treated as a separate benefit unit.

We decided to separate out the young people into eight different groups whose prevalence is summarised in Table 1.1. We have divided the young people into dependents, semi-dependents and independents. Dependents and semi-dependents are still living in the parental home, but dependents are all aged 16-18 and in full-time education. The data comes from the household data and many of the individual level variables relate not to the young people but to the head of the household. Semi-dependents are separate benefit units with their own individual level data, although the household level data will relate to the whole household. Some of the semi-dependents have children of their own. The independent young people are single benefit unit householders, though they may be living with partners and/or have children of their own. The largest proportions of young people are semi-dependents - 55.8%, including 45% who are still living with their parents. Only 21% of the young people are living independently, and only 8% of young people are independents living with their own children.

**Table 1.1** Distribution of young people by household type

Household type	Number	Percent
	N	%
Dependent, living with lone parent	346936	5.0
Dependent, living with couple parents	967539	13.8
Independent, with children	590044	8.4
Independent, no children	911751	13.0
Semi-dependent, living with lone parent	876023	12.5
Semi-dependent, living with couple parent	2282663	32.6
Semi-dependent, living with other	745958	10.7
Other	280036	4.0
Base	7000950	100.0

We were able to find indicators in the FRS that related to all three of the B-SEM domains – these were resources (15 indicators covering material and economic resources), participation (three indicators covering economic participation), and quality of life (one indicator on health and well-being). Table 1.2 presents the proportion of young people at risk on each of these indicators in each analytical group and as an overall group.

Overall social exclusion remains an experience for substantial minorities of young people. For example, 22.2% are living in income poverty, 14.3% are living in workless households, 18.2% are not in education, employment or training (NEET), and 12% have a longstanding illness or disability.

**Table 1.2 The prevalence of social exclusion (B-SEM domains and themes) among 16-24 year olds**

Unweighted base: 6187

Family Resources Survey 2005/06 (weighted)

Domain	Theme	Sub-theme	Indicator	Gender			Youth Type								
				Total %	Male %	Female %	Dependent, living with lone parent %	Dependent, living with couple parents %	Independent, with children %	Independent, no children %	Semi-dependent, living with lone parent %	Semi-dependent, living with couple parent %	Semi-dependent, living with other %	Other %	
RESOURCES	MATERIAL AND ECONOMIC RESOURCES	Estimated total household income	Relative low income	22.2	21.1	23.3	36.2	17.8	49.3	19.3	26.2	11.9	25.0	36.6	
		Components of household income	Receipt of out of work benefits (individual) (benefit unit) (household)	7.7	6.6	8.8	0.0	0.0	32.2	7.2	10.5	5.4	3.2	15.8	
		Possession of necessities (material deprivation)	Enough money to keep your home in a decent condition	18.3	17.8	18.6	34.8	10.5	30.9	13.8	18.6	10.9	15.9	29.0	
		Hobby or leisure activity	12.0	9.6	14.4	26.1	8.4	30.7	13.3	8.5	6.6	5.9	23.0		
		Hols. away from home one week a year+ no	37.7	35.5	39.9	63.0	24.4	65.0	36.0	44.1	30.4	28.9	57.8		
		Household contents insurance	20.9	18.2	23.1	30.4	8.7	46.2	18.0	23.5	11.5	16.4	26.2		
		Friends/family round for drink or meal a	15.2	15.1	15.2	28.4	8.8	25.4	9.7	21.9	13.0	10.0	29.8		
		Make savings of £10 a month or more	39.8	37.3	42.1	58.7	28.5	59.8	33.0	49.0	33.7	41.9	46.7		
		Two pairs of all weather shoes for each	8.4	8.7	8.1	12.3	5.2	18.6	4.7	10.9	6.9	5.4	17.9		
		Replace any worn out furniture	30.6	27.3	33.2	50.2	16.3	52.4	29.2	21.2	12.2	31.3	42.1		
	Replace or repair broken electrical good	26.1	22.5	28.9	40.4	11.5	46.7	24.4	19.6	14.4	28.0	44.0			
	Money to spend each week on yourself	21.7	18.8	24.5	52.2	21.4	54.9	18.6	18.6	10.5	10.7	25.5			
	Households lacking 4 or more of the above	20.3	17.3	23.1	51.8	16.8	56.7	22.4	12.2	7.5	12.8	31.4			
	Home ownership	Not home owner	40.8	37.4	44.2	45.2	14.2	75.4	61.0	42.8	15.7	91.1	52.2		
	Assets and savings	Not saving £10 per month	37.9	35.1	40.6	58.7	28.4	59.8	32.8	44.3	31.1	38.5	43.6		
	Debt	Behind with utility, council tax, water or phone bills	10.1	8.0	12.1	29.2	8.1	38.8	13.5	2.3	1.7	2.7	13.8		
	PARTICIPATION	ECONOMIC PARTICIPATION	Paid work	Whether NEET	18.2	16.3	20.1	0.0	0.0	57.2	12.2	27.6	16.8	14.2	34.0
				Living in workless household	14.3	13.0	15.6	25.8	5.7	42.6	15.0	14.0	3.6	27.6	20.8
			Providing unpaid care	Unpaid carer	4.5	3.5	5.4	4.4	2.4	6.5	6.1	4.7	4.8	2.1	5.3
	QUALITY OF LIFE	HEALTH AND WELL-BEING	Physical health and exercise	Whether has long-standing illness/disability	12.0	11.8	12.2	15.5	10.1	15.8	12.9	12.5	11.2	9.2	15.5



**Material and economic resources** are represented by relative low household income (less than 60% of the median before housing costs using the modified OECD equivalence scale); the proportion of individuals, benefit units and households receiving out of work benefits (Jobseeker’s Allowance, Income Support and/or Incapacity Benefit); lacking socially perceived necessities (would like but cannot afford); and not being owner-occupiers. On these indicators, the two sub-groups with the highest risk are young people living independently with children and dependent young people living with a lone parent. The lowest rate of resources exclusion is among young people living as semi-dependents in couple families.

**Economic participation** is represented by whether a young person is NEET; living in a workless household; and whether the respondent is an unpaid carer. NEET does not apply, by definition, to young people who are dependent. The highest proportion of NEETs are among the independent young people with children (though they constitute only 2.7% of all NEET young people). The lowest NEET levels are found in the independent young people without children, which may explain why they are independent. The proportion of young people in workless households is highest among independents with children and lowest among those still living in couple families. The same is true for unpaid care, though the proportion of young people undertaking unpaid care is only 4.5% overall.

**Health** is represented by one indicator – whether an individual has any longstanding illness or disability. Again, the highest rates are among young people living independently with their own children and dependents living with a lone parent. The lowest rate is found in semi-independent young people living with people other than family members.

## British Household Panel Survey (BHPS)

The British Household Panel Survey has data that covers more of the B-SEM themes than the FRS, though it is based on a smaller sample of 16-24 year olds (1887 weighted in 2005/6). The distribution of their household characteristics is given in Table 1.3.

**Table 1.3** Distribution of young people by household type

	Number	Percent
	N	%
Dependent, living with lone parent	122	6.5
Dependent, living with couple parents	163	8.7
Independent, with children	112	6.0
Independent, no children	247	13.1
Semi-dependent, living with lone parent	405	21.6
Semi-dependent, living with couple parent	653	34.8
Semi-dependent, living with other	117	6.2
Other	58	3.1
Total	1877	100

A total of 35 indicators of risk were derived from the BHPS to populate the B-SEM. However, it was decided to exclude seven of these indicators on the grounds that they only related to a sub-sample of young people or had extremely high or low prevalence or very low correlations with the other indicators.

Table 1.4 presents the prevalence of risk by gender and youth type. There are six indicators covering material/economic resources. Overall, 17.8% of young people are in households with

relative low income (<60% of the median) and 19.8% are in households with someone receiving an out of work benefit. There is a good deal of variation in the level of material disadvantage between the different groups of young people. Female young people tend to be more disadvantaged than males, with young people living with couple parents (both aged 16-18 and 19+) having lower rates of disadvantage than those living independently with their own children.

Overall, 9.6% of young people lack two or more social supports, 12.5% are NEET and 10.5% live in a workless household. Membership of social groups is uncommon across all groups of young people.

Education attainment is of limited usefulness because most young people in the age group have not yet completed their education. However, it should be noted that 14.2% of young people living independently with children have no qualifications and 73.2% of them are not taking part in any course. 29% of young people have no connection to the internet including 40.2% of the young people still at school and living with a lone parent.

The indicator of political participation was derived from three separate variables; 62.3% of the respondents were neither members nor supporters of a political party, nor interested/very interested in politics.

There is a good set of indicators on health and well-being. Only 4% of young people reported poor health status over the last 12 months and only 2.4% considered themselves to be disabled. However, the General Health Questionnaire had 22.5% scoring four or more, indicating psychological distress, and 9.5% were not satisfied with life overall. 21.3% of young people were smokers including 44.6% of those living independently with children.

Overall, 13.8% of young people were not satisfied with their accommodation and although very few lacked facilities, 23.8% suffered from two or more housing problems such as a lack of space, damp and condensation, and noise from neighbours. Only 8.6% said that they disliked their present neighbourhood. Those living independently with children were most likely to dislike their house and neighbourhood.

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**Stage One: Cross-sectional analysis**

**Table 1.4 The prevalence of social exclusion (B-SEM domains and themes) among 16-24 year olds**

Unweighted base: 2271

British Household Panel Survey 2005/06

Domain	Theme	Indicator	Gender			Youth type								
			Total %	Male %	Female %	Dependent, living with lone parent %	Dependent, living with couple parents %	Independent, with children %	Independent, no children %	Semi-dependent, living with lone parent %	Semi-dependent, living with couple parent %	Semi-dependent, living with other %		
Resources	Material/Economic Resources	Relative low income	17.8	15.7	19.8	29.3	10.5	27.7	33.2	16.6	7.3	37.6	17.5	
		One or more of JSA,IS,IB	19.8	18.2	21.3	25.4	14.7	39.8	9.3	21.2	15.9	27.1	45.6	
		Lacking 3 or more necessities	15.1	13.6	16.7	25.9	6.2	33.0	28.0	18.9	5.4	17.3	17.0	
		Living in households without adequate heating	3.9	3.0	4.7	10.1	2.5	9.8	7.7	4.1	0.5	5.1	1.9	
		Not an owner occupier	33.2	28.5	37.7	47.9	12.3	72.3	69.7	31.7	10.3	62.9	45.3	
		Having no savings	42.8	42.4	43.3	44.7	32.7	68.8	38.9	50.0	35.7	44.4	61.4	
		Respondents who have repayments on loans/HP which are a burden.	13.9	13.1	14.7	9.2	8.6	21.4	15.8	17.0	11.2	20.2	13.5	
	Subjective poverty	9.6	8.3	10.8	6.6	3.7	14.3	10.5	13.2	6.0	16.2	22.8		
	Access to services	No car or van	19.0	18.1	20.0	31.1	4.3	41.1	42.8	18.4	4.2	37.9	31.5	
	Social resources	No to two or more social supports	9.6	10.7	8.5	5.9	13.3	13.4	7.0	8.8	8.8	12.9	17.9	
Respondents who don't talk to neighbours or meet people on most days		22.5	21.4	23.6	9.8	25.8	14.3	30.4	18.4	23.4	25.6	9.8		
Participation	Economic and social participation	NEET	12.5	11.2	13.7	0.0	0.0	38.4	7.3	14.5	11.0	16.1	43.1	
		Living in workless household	10.5	7.9	13.0	24.4	6.7	34.8	22.8	4.7	1.8	19.7	12.3	
		Care for handicapped/other in household	9.6	6.1	12.9	17.2	11.0	33.9	1.6	5.7	7.0	9.4	32.8	
		Not a member of a social group/organisation	64.2	58.3	69.8	63.9	60.7	75.0	56.1	65.5	63.5	62.4	89.5	
	Culture, education and skills	No qualification	2.3	2.6	2.0	0.0	0.0	14.2	0.9	3.5	0.8	1.8	3.7	
		No education, training or part-time courses in the last year	40.4	42.0	38.9	0.0	0.0	73.2	43.3	46.8	43.0	52.1	66.7	
		Households with no internet access	29.0	25.2	32.6	40.2	11.1	73.9	43.6	31.8	14.4	42.7	25.5	
	Political and civic participation	Neither members nor supporters of a political party, nor interested/very interested in politics.	62.3	59.6	64.9	60.5	65.8	79.5	46.7	66.6	64.8	45.3	66.7	
	Quality of life	Health and well-being	Poor health status over last 12 months	4.0	2.6	5.2	2.5	1.8	11.6	4.9	2.7	2.6	6.8	13.8
			Not active in sports club	77.9	67.3	88.0	82.8	77.3	91.1	76.8	75.2	75.8	77.8	91.2
GHQ12-scores 4+			22.5	16.5	28.3	23.5	15.6	30.9	24.2	24.0	17.9	34.5	36.8	
Consider self to be disabled			2.4	2.9	1.9	1.6	4.3	1.8	4.1	1.5	1.5	2.6	6.9	
Not satisfied with life overall			9.5	9.4	9.5	12.4	6.8	10.8	5.8	11.1	7.6	19.7	13.8	
Smokes more than 5 cigarettes a day			21.3	21.8	20.9	12.4	4.3	44.6	18.3	29.3	16.8	29.6	35.1	
Living environment		Not satisfied with: house/ flat	13.8	11.0	16.4	11.6	8.9	29.5	18.1	15.4	7.5	17.9	33.3	
		House suffering from two or more problems	23.8	21.8	25.8	25.2	19.8	37.8	33.0	27.6	15.6	27.4	27.8	
		No liking present neighbourhood	8.6	7.3	9.8	9.1	5.5	16.1	8.9	10.1	6.6	9.4	10.7	

## Stage Two: Overlaps analysis

The second stage of the project investigated how individuals experienced different forms and combinations of risk of social exclusion, how individual indicators of risk interacted and overlapped, and whether it was possible to derive more summary measures of disadvantage. Only the data from the British Household Panel Survey (BHPS) was used in this section, due to the greater number of indicators available, and therefore, the greater scope for multi-dimensional analysis. Table 2.1 defines the indicators used and shows how they relate to the B-SEM domains and themes.

**Table 2.1 Definitions of indicators used in analysis, with B-SEM domains and themes**

*British Household Panel Survey*

Domain	Theme	Indicator	Definition	
Resources	Material/economic resources	POOR_HH_60	Relative low income	
		BENEFIT_HH	One or more of JSA,IS,IB	
		MATDEV	Lacking 3 or more necessities	
		HEAT	Living in households without adequate heating	
		HOMEOWN	Not an owner occupier	
		SAVE	Having no savings	
		DEBT	Respondents who have repayments on loans/HP which are a burden	
		SUBPOV	Subjective poverty	
		Access to services	TRANSP	No car or van
		Social resources	SOCSUP	No to two or more social supports
		CONTACT	Respondents who don't talk to neighbours or meet people on most days	
Participation	Economic and social participations	NEET	NEET	
		WKLS_HH	Living in workless household	
		CARER	Care for handicapped/other in household	
		SOCIAL	Not a member of a social group/organisation	
	Culture, education and skills	QUALS	No qualification	
		TRAIN	No education, training or part-time courses in the last year	
	INTERNET	Households with no internet access		
	Political and civic participations	POLITICS	Neither members nor supporters of a political party, nor interested in politics	
Quality of life	Health and well-being	HEALTH	Poor health status over last 12 months	
		SPORT	Not active in sports club	
		GHQ4	GHQ12-scores 4+	
		DISAB	Consider self to be disabled	
		LIFESAT	Not satisfied with life overall	
		SMOKE	Smokes more than 5 cigarettes a day	
	Living environment	SATHS	Not satisfied with: house/ flat	
		HOUSE	House suffering from two or more problems	
		NEIGHB	Not liking present neighbourhood	

### How many forms of risk do people experience?

The 28 indicators of risk from the BHPS were combined into a simple additive scale, to give a score out of a maximum of 28. A reliability analysis (see table 2.2) was run on the 28 indicators to assess whether the items measured some common underlying concept. A Cronbach Alpha score of 0.72 suggests that the scale of 28 indicators does indeed appear to tap into some underlying construct. The removal of three indicators (debt, contact and politics) slightly improved the Alpha score. The reliability analysis was conducted on separate scales, based on the domains of the B-SEM and far lower Cronbach Alpha scores were obtained, suggesting that the indicators could be treated as one scale.

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Table 2.2 Reliability analysis, all indicators, and for B-SEM domains								
	ALL INDICATORS		RESOURCES		PARTICIPATION		QUAL. OF LIFE	
	Corrected	Cronbach's	Corrected	Cronbach's	Corrected	Cronbach's	Corrected	Cronbach's
	Item-Total	Alpha if Item	Item-Total	Alpha if Item	Item-Total	Alpha if Item	Item-Total	Alpha if Item
	Correlation	Deleted	Correlation	Deleted	Correlation	Deleted	Correlation	Deleted
POOR_HH_60	.298	.711	.337	.553				
BENEFIT_HH	.448	.700	.401	.536				
MATDEV	.426	.702	.451	.528				
HEAT	.203	.718	.191	.586				
HOMEOWN	.517	.691	.510	.497				
SAVE	.308	.710	.244	.580				
DEBT	.113	.723	.105	.602				
SUBPOV	.255	.715	.168	.588				
TRANSP	.435	.701	.436	.529				
SOCSUP	.145	.720	.089	.601				
CONTACT	-.038	.736	-.044	.642				
NEET	.382	.707			.345	.308		
WKLS_HH	.400	.706			.173	.376		
CARER	.180	.718			.152	.384		
SOCIAL	.181	.721			.129	.402		
QUALS	.156	.720			.187	.388		
TRAIN	.244	.716			.219	.349		
INTERNET	.345	.707			.181	.370		
POLITICS	.091	.729			.117	.410		
HEALTH	.175	.719					.237	.445
SPORT	.199	.718					.107	.489
GHQ4	.197	.719					.295	.404
DISAB	.095	.722					.069	.478
LIFESAT	.244	.715					.331	.405
SMOKE	.236	.715					.165	.463
SATHS	.295	.711					.282	.414
HOUSE	.276	.712					.162	.466
NEIGHB	.222	.716					.252	.431
Alpha		0.722		0.594		0.406		0.474
N items		28		11		8		9

Only 25 individuals experienced no forms of risk, with the average number experienced being six and the maximum, 23. Table 2.3 shows the frequency distribution of the sample by the number of risks experienced.

**Table 2.3** Number of risks experienced (weighted)

*Unweighted base: 1550* *British Household Panel Survey*

Number of disadvantages/risks	Frequency	%
0	25	1.6
1	40	2.6
2	130	8.4
3	180	11.6
4	212	13.7
5	213	13.8
6	176	11.3
7	152	9.8
8	114	7.3
9	93	6.0
10	53	3.4
11	36	2.3
12	42	2.7
13	19	1.2
14	12	0.8
15	18	1.1
16	12	0.8
17	12	0.8
18	1	0.1
19	5	0.3
20	2	0.1
21	0	0.0
22	1	0.1
23	25	1.6
<i>Bases</i>	<i>1550</i>	<i>100</i>

The sample was then divided into four more or less equal groups based on the number of risks experienced: 0-3, 4-5, 6-7, 8+. Table 2.4 presents a breakdown of multiple disadvantages by a number of socio-economic characteristics and the mean number of risks experienced by the different groups. Female young people were more likely to experience multiple risks, as were older young people. Those young people who were living independently with their own children and those living with a lone parent were also more likely to experience multiple risks, as were social and private tenants. Not surprisingly, those living in areas with higher deprivation levels (as measured by the Index of Deprivation) were more likely to experience multiple risks. The risk of social exclusion was less severe for young people living in villages than in urban areas.

Table 2.4 Multiple risk by various socio-demographic characteristics: row %							
Number of disadvantages/risks	0-3	4-5	6-7	8+	Cramer's V	Group mean disadvantages/risks	
	%	%	%	%		Mean	SE
Overall	24.3	27.5	21.1	27.1			
<b>Gender</b>					<b>0.167***</b>		
Male	30.7	25.7	22.0	21.7		5.46	0.12
Female	18.1	29.2	20.4	32.3		6.55	0.13
<b>Age</b>					<b>0.133***</b>		
16-18	30.6	26.7	18.8	24.0		5.59	0.13
19-21	27.1	25.1	19.6	28.3		6.07	0.17
22-24	11.7	31.4	26.4	30.5		6.59	0.16
<b>Youth type</b>					<b>0.260***</b>		
Dependent, living with lone parent	21.6	29.9	12.4	36.1		6.23	0.33
Dependent, living with couple parents	47.6	22.8	14.5	15.2		4.39	0.22
Independent, with children	1.0	11.0	18.0	70.0		10.38	0.44
Independent, no children	9.2	23.1	31.8	35.9		7.01	0.22
Semi-dependent, living with lone parent	18.5	29.5	22.9	29.2		6.23	0.18
Semi-dependent, living with couple parent	34.5	33.6	20.4	11.5		4.67	0.10
Semi-dependent, living with other	13.3	16.7	21.1	48.9		7.83	0.42
Other	4.9	24.4	19.5	51.2		8.54	0.68
<b>Tenure</b>					<b>0.372***</b>		
Owned outright	40.9	29.7	19.7	9.7		4.46	0.16
Owned with mortgage	33.1	36.6	20.3	10.0		4.58	0.08
Social tenant	0.0	9.1	16.4	74.5		9.83	0.21
Private tenant	2.4	14.9	32.7	50.0		8.28	0.23
Other tenure	-	-	-	-		8.07	1.34
<b>ID deciles</b>					<b>0.230***</b>		
1 most deprived	3.2	16.9	22.6	57.3		8.64	0.32
2	17.1	24.0	20.2	38.8		7.31	0.37
3	18.9	26.4	15.5	39.2		6.78	0.28
4	23.5	27.2	19.9	29.4		6.14	0.31
5	25.6	25.0	27.3	22.2		5.61	0.21
6	28.8	25.2	31.5	14.4		5.26	0.31
7	35.6	30.3	21.2	12.9		4.80	0.20
8	37.1	26.7	22.4	13.8		4.69	0.25
9	40.0	36.9	14.6	8.5		4.18	0.20
10 least deprived	30.8	44.0	17.6	7.7		4.23	0.25
<b>Urban/rural indicator (England only)</b>					<b>0.074*</b>		
Urban	23.6	27.0	21.8	27.6		6.05	0.10
Town and fringe	25.9	32.8	18.1	23.3		5.58	0.32
Village	35.3	32.4	21.6	10.8		4.73	0.29
Hamlet and isolated dwelling	36.2	27.6	15.5	20.7		5.25	0.55

## Exploring multiple disadvantages

To understand the multidimensionality of risk, non-parametric correlations were obtained for the 28 indicators risk (Table 2.5). Only the correlations significant at the 0.05 level are shown and correlations over 0.3 are emboldened. Findings show that some indicators correlate highly with a number of other indicators (matdev, homeown, wkls\_hh, poor\_hh\_60, benefit\_hh, transp each correlate highly with at least four other indicators), while 12 do not correlate highly with any others

(save, debt, socsup, contact, carer, quals, politics, health, disab, smoke, saths, neighb). These 12 indicators are excluded from the next step of the analysis.



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**Table 2.5 Non-parametric correlations between indicators of risk**

	poor_hh_60	benefit_hh	matdev	heat	homeown	save	debt3	subpov	transp	socsup	contact	neet	wkls_hh	carer	social	quals	train	internet	politics	health	sport	ghq4	disab	lifesat	smoke	saths	house	neighb	
poor_hh_60	1.000																												
benefit_hh	.205	1.000																											
matdev	<b>.318</b>	<b>.329</b>	1.000																										
heat	.117	.189	.189	1.000																									
homeown	<b>.330</b>	<b>.328</b>	<b>.383</b>	.228	1.000																								
save	.108	.179	.159	.079	.211	1.000																							
debt		.061	.111		.087	.111	1.000																						
subpov	.089	.117	.139		.062	.112		1.000																					
transp	<b>.370</b>	<b>.226</b>	<b>.399</b>	.165	<b>.516</b>	.116		.089	1.000																				
socsup	.064	.079	.071					.105		1.000																			
contact			-.073	.059		-.078					1.000																		
neet	.138	<b>.356</b>	.133		.168	.172		.193	.178	.055		1.000																	
wkls_hh	<b>.402</b>	<b>.353</b>	<b>.303</b>	.094	<b>.378</b>	.075		.090	<b>.415</b>			.250	1.000																
carer	.103	.210	.056	.054	.105				.067	.051		.214	.169	1.000															
social		.108	.075		.073	.123				.077		.101			1.000														
quals					.054	.067			.079	.085	-.050	.092	.062			1.000													
train		.133	.065		.118	.112		.062	.062		.057	<b>.343</b>		.063	.095	.129	1.000												
internet	.202	.202	<b>.329</b>	.173	<b>.346</b>	.193	.075	.070	.279		-.061	.115	.207	.082	.050	.074	.114	1.000											
politics	-.051	.143		.061		.115				.056				.103	.116	.069	.098	.076	1.000										
health	.087	.051	.049		.051	.063	.068	.138	.059	.053		.138		.079			.080			1.000									
sport	.097	.117	.085		.112	.077			.095	.070		.071	.089	.054	<b>.424</b>		.078		.063	.068	1.000								
ghq4	.061				.071			.224		.165		.097	.062				.070		-.080	.162	.101	1.000							
disab	.057	.069	.049		.080							.100	.078		-.073				.060	.074			1.000						
lifesat	.077	.169	.113	.048	.051		.063	<b>.301</b>	.102	.206		.147	.101	.107			.056			.140		<b>.389</b>		1.000					
smoke		.115	.118		.163	.187		.115	.107	.058	-.083	.165	.060	.074	.083	.117	.195	.169	.080	.149	.056	.112	.055	.097	1.000				
saths	.067	.135	.182	.122	.151	.097	.106	.129	.100	.087		.103	.057	.067	.063		.110	.122		.051	.052	.120		.268	.110	1.000			
house	.172	.203	.292	<b>.306</b>	.280	.118	.155	.051	.188			.083	.143		.053		.061	.147		.083	.084	.094		.078		.154	1.000		
neighb	.075	.104	.081		.106	.048	.082	.079	.160	.059	.064	.151	.106	.057			.074	.059		.145		.094		.156	.113	.182	.141	1.000	

Only correlations significant at 0.05 level are shown; Correlations over 0.3 are emboldened

**Stage Two: Overlaps analysis**

A series of cluster analyses were run to assign individuals to a single cluster based upon their experience of risk. After some exploratory analysis, a five-cluster model was adopted. Table 2.6 provides information on these five clusters, and the indicators which most clearly identify them. Table 2.7 describes the clusters based on a number of socio-economic indicators.

Cluster one, 'subjectively disadvantaged' (15.1%) identifies a group who were most likely to have a high GHQ score (General health questionnaire) and be dissatisfied with life. Demographically, they are more likely to be female, and semi-dependent young people (that is living with parent(s) but with their own financial arrangements). Around two-thirds of this cluster lived in owner-occupier (with/without mortgage) households.

Cluster two, 'not disadvantaged' (53.0%) are not highly disadvantaged on any of the indicators. They are slightly more likely to be male than female, and living with couple parents. Again, this cluster is likely to be in owner-occupier households and this is under-represented in the most disadvantaged Indices of Deprivation deciles. They are also more likely than any other cluster to live in rural locations.

Cluster three, 'disengaged and on benefits' (8.0%) are the most likely to be on benefits, live in a workless household, not to have undertaken any education in the last year, and be disengaged – from the labour market, education and their communities. They are more likely to be female than male and have their own children or live with a lone parent. They are also more likely to be living in social housing, particularly in areas of high disadvantage.

Cluster four, 'poor housing/lacking necessities' (15.1%) are particularly identified by their lack of three or more necessities, lack of adequate heating and internet access, and those living in poor quality housing. They are slightly more likely to be female than male, be tenants and live in deprived urban areas.

Cluster five, 'income and tenure disadvantaged' (8.9%) are characterised by poor income, lack of transport, and being non-home owners. They are likely to be living independently of their parents but do not have children and they are concentrated in urban areas.

Table 2.6 Cluster analysis (K-means) – final cluster centres		1	2	3	4	5
B-SEM theme	Indicator	Subjectively disadvantaged	Not disadvantaged	Disengaged and on benefits	Poor housing/ lacking necessities	Income and tenure disadvantaged
Material/economic resources	Household poverty 60% median	.07	.05	.56	.05	.81
	Household receives JSA, IS, or IB	.09	.08	.87	.23	.34
	Lacking 3 or more necessities	.03	.02	.40	.44	.40
	Adequate heating	.02	.00	.06	.16	.06
	Home ownership	.13	.06	.85	.80	.90
	Subjective poverty - how managing financially	.14	.05	.28	.07	.08
Access to services	Household access to car or van	.05	.02	.62	.31	.70
Economic and social participation	Whether in employment, education or training	.08	.06	.88	.02	.01
	Whether anyone in household in employment	.01	.01	.51	.01	.47
	Member of a social group	.62	.60	.83	.66	.70
Culture, education and skills	Undertaken some education or training in last year	.40	.35	.93	.52	.08
	No internet	.12	.11	.69	.77	.39
Health and well-being	GHQ score - mental ill health	1.00	.00	.36	.18	.17
	Satisfaction with life overall	.25	.03	.23	.06	.07
Living environment	Housing quality	.18	.11	.40	.57	.36
Percentage of individuals in cluster (n)		15.1 (260)	53.0 (914)	8.0 (138)	15.1 (260)	8.9 (153)

**Table 2.7** Characteristics of clusters

	1	2	3	4	5
	Subjectively disadvantaged	Not disadvantaged	Disengaged and on benefits	Poor housing/ lacking necessities	Income and tenure disadvantaged
<b>Gender</b>					
Male	37.3	55.2	37.0	47.3	45.8
Female	62.7	44.8	63.0	52.7	54.2
<b>Age</b>					
16-18	40.4	44.4	33.3	26.6	50.6
19-21	30.0	30.4	36.2	31.3	33.8
22-24	29.6	25.2	30.4	42.1	15.6
<b>Youth type</b>					
Dependent, living with lone parent	5.0	4.5		8.5	22.9
Dependent, living with couple parents	8.1	12.8		2.3	7.8
Independent, with children	3.1	2.4	26.8	13.5	2.6
Independent, no children	8.1	6.2	8.0	25.1	38.6
Semi-dependent, living with lone parent	24.3	19.0	23.2	27.8	15.0
Semi-dependent, living with couple parent	42.1	49.5	18.1	13.1	4.6
Semi-dependent, living with other	5.8	3.3	13.8	7.3	7.8
Other	3.5	2.3	10.1	2.3	.7
<b>Tenure</b>					
Owned outright	22.3	22.8	8.8	2.7	5.2
Owned with mortgage	64.2	71.4	5.8	16.9	4.6
Social tenant	7.3	3.4	64.2	45.8	40.5
Private tenant	6.2	2.2	21.2	33.5	47.7
Other tenure	.0	.2		1.2	2.0
<b>ID deciles</b>					
1	4.4	4.4	30.6	15.5	21.1
2	8.4	7.5	22.2	12.7	10.6
3	10.6	8.3	10.2	15.5	19.5
4	12.8	8.6	18.5	10.3	13.8
5	10.6	16.8	4.6	16.4	7.3
6	10.1	10.0	8.3	5.2	9.8
7	14.1	11.1	1.9	7.5	4.9
8	11.9	10.9	1.9	4.7	5.7
9	12.3	12.6	.9	6.6	5.7
10	4.8	9.8	.9	5.6	1.6
<b>Urban/rural indicator (England only)</b>					
Urban	81.5	76.5	83.6	83.5	90.2
Town and fringe	7.6	9.0	9.5	11.3	3.8
Village	5.9	10.0	4.3	2.6	3.8
Hamlet and isolated dwelling	5.0	4.5	2.6	2.6	2.3

## Stage Three: Longitudinal analysis

The third stage of the research analyses examines:

- Trends in risk of social exclusion over time;
- The persistence of risk over time;
- Transitions into and out of risk over time;
- Some potential triggers of multiple risks in young adulthood.

### Trends in risk of social exclusion

The first step was to explore the trends in the cross-sectional prevalence of individual indicators of risk, using the individual wave datasets between 2001/2 and 2005/6. This period covers respondents aged 16-24 and has the largest proportion of individuals present in all five waves. Table 3.1 shows the percentage of young people at risk of social exclusion on individual indicators in each wave. Not all indicators are available in all waves.

There is little evidence of a consistent trend over this period. In fact, the only indicators with consistently improving trends are young people smoking, having access to the internet and social support. There is certainly no clear evidence of a reduction in NEET, benefit dependency, income poverty or material deprivation over this period. There may be some evidence of a reduction in lacking qualifications and not participating in training in the latest period.

**Table 3.1 Cross-sectional prevalence (%) of individual indicators of risk – waves 11-15**

*British Household Panel Survey*

DOMAIN	THEME	INDICATOR	Wave 11 2001/2 (Weighted base = 2,337)	Wave 12 2002/3 (Weighted base = 2,052)	Wave 13 2003/4 (Weighted base = 2,127)	Wave 14 2004/5 (Weighted base = 1,964)	Wave 15 2005/6 (Weighted base = 1,877)	All waves average
RESOURCES	MATERIAL/ECONOMIC RESOURCES	POOR_HH_60	18.0	16.9	17.8	17.5	17.8	17.6
		BENEFIT_HH	21.2	20.6	20.9	20.3	19.8	20.6
		MATDEV	15.9	11.2	11.3	12.6	15.2	13.3
		HEAT	5.5	4.7	4.2	4.4	3.9	4.6
		HOMEOWN	30.6	31.3	32.0	31.3	33.2	31.6
	SAVE					42.8	42.8	
	DEBT	13.8	15.6	13.8	13.0	13.9	14.0	
	SUBPOV	9.0	9.8	6.7	9.9	9.6	9.0	
	ACCESS TO SERVICES	TRANSP	19.8	19.4	18.3	17.8	19.1	18.9
		SOCSUP	14.2		11.3		9.6	11.9
ECONOMIC & SOCIAL PARTICIPATION	CONTACT	23.6	26.5	25.1	29.0	22.5	25.3	
	NEET	10.7	12.7	12.7	10.9	12.5	11.9	
	WKLS_HH	11.3	9.1	9.7	9.2	10.5	10.0	
	CARER	10.0	10.7	10.9	11.2	9.6	10.5	
CULTURE, EDUCATION & SKILLS	SOCIAL	58.4		63.5		64.2	61.8	
	QUALS	3.7	3.8	3.5	3.2	2.3	3.3	
	TRAIN	43.2	46.8	45.7	39.6	40.4	43.2	
POLITICAL & CIVIC PARTICIPATION	INTERNET	49.1	43.3	38.8	34.1	29.0	39.4	
	POLITICS	62.0	68.7	67.3	66.6	62.3	65.4	
QUALITY OF LIFE	HEALTH & WELLBEING	HEALTH	4.1	5.3	4.8	5.0	3.9	4.6
		SPORT	72.7		78.4		77.9	76.1
	GHO4	17.4	19.5	19.1	19.4	22.5	19.5	
	DISAB		2.5	2.8	2.3	2.3	2.5	
	LIFESAT		8.1	9.2	9.5	9.5	9.0	
	LIVING ENVIRONMENT	SMOKE	24.1	23.9	22.7	22.3	21.3	22.9
		SATHS		12.1	12.3	11.7	13.8	12.4
		HOUSE	29.0	28.1	25.9	27.2	23.8	26.9
NEIGHB		10.7	9.1	10.2	8.6	8.6	9.5	

Next, we explored trends in multi-dimensional disadvantage, first, by counting the number of risks of social exclusion an individual had each wave (out of a total of 21 disadvantages or risks available across all waves of data). The number of risks experienced was formed into a categorical variable (0-2, 3-4, 5-6, 7+ disadvantages/risks) with the figures for each wave displayed in Table 3.2. In this case, there is clear evidence of a reduction in severe (seven or more) risk with the proportion of young people with severe disadvantage or risk fell from 20.9% to 15.9% over the period.

**Table 3.2 Cross-sectional prevalence (%) of multiple disadvantage – waves 11-15 (column %)**

Number of disadvantages/risks/wave	11 (2001/2)	12	13	14	15 (2005/6)	All waves average
0-2	33.6	30.9	34.3	35.1	37.6	34.2
3-4	27.7	30.9	29.3	30.2	28.8	29.3
5-6	17.8	19.9	19.1	17.6	17.8	18.5
7+	20.9	18.3	17.3	17.1	15.9	18
Weighted N	2,337	2,052	2,127	1,964	1,877	

## Persistence of risk

Next, we considered how long the experiences of risk lasted and how often they occurred. First, we counted the number of waves in which an individual was at risk on each of the indicators that was present in all waves 11-15 (Table 3.3). Just over half of the individuals (54.3%) were not affected by the household poverty in any of the five waves and just 2.1% were at risk in all waves. If we define persistent disadvantage as experiencing risk in all five waves, the most persistent risks were: lack of home ownership (21.5%); lack of internet connection (19.5%); smoking more than five cigarettes a day (15.2%); not having undertaken any qualification or training (13.2%); and living in a workless household (11.1%). The least persistently experienced risks were lack of adequate heating, debt, subjective poverty, poor health, and having no contact with neighbours.

Disadvantage/risk	0	1	2	3	4	5	Total
Household poverty 60% median	54.3	14.8	14.0	8.2	6.6	2.1	728
Household receives JSA, IS, or IB	57.8	14.5	8.5	4.8	6.7	7.7	729
Lacking 3 or more necessities	65.6	16.6	10.2	3.2	2.3	2.2	601
Lacking adequate heating	84.2	10.3	4.0	0.8	0.5	0.3	658
Not home owner	56.4	4.4	6.4	7.6	3.8	21.5	660
Debt	59.0	22.1	9.4	5.8	2.8	1.0	619
Subjectively poor	69.0	20.9	6.4	2.0	1.7	0.2	657
No household access to car or van	61.9	11.5	8.0	6.5	4.4	7.8	664
NEET	69.6	16.1	4.5	4.3	2.2	3.3	728
Member of a social group	39.1	26.9	16.9	10.3	5.2	1.8	658
Workless household	11.1	6.9	4.0	2.6	2.5	11.1	729
Providing unpaid care	75.9	10.6	5.0	3.3	2.6	2.6	660
No qualifications	95.0	0.3	0.3	0.5	0.2	3.7	623
Have not undertaken any education or training in last year	17.4	19.4	18.7	16.6	14.7	13.2	680
No internet	32.2	14.5	12.2	11.3	10.2	19.5	655
Health	83.5	10.2	4.3	1.4	0.7	0.0	728
Mental health	49.3	24.4	11.5	7.7	5.3	1.8	599
Smokes more than 5 cigarettes a day	64.9	4.2	4.9	4.9	6.0	15.2	638
Housing quality	43.2	18.3	14.9	10.7	8.5	4.4	644

Finally, Table 3.4 shows the average number of spells of risk for each individual experiencing a specific type of risk and the average length of a risk spell. The average number of incidents involving income poverty was 1.4 per person, with a maximum of three. Poor housing quality had the highest number of incidents per person, with an average of 1.5 spells.

Having no qualifications had the longest average spell (4.2 waves), although only a very small proportion of respondents experienced this disadvantage (5% in Table 3.3) between waves 11-15.

**Table 3.4 Average number of spells of risk and average length of a risk spell (waves 11-15)**

Disadvantage/risk	Average number of spells per person	Actual maximum number of spells	Average length of spell (waves) (minimum=1)	Maximum length of spell (waves)	Total N spells of disadvantage/risk
Household poverty 60% median	1.4	3	1.8	5	415
Household receives JSA, IS, or IB	1.3	2	2.3	5	361
Lacking 3 or more necessities	1.3	3	1.6	5	300
Lacking adequate heating	1.2	2	1.4	5	122
Not home owner	1.2	2	3.0	5	404
Subjectively poor	1.3	2	1.3	5	251
No household access to car or van	1.3	3	2.3	5	318
NEET	1.3	3	1.8	5	252
Workless household	1.3	3	1.9	5	225
Providing unpaid care	1.4	3	1.8	5	197
No qualifications	1.1	2	4.2	5	33
Have not undertaken any education or training in last year	1.4	3	2.2	5	751
No internet	1.3	3	2.6	5	578
Health	1.2	2	1.4	4	136
Smokes more than 5 cigarettes a day	1.3	3	3.0	5	290
Housing quality	1.5	3	1.8	5	533

To sum up, the most persistent risks (most likely to be experienced in all 5 waves) were: lack of home ownership; lack of internet connection; smoking more than five cigarettes a day; not having undertaken any qualification or training; and living in a workless household. The least persistently experienced risks were heating, debt, subjective poverty, poor health, and no contact with neighbours. Housing disadvantage had the highest number of incidents per person (1.5 spells on average), while having no qualifications had the longest average spell.

## Transitions into and out of risk

A longitudinal dataset was then constructed using waves 11-15, but containing only those individuals who were present in all five waves (N=729). This contained the individual indicators of risk, number of risks experienced (both continuous and categorical variables), and disadvantage cluster membership, for each individual for each of the five waves.

To consider how the different combinations of risks behave over time and to analyse the dynamics of cluster membership, a separate cluster analysis (Ward's Linkage) was run on each of the waves 11-15. Because of the relatively small size of the longitudinal sample, a three-cluster model was chosen. The definitions of clusters were consistent across all waves, with clusters labelled 'low disadvantaged', 'medium disadvantaged', and 'highly disadvantaged' (table 3.5) on the basis of the proportion of those who were at risk on each of the indicator in each cluster. The numbers in bold indicate the group most likely to be at risk on each of the indicators; the 'highly disadvantaged' clusters in each wave contained young people poor on all indicators or all but one indicator, while the 'low disadvantaged' cluster had the lowest proportion of respondents poor on any of the indicators.



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**Table 3.5 Proportion of individuals at risk on each indicator within each cluster (waves 11-15)**

*British Household Panel Survey*

Wave	11			12			13			14			15		
	MD	LD	HD	MD	HD	LD	MD	LD	HD	LD	MD	HD	LD	MD	HD
Household poverty 60% median	36.6	1.61	54.6	52.9	72.1	12.7	8.8	12.7	68.6	14.7	3.4	49.9	10.4	14.3	74.4
Household receives JSA, IS, or IB	16.9	18.2	83.0	17.7	91.2	17.8	20.4	0.0	57.0	7.2	31.0	47.5	20.6	11.0	62.4
Lacking 3 or more necessities	18.4	8.2	48.3	29.8	66.0	5.9	7.4	0.3	40.2	5.6	2.2	56.9	2.8	24.0	54.1
Lacking adequate heating	12.7	1.1	17.4	7.7	9.5	5.5	4.9	0.0	12.4	23.9	12.4	89.9	1.1	9.6	10.9
Not home owner	62.8	5.7	94.6	80.2	98.0	24.4	28.3	0.0	91.5	23.9	12.4	89.9	9.5	61.4	87.6
Subjectively poor	8.8	8.0	26.8	11.4	35.4	8.5	8.4	0.0	16.5	2.3	15.9	18.2	8.4	7.9	23.6
No household access to car or van	34.0	4.3	67.2	93.0	77.6	5.0	13.1	1.2	62.9	7.7	8.2	63.1	0.7	32.9	62.8
NEET	1.6	10.0	71.6	2.2	89.1	8.1	9.6	0.0	35.6	2.3	11.1	33.8	10.1	2.6	37.2
Workless household	17.6	1.0	47.3	19.9	70.1	4.4	2.6	0.0	46.9	5.0	1.7	32.7	0.8	4.4	68.8
Providing unpaid care	3.7	11.9	49.2	2.9	44.9	10.7	9.7	0.6	27.8	13.4	4.9	22.1	12.9	3.5	19.9
No qualifications	2.0	2.2	31.2	3.3	34.7	2.5	3.6	0.0	9.3	1.2	4.7	10.7	1.0	4.9	10.2
Have not undertaken any education or training in last year	35.8	44.8	85.2	43.4	80.3	43.7	57.4	0.0	52.1	15.0	69.1	68.8	39.7	41.6	46.2
No internet	58.9	40.5	88.10	72.4	96.6	37.3	42.8	1.8	74.7	23.8	27.5	86/0	9.0	61.5	60.2
Smokes more than 5 cigarettes a day	22.3	19.0	63.1	23.9	65.3	21.1	25.9	0.9	36.6	9.4	31.5	41.6	16.7	25.5	40.2
Housing quality	54.5	10.0	59.3	37.9	57.1	27.2	25.8	3.2	52.8	30.6	9.2	50.7	16.1	24.7	62.0
% individuals in cluster	39.6	47.1	13.4	13.78	7.45	78.8	62.5	17.5	20.0	45.6	33.1	21.4	56.1	30.0	14.0
N	937	1,115	317	272	147	1,555	1,211	339	388	821	526	385	1,069	572	266

Table 3.6 shows the average number of spells in a disadvantage cluster for each person and the average length of the spell in each cluster. The average number of spells per person in the ‘highly disadvantaged’ cluster was 1.2 spells and the maximum number was three spells. The most frequent cluster to be in was the ‘medium disadvantaged’ cluster, with an average of 1.4 spells for those who were in it at any point between waves 11 and 15. The ‘low disadvantaged’ cluster had the longest spell (1.5 waves) on average.

**Table 3.6 Average number of spells of risk and average length of a disadvantage cluster (waves 11-15)**

Base			BHPS		
Disadvantage	Average number of spells per person	Actual maximum number of spells	Average length of spell (waves) (min=1)	Maximum length of spell (waves)	Total N spells of disadvantage/risk
Low disadvantage	1.3	2	1.4	5	3,416
Medium disadvantage	1.3	3	1.3	5	2,841
High disadvantage	1.2	3	1.4	5	1,086

Table 3.7 shows the transitions probabilities for being in each of the three disadvantage clusters. Thus, each year between waves 11 and 15, 38.4% of youths in the ‘low disadvantaged’ cluster moved to the ‘medium disadvantage’ cluster, while 6% moved to the ‘highly disadvantage’ cluster. At the same time, those in the ‘highly disadvantage’ cluster had a 31% chance of moving into the ‘medium disadvantage’ cluster in each wave and an 18% chance of moving into the ‘low disadvantage’ cluster.

**Table 3.7 Transitions between disadvantage clusters (waves 11-15)**

Base: 728 individuals aged 16-24

BHPS

	Low disadvantage	Medium disadvantage	High disadvantage	Person years at risk
Low disadvantage	55.5	38.4	6.1	2,673
Medium disadvantage	50.5	38.3	11.2	1,953
High disadvantage	20.7	24.5	54.9	760
Total	48.8	36.4	14.9	5,386

Table 3.8 shows the results from a competing-risks event history analysis model of transitions from the ‘medium disadvantage’ cluster to either ‘high’ or ‘low’ disadvantage clusters across waves 11 to 15.

The odds of making a transition from the ‘medium disadvantage’ to the ‘high disadvantage’ cluster were lowest in wave 11 and highest in wave 13, everything else being held equal. Those with a partner present in the household had much lower odds of making this transition to the ‘high disadvantage’ cluster than those without a partner. Gender, age, presence of parents, or dependent children or urban/rural did not make a significant difference to the odds of making this transition.

The odds of making a transition from the ‘medium disadvantage’ to the ‘low disadvantaged cluster were lowest in wave 12 and highest in wave 11, everything else being held equal. Those without a parent in the household were about half as likely (44 per cent) to move from the ‘medium disadvantage’ to the ‘low disadvantage’ cluster as those with two parents in the household.

Respondents living in rural areas were almost twice as likely to move from the ‘medium disadvantage’ to the ‘low disadvantage’ cluster as those living in urban areas. Gender, age and whether or not there were children present in the household did not make a significant difference to the odds of this transition.

**Table 3.8 Transitions from medium disadvantage cluster (waves 11-15)**

Base 754

	Transition from Medium Disadvantage to High Disadvantage Cluster		Transition from Medium Disadvantage to Low Disadvantage Cluster	
	RRR	SE	RRR	SE
<b>Wave</b>				
11	0.0***	0.0	1.4	0.5
12	0.3	0.3	0.0**	0.0
13	0.5	0.5	0.9	0.5
14	0.2	0.3	1.3	0.9
<b>Male</b>	1.1	0.4	1.1	0.2
<b>Age (ref: 19-21)</b>				
16-18	1.8	1.1	1.2	0.3
22-24	0.6	0.3	1.0	0.2
<b>Adult</b>	0.8	0.6	0.7	0.2
<b>Parents in household (ref: two)</b>				
None	1.8	1.0	0.44**	0.1
One	1.2	0.7	0.7	0.2
<b>Dependent child(ren) present</b>	5.8	4.9	1.3	0.5
<b>Partner present</b>	0.13**	0.1	1.2	0.3
<b>Urban/rural indicator (England only) (ref: urban)</b>				
Village	1.0	0.8	1.9*	0.6
Town and fringe	1.2	1.0	1.7	0.5
R-square				0.4

Base outcome: no transition from medium disadvantage cluster; \*significant at  $p < 0.001$ ; \*\* significant at  $p < 0.01$ ; \* significant at  $p < 0.05$

It is also possible to analyse transitions in and out of risk for each individual indicator across waves 11 to 15. For example, Table 3.9 shows the number of transitions in and out of income poverty. On average, each year between waves 11 and 15, 11.4% of those who were not poor became poor, while 45.0% of those who were poor moved out of poverty.

**Table 3.9 Transitions in and out of poverty (waves 11-15)**

Base: 729 individuals

Poverty status at start	Poverty status at finish		Person years at risk
	Not poor	Poor	
Not poor	88.6	11.4	2,291
Poor	45.0	55.0	625
Total	79.3	20.8	2,916

Table 3.10 shows the odds of making a transition into poverty for those who were not poor at wave 11, controlling for a number of important personal and household characteristics. The risk of entering poverty would rise with each successive wave but would level off and, eventually, start

decreasing – hence the odds ratios for  $t$  and  $t$ -squared<sup>2</sup>. Those who were independent adults had around 60% chance of entering poverty as dependent children, everything else being held equal. Those living with one parent were 45% more likely to move into poverty as those living with two parents, holding other predictors constant. Gender, age, presence of dependent children and area were not significant.

**Table 3.10 Transitions into poverty (waves 11-15)**

*Base outcome: no transition into poverty*

	Transition into income poverty	
	Odds Ratio	SE
Period		
$t$	3.6**	3.6
$t^2$	0.7***	0.7
Male	0.8	0.8
Age (ref: 19-21)		
16-18	1.2	1.2
22-24	1.0	1.0
Adult	0.60*	0.6
Parents in household (ref: two)		
None	2.0	0.8
One	1.45*	0.3
Dependent child (ren) present	2.3	1.0
Partner present	1.0	0.4
Urban/rural indicator (England only) (ref: urban)		
Town and fringe	1.1	0.3
Village	1.5	0.4
R-square		0.1
N	1653	

\*significant at  $p < 0.001$ ; \*\* significant at  $p < 0.01$ ; \* significant at  $p < 0.05$

Tables 3.11-3.14 show the numbers of transitions in and out of risk of social exclusion for each of the indicators that had no missing values between waves 11 and 15: receipt of benefits (income support, jobseeker’s allowance or incapacity benefits); NEET; workless household; poor health. Each year, between waves 11 and 15, 8.6% of those who were not receiving any of the out of work benefits would start receiving them, while 31.4% of those who were receiving income support, jobseeker’s allowance or incapacity benefits would stop receiving these benefits (table 3.11).

**Table 3.11 Transitions in and out of benefit receipt (waves 11-15)**

*Base: 729 individuals aged 16-24*

Receives IS, JSA, IB	No	Yes	Person years at risk
No	91.4	8.6	2,260
Yes	31.4	68.6	656
Total	79.3	20.8	2,916

Those who were in employment, education or training had a 6.7% chance of moving into NEET, while those who were NEET had a 42.2% chance of moving into employment, education or training.

<sup>2</sup> Alternative specifications of the baseline hazard were considered (such as wave dummies; the natural logarithm of  $t$ ), but the time polynomial specification with  $t$  and  $t$ -squared had the best fit.

**Table 3.12 Transitions in and out of NEET (waves 11-15)**

*Base: 728 individuals aged 16-24*

Employment, Education, Training	EET	NEET	Person years at risk
EET	93.3	6.7	2,555
NEET	42.2	57.8	360
Total	87.0	13.0	2,915

5.5% of young people living in working households switched their status to a workless household, while 39.8% of those in a workless household changed their status to a working household.

**Table 3.13 Transitions in and out of workless household Waves 11-15**

*Base: 729 individuals aged 16-24*

Workless household	No	Yes	Person years at risk
No	94.5	5.5	2,569
Yes	39.8	60.2	347
Total	88.0	12.0	2,916

Finally, 3.7% of young people reporting excellent or fair health switched to reporting poor or very poor health, while 67.1% of those reporting poor or very poor health switched to reporting excellent or fair health.

**Table 3.14 Transitions in and out of poor health Waves 11-15**

*Base: 728 individuals aged 16-24*

Health	Excellent/fair	Poor/very poor	Person years at risk
Excellent/fair	96.3	3.7	2,762
Poor/very poor	67.1	32.9	152
Total	94.8	5.2	2,914

To sum up, the most number of young people experiencing risks of social exclusion were found in the 'medium disadvantaged' cluster while the 'low disadvantaged' cluster had the longest spell. The odds of making a transition from the 'medium disadvantaged' to the 'highly disadvantaged' cluster were lowest in wave 11 and highest in wave 13, everything else being held equal. Those with a partner present in the household had much lower odds of making this transition to the 'highly disadvantaged' cluster than those without a partner. The odds of making a transition from the 'medium' to 'low' disadvantage cluster were lowest in wave 12 and highest in Wave 11 and those without a parent in the household were about half as likely to move from 'medium' to 'low' disadvantage cluster as those with two parents in the household, with all other factors at equal levels. Regarding the transitions into income poverty separately, those who were independent adults had around 60% of the odds of entering poverty as dependent children.

## Drivers of social exclusion

In this final section we explored some possible drivers of social exclusion in young adulthood. Ideally, we would have liked to investigate the relationships between childhood experiences and indicators of social exclusion in young adulthood but the young adults in the most recent waves of the BHPS had already passed through much of their childhood by the time the BHPS began; for example, 24 year olds in wave 15 were aged 11 in wave 1. Although there were some historical data collected on, for example, the marital and employment history of parents, this was limited.

However, using data from the youth panel of the BHPS, it was possible to link adolescent experience and subjective well-being for a sample of people who were aged 11 to 15 in waves 4-8 (1994-1998) to their experience of social exclusion in young adulthood (at ages 20 to 24, in wave 13). Thus it is adolescent, not childhood, experience that is studied in this section. In the future, it will be possible to use the British Household Panel Survey data for such analysis.

We used the three-cluster model of disadvantage derived earlier as the measure of social exclusion (outcome variable) to establish whether adolescent experience and subjective well-being are drivers of social exclusion in young adulthood. Table 3.15 summarises the adolescent experiences (independent variables) that were used in the analysis<sup>3</sup>. These were derived from comparing successive waves between the years 1994 to 1998 so the unit of analysis is the pair of waves. Thus, it is an analysis of episodes rather than individuals.

Table 3.15 Adolescent experiences and events (independent variables) used in the analysis	
Experience/event	Categories
Experienced life with a single parent during adolescence	Yes No
Number of earners in a two-parent household	0 earners 1 earner 2 earner
Employment status of mother in two-parent household	Employed Not in employment
Employment status of lone mother	Employed Not in employment
Whether father in receipt of income support	Yes No
Whether mother in receipt of income support	Yes No
Whether father felt financial difficulty	Yes No
Whether mother felt financial difficulty	Yes No
Whether individual moved house during adolescence	Yes No
Mental health of father (GHQ12) <sup>4</sup>	Highly distressed Not highly distressed
Mental health of mother (GHQ12) <sup>1</sup>	Highly distressed Not highly distressed

Table 3.16 shows the distribution of the three-cluster model of disadvantage (low disadvantage, medium disadvantage, and high disadvantage) in young adulthood, when the members of the sample were aged 20 to 24 (at wave 13).

<sup>3</sup> This part of the research used a dataset constructed for a recent PhD project, which used information from successive waves of the BHPS to study the impact of changes in adolescent experiences on subjective well-being of young people. These paired-wave changes are used here, although categories are combined due to low sample sizes.

<sup>4</sup> Score of 4 and above is considered to be highly distressed.

**Table 3.16 Distribution of the three-cluster model of young adult disadvantage**

*Base: 947* *British Household Panel Survey*

Cluster	Frequency	%
Low disadvantage	88	9.3
Medium disadvantage	676	71.4
High disadvantage	183	19.3
Total	947	100.0

Table 3.17 reports the distribution of the three-cluster model of young adult disadvantage by the two family types (lone mother and two-parent families). As the number of cases in the ‘low disadvantage’ cluster is quite small, this cluster was combined with the ‘medium disadvantage’ cluster to form one single cluster for the later regression analysis. Thus, all analyses refer to the odds of experiencing a high level of disadvantage.

**Table 3.17 Distribution of the three-cluster model of young adult disadvantage by family type**

*British Household Panel Survey*

Cluster	Lone mother families		Two-parent families	
	Frequency	%	Frequency	%
Low disadvantage	3	3.3	69	11.4
Medium disadvantage	58	64.4	421	69.8
High disadvantage	29	32.2	113	18.7
Total	90	100.0	603	100.0

### Modelling the experiences of young adults and adolescents at risk

Logistic regression was used to predict the odds of an individual being ‘highly disadvantaged’ in young adulthood (ages 20 to 24) based on their experience in adolescence. In order to control for the effect of household type, separate models were conducted for lone mother and two-parent families. Table 3.18 reports the findings for lone mother families and shows that without controlling for any other explanatory variables, young people whose (lone) mother had experienced financial difficulty, had received income support, or had had poor mental health during their adolescence were more likely to have experienced social exclusion in young adulthood. Having a lone mother in paid employment during adolescence appeared to offer some protection against later social exclusion.

**Table 3.18 Adolescent experience and risk in young adulthood – lone mother families**

*Base: 88* *British Household Panel Survey*

Adolescence experience/event		Binary odds ratios	Multivariate odds ratios <sup>a</sup>
Whether mother felt financial difficulty	Yes	4.76**	-
	No	1.00	-
Whether mother in receipt of Income Support	Yes	11.93***	42.31**
	No	1.00	1.00
Employment status of lone mother	In employment	0.37*	4.99
	Not in employment	1.00	1.00
Whether individual moved house during adolescence	Yes	0.76	-
	No	1.00	-
Mental health of mother (GHQ12)	Highly distressed	2.56*	-
	Not highly distressed	1.00	-

\*p<0.05; \*\*p<0.01; \*\*\*p<0.001.

a: Backward stepwise entry method was used in the regression.  
 Constant=0.04\*\*; Gm=28.46; \*\*\*p<0.001; Nagelkerke R<sup>2</sup>=0.39

After controlling for the effect of the employment status of a lone mother (multivariate logistic regression), only the receipt of income support by an individual's mother increased their odds of being at risk of social exclusion in young adulthood. This model explains 39% of the variations of the outcome, although caution is required due to the low sample size.

The results of the modelling for two-parent families are shown in table 3.19. Without controlling for any other variables, parental experience of financial difficulty, receipt of income support, poor parental mental health and moving house during adolescence increased the odds of being at risk during young adulthood. Living in a one- or two-earner family and having a mother in employment appeared to offer some protection against being socially excluded later in life. Controlling for the effect of each other (multivariate logistic regression) father's experience of financial difficulty and receipt of income support were significantly associated with increased odds of social exclusion in young adulthood. Together, these variables explained 15% of the variance in the experience of risk in young adulthood.

**Table 3.19 Adolescent experience and disadvantage in young adulthood – two-parent families**

<i>Base: 472</i>		<i>British Household Panel Survey</i>	
Adolescent experience/event		<i>Binary odds ratios</i>	<i>Multivariate odds ratios<sup>a</sup></i>
Whether father felt financial difficulty	Yes	2.54**	2.19*
	No	1.00	1.00
Whether father in receipt of Income Support	Yes	10.10***	16.17***
	No	1.00	1.00
Number of earners in household	2 earners	0.22***	-
	1 earner	0.20***	-
	No earner	1.00	-
Maternal employment status	In employment	0.51**	-
	Not in employment	1.00	-
Mental health of mother (GHQ12)	Highly distressed	2.38***	-
	Not highly distressed	1.00	-
Whether mother felt financial difficulty	Yes	2.65***	-
	No	1.00	-
Whether mother in receipt of Income Support	Yes	3.27**	-
	No	1.00	-
Whether individual moved house during adolescence	Yes	2.09*	-
	No	1.00	-
Mental health of father (GHQ 12)	Highly distressed	1.68*	-
	Not highly distressed	1.00	-

\*p<0.05; \*\*p<0.01; \*\*\*p<0.001.

a: Backward stepwise entry method was used in the regression.  
 Constant=0.17\*\*\*; Gm=46.33; \*\*\*p<0.001; Nagelkerke R<sup>2</sup>=0.15

### **Modelling of young adult disadvantage and subjective well-being in adolescence**

This section examines the relationships between adolescent subjective well-being (SWB) and disadvantage in young adulthood. SWB was measured in the BHPS by constructing a happiness scale, a feeling troubled scale, and a self-esteem scale. Table 3.20 present the questions used for the construction of these scales, the scoring and alphas coefficients for each scale. For each scale, a higher score is indicative of better subjective well-being.



Table 3.20 The three scales of subjective well-being			
	Questions	Scoring	Alpha coefficient
HAPPINESS	How you feel about your a) school work b) appearance c) family d) friends e) life as a whole	Scale of 0-6 per question, where:  0 = not happy at all; 6 = very happy  Total scale: 0-30	0.70
FEELING (LESS) TROUBLED	In the past month, how many days have you felt unhappy or depressed? (Feeling sad) 0) 11+ 1) 4-10 2) 1-3 3) None  In the past week how many nights have you lost sleep worrying about things? (Feeling worried) 0) 6-7 1) 3-5 2) 1-2 3) None	Scale of 0-3 per question, where:  0 = a lot of trouble; 3 = no trouble at all  Total scale: 0-6	0.60
SELF-ESTEEM	Please say whether you strongly agree, agree, disagree, or strongly disagree that the following statements apply to yourself a) no good qualities b) I certainly feel useless at times c) not a likeable person d) all in all, I am inclined to feel I am a failure e) at times I feel I am no good at all	Scale of 0- 3 per question, where:  0 = strongly agree; 3 = strongly disagree  Total scale: 0-15	0.71

Table 3.21 presents the findings for males and females separately. The bivariate analysis shows no statistically significant association between adolescent subjective well-being and risk of social exclusion in young adulthood for men. However, the multivariate analysis shows that the risk of social exclusion in adult males were associated with their happiness and self-esteem in adolescence. Surprisingly, the findings show that adult males who were happier during their adolescence were more likely to experience risks in young adulthood. The reason for such association is not clear; however, it may be possible that the teenagers who were least concerned about their future were happier in adolescence but were at greater risk of not doing well in early adulthood. Furthermore, the findings show that adult males who had higher self-esteem during adolescence were less likely to experience risks in young adulthood.

For females, the findings from both the bivariate and multivariate analysis show that only self-esteem in adolescence was associated with risk in young adulthood. Similarly to their male counterparts, higher self-esteem in adolescence reduced the odds of female young adults experiencing risk of social exclusion. Happiness and feeling troubled in adolescence, however, were not significantly associated with experiencing risks later in life.

It is noted that, for both males and females, adolescent SWB explains only 6% of the variation in the experience of risk in young adulthood.

**Table 3.21 Adolescent subjective well-being and disadvantage in young adulthood**

*Base: 386* *British Household Panel Survey*

Subjective well-being variables	<b>Males</b>		<b>Females</b>	
	<i>Binary odds ratios</i>	<i>Multivariate odds ratios<sup>a</sup></i>	<i>Binary odds ratios</i>	<i>Multivariate odds ratios<sup>b</sup></i>
Happiness	1.05	1.16**	0.96	
Feeling (less) troubled	0.84		0.84	
Self-esteem	0.92	0.85*	0.83***	0.83***

\*p<0.05; \*\*p<0.01; \*\*\*p<0.001.  
 Backward stepwise entry method was used in the regression.  
 a: Constant=0.13\*; Gm=13.22; \*\*p<0.01; Nagelkerke R<sup>2</sup>=0.06  
 b: Constant=1.73 (ns); Gm=16.71; \*\*\*p<0.001; Nagelkerke R<sup>2</sup>=0.06

In summary, this section has examined the relationship between subjective well-being during adolescence (ages 11 to 15) and risk of social exclusion during young adulthood (ages 20 to 24). Findings from the logistic regression models suggest that young people who were brought up in a family in receipt of Income Support had significantly higher odds of experiencing risks in young adulthood. Financial situation in adolescence explained 39% of the variance in the experience of risk later in life for those in lone mother families and 15% for those in two-parent families.

Investigating the association between disadvantage in young adulthood and subjective well-being in adolescence shows that higher self-esteem for both males and females appears to reduce the odds of experiencing risks later in life. Although no association was found between feeling troubled in adolescence and disadvantage in young adulthood for either males or females, interestingly, higher odds of risks were found for males who had been happier in adolescence. Happiness, however, was not associated with later disadvantage for females. For both males and females, SWB variables explained just 6 per cent of the variance in the experience of risk in young adulthood.

## Summary of findings and directions for policy

This research project involved the secondary analysis of data from the Family Resources Survey (FRS) and British Household Panel Survey (BHPS) to investigate the experience of social exclusion and risk of disadvantage amongst young people aged between 16 and 24 years. Annex B is a review of social exclusion amongst those groups who are likely to be excluded from the survey data (e.g. homeless young people, those living in care homes, prisons etc).

As with the three other studies covering people of working age, families with children, and older people, we drew on the Bristol Social Exclusion Matrix (B-SEM) (Levitas et al, 2007), which conceives social exclusion as multidimensional and operating in ten themes within three domains: resources (material/economic resources; access to public and private services; social resources); participation (economic participation; social participation; culture, education and skills; political and civic participation); quality of life (health and well-being; living environment; crime, harm and criminalisation).

The first stage of the analysis identified indicators in the FRS and BHPS to represent a number of the B-SEM domains and used them to calculate levels of risk amongst different groups of young people. In general, females experienced greater risk of social exclusion than males, and young people living with a lone parent or independently with their own children had higher rates of risk than other young people. Lack of educational qualifications and experience of NEET were particularly high amongst young people who had their own children.

The second stage of the project investigated how individuals experience different forms and combinations of risk, how individual indicators of risk interact and overlap, and whether it was possible to derive more summary measures of disadvantage. Female young people were more likely to experience multiple risk of social exclusion, as were older young people. As before, those young people who were living independently with their own children, and those living with a lone parent were more likely to experience multiple disadvantages, as were social and private tenants. Not surprisingly, those living in areas with higher levels of deprivation (as measured by the Index of Deprivation) were more likely to experience multiple risks, while risks were less severe for young people living in villages than in urban areas.

Stage three of the research looked at trends in singular and multiple risks of social exclusion, persistence of risk, transitions in and out of risk, and some potential triggers of multiple disadvantage. There were few obvious trends in singular forms of risk over the period studied (2001/2 – 2005/6), although severe disadvantage (experience of seven or more disadvantages or risks out of a total of 21) fell from 20.9% to 15.9% over this period.

The persistence of risk experienced varied for the different indicators with the most persistent risks being: lack of home ownership; lack of internet connection; smoking more than five cigarettes a day; not having undertaken any qualification or training; and living in a workless household. The least persistently experienced risks were lack of adequate heating, debt, subjective poverty, poor health, and having no contact with neighbours.

A three-cluster model was then used to look at the movement between low, medium and high levels of risk and the factors that influenced these transitions. The most frequent cluster to be in was the 'medium disadvantage' cluster while the 'low disadvantage' cluster had the longest average spell. Those with a partner had much lower odds of making the transition from the 'medium disadvantage' cluster to the 'high' disadvantage cluster than those without a partner. Young people living independently of their parents were about half as likely to move from the 'medium disadvantage' cluster to the 'low disadvantage' cluster as those with two parents in the household, everything else being held equal.

The final section investigated the relationship between adolescent experience and disadvantage in young adulthood. Having lived with parents (either couple parents or a lone mother) who were in receipt of income support increased the odds of later disadvantage, suggesting the intergenerational persistence of disadvantage. In investigating the association between adolescent subjective well-being and disadvantage in young adulthood, it showed that higher self-esteem for both males and females reduced the odds of later disadvantage. No association was found between feeling troubled in adolescence and risk of social exclusion in young adulthood for either males or females, although interestingly, higher odds of risks were found for males who had been happier in adolescence.

These findings have several general implications for policy development. The fact that young people who were living independently with their own children tended to experience higher levels of risk, both individual measures and multiple risks, suggests that more needs to be done to prevent teenage pregnancy and support young parents. Levels of NEET were particularly high for young people with their own children; they need to be offered more opportunities for education and training, supported by improved childcare facilities.

Young people living with a lone parent also experienced higher risk than those living in couple families, perhaps as a result of lower average household income. Increased promotion of policies such as the educational maintenance allowance (EMA) may improve the rates of education and training, improving later prospects and experiences. The analysis of transitions between levels of risks also suggested that young people living independently of their parents were less likely to improve their situation year-on-year.

There is evidence from this research that one of the most significant triggers of multiple disadvantage in young adulthood is having lived in a family who was in receipt of income support during adolescence. This stresses the need to break the intergenerational cycle of deprivation through increased support for poor families with children, to improve the life chances of the next generation.

One of the main limitations of this research is the analysis of young people as one aggregate group. As Annex B is at pains to point out, disengagement from all forms of employment, education and training is complex. Routes into NEET, and therefore policy interventions to prevent this, are often highly specific to the needs of each constituent group. Annex B draws particular attention to what the research can tell us about these needs, drawing upon research on care leavers, the young homeless and asylum seekers as illustrations. A raft of different policy initiatives have been launched in all three of these areas. Even within some categories of need (for example, those with special educational needs and disabilities), some groups remain more vulnerable than others (for example, those in main stream schools, those with contested disabilities, those without statements).

This research offers some vindication to the efforts made over recent years by the Social Exclusion Unit (now the Social Exclusion Task Force) in widening the age group of concern from the narrow concerns of 16 to 18 year olds who are NEET to include the plight of young adults. Teenage disengagement was the main focus of attention for the Connexions Service. Following the proposals contained in 'Youth Matters', responsibilities for youth support services have now been delegated to local authorities acting through children's trusts. Some have used this opportunity to re-invigorate support across the age range (up to the age of 25) where, as this report shows, factors associated with social exclusion become more complex and linked to housing matters and living away from home. The old Connexions targets remain in place in varying forms within the local authority youth support services. But this might be an opportune time to make the nature of, and responsibilities for, youth support services more closely defined. Clearly, the policy agenda in support of young people at risk of social exclusion needs to be sufficiently attuned to the needs of different groups, such as young parents, young homeless and asylum seekers, if it is to be developed effectively.

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# Annex A

## Samples used in this analysis

### Individual wave datasets

For each of waves 11-15, a dataset was constructed which contained the indicators of disadvantage or risk, together with personal and family characteristics relating to a particular wave. Cross-sectional weights are used.

### Pooled-wave dataset

A pooled dataset was constructed, whereby individuals in waves 11-15 were pooled. This had the primary aim of boosting the sample size, although as an individual could be in the sample more than once (and up to five times), there are issues relating to non-independence. No weighting is used.

### Longitudinal dataset

A longitudinal dataset was also constructed, using waves 11-15, but containing only those individuals who were present in all five waves. No weighting is used.

### Wave on wave transition datasets

The longitudinal dataset was reshaped into a 'long' (person-period) form and censoring variables were constructed to indicate the occurrence of a transition or right-censoring. Observations not at risk of the studied transition at Wave 11 were removed. A separate dataset was constructed for each type of transition studied.

### Spells dataset

The longitudinal dataset was reshaped into a 'long' (person-period) and restructured into a spells dataset (using the *tspell* command in Stata). This dataset was used in the analysis of length and incidence of risk spells.

# Annex B

## Summary of research not based on household surveys

### Introduction

This annex summarises some of the literature on young people who may be socially excluded and in particular, not in employment, education or training (NEET), but who may not show up in large household surveys. We have also used data from one Connexions Partnership to look at seasonal variations in NEET rates and also to make estimates of young people who are NEET but who will not figure in household surveys.

There is a vast research literature covering a wide range of categories of young people who are known to be over-represented amongst young people who are socially excluded. A summary of this was made in 2002 in a project designed to estimate the lifetime cost of NEETs aged 16 to 18 (Coles *et al.*, 2002; Godfrey *et al.*, 2002). This literature review also attempted to map routes into and out of NEET and likely outcomes, as a first stage in being able to estimate costs.

The review illustrated the heterogeneous nature of NEET, as well as some highly correlated precursors and well worn pathways between NEET and future experiences associated with social exclusion. Over-represented categories included:

- Care leavers (including unaccompanied asylum seekers (UASCs));
- The young homeless;
- Children 'looked after' and unaccompanied asylum seekers;
- Those running away from home;
- Young people with special education needs or disabilities;
- Young people truanting from or excluded from school;
- Dropouts from post-16 education and training;
- Young people with mental health problems;
- Young offenders;
- Young people involved in the use of illicit drugs, alcohol and/or substance misuse;
- Teenage parents;
- Young carers.

There is a considerable research literature on each of these categories of young people, although this cannot be summarised in a brief annex. Instead, we concentrate upon the first three categories, partly because there is considerable overlap between categories and partly because those in the first two categories are least likely to be in households. As we will see, care leavers and the young homeless are also among those most likely to be brought up with parents who separate or divorce, experience domestic violence, have difficulties with their schooling, have mental health problems, be involved with illicit drugs and alcohol, offend, and become teenage parents. This illustrates the way in which the key categories overlap.

## Volatility and transient residence status of the NEET group

It is also important to recognise that many in the NEET group would not be included in large-scale household surveys, at least in part because they are not resident (or consistently resident) in households as defined by definitions governing the main surveys. We made an attempt through one Connexions Partnership to identify those young people identified as NEET and provide estimates of how many of these were resident in households and how many were not. Because of the transition arrangements transferring responsibilities and budgets from the sub-regional partnerships to local authorities, this could not be completed in any comprehensive way. Furthermore, partnerships had not been required to collect data about housing circumstances other than gross numbers of the young homeless. However, we persuaded one local authority within the partnership to provide details of the housing and employment destinations of all their care leavers. In this one authority, a town of around 100,000 just over 100 care leavers were in contact with the 'Pathway Team'. As is common in many local authorities, a majority of these care leavers were classified as NEET – 54% in this authority compared with an overall NEET rate of just over 10% for all 16 to 18 year olds within the authority. Household surveys such as the BHPS use the standard definition of a 'household' used by the OPCS. While a single person living alone can count, as may young people residing with several others and sharing at least one meal per day, the most telling criteria concerns length of residence. What the definition requires is at least six months continuous residence, which thereby excludes many care leavers in temporary or transient accommodation. Within the local authority for whom we had almost complete data of their economic/educational status and residency, scrutiny of the addresses for all care leavers known to the Pathway Team indicated that less than 13% were in households, so defined. Of this vast majority not in households, more than half (55.4%) were NEET, yet would not be included in any household survey.

The Connexions Partnership was also able to provide us with quite comprehensive figures about the size of the various NEET groups and how this fluctuated throughout the calendar year. This is important as household surveys often do their fieldwork in only a few months of the year. Overall, across the partnership, estimates of the percentages of 16 to 18 year olds who were NEET varied between 13.6% in September to 10.4% in June. Furthermore, the seasonal variation in rates for particular categories of young people who were NEET was even more volatile. For instance, across the sub-regional partnership 47.8% of 19 year old care leavers were claimed to be NEET. Yet NEET figures for care leavers in October 2007 were 44% higher than in May of the same year. NEET figures for teenage mothers also indicated marked seasonal swings with October 2007 figures 131% higher than the May figures.

## The study of special categories of NEET young people

There are two main reasons why a more focussed study of particular categories of NEET young people is an important supplement to the more general picture which can be gleaned from the household surveys. The first relates to the impact of particular policy initiatives which are targeted not so much at NEET issues in general, but the known correlates of, and routes into, NEET associated with the experiences of particular specialist groups of young people – see for instance the *Care Matters* agenda (DfES, 2006a, 2007). Secondly, and because of this, recent research on the groups identified above has been designed to monitor the degree to which policy initiatives have had the desired effect in either diverting young people from poor outcomes and/or examining what seems to be associated with successful diversion into more desirable career pathways (DfES, 2006b, 2007).

Each of the categories identified above has been subject to quite radical policy change within the recent past, partly at least to address issues of social exclusion more generally, and also in an attempt to reduce the number of young people who are NEET. This policy context has become increasingly important as the different nations of the United Kingdom have developed their own distinctive approaches. The Connexions Strategy in England, for instance, was unveiled in 1999 as a means of re-designing service support for 13 to 19 year olds with a primary duty of identifying the needs of the NEET group through co-ordinating efforts across agencies within a sub-regional partnership. From April 2008, the responsibility for this has been passed back to the local authorities acting through children's trusts, with some authorities retaining services provided by their pre-existing Connexions Service. Others have used legislation following the 2005 Green and White Papers *Youth Matters* and *Youth Matters: Next Steps* to develop their own youth support service, often linked to other services, such as Youth Offending Teams, Leaving Care Teams, Drug Action Teams, Youth Inclusion Projects etc. (DfES, 2005, 2006a). We turn now to studies of the two main groups, those highly likely to become NEET and those who are highly likely not to be covered in household surveys.

### Care and care leaving (including unaccompanied asylum seekers)

In England, there are approximately 60,000 children who are looked after at any one time. In Scotland there are just over 6,000 children looked after away from home, in Wales just over 3,500 and in Northern Ireland just under 2,000. There is some indication that the numbers have increased in recent years, with evidence pointing to the fact that this is due to the children spending longer periods being 'looked after' than in previous decades (Gibbs *et al.*, 2005).

The legal system defining the 'looked after' system in Scotland is fundamentally different from that operating in the other home countries. In Scotland, 'looked after' children can also include those looked after in the community, many of whom are living at home with their parent(s) (47% of the total in 2007), as well as those with foster carers (29%) or in residential accommodation (12%). When all groups are combined, Scotland had just over 14,000 children 'looked after' at the end of March 2007, an increase of 8% on the previous year, an increase of just over a quarter since 1999. This is the highest figure since 1982 (SYYP, 2008). In 2007, 1,332 young people ceased to be looked after in Scotland, the majority at the age of 16. The procedures for leaving care and being eligible for after care support are also different in Scotland and have recently been the subject of investigation by both the Scottish Executive and by Scotland's Children's Commissioner (SYYP, 2008; Scottish Executive, 2007).

In England, around 8,000 young people cease to be looked after aged 16 or older, with 58% of these leaving care on or after their 18th birthday (DCSF, 2008). In Scotland around 3,400 young people were reported as eligible for 'after care services' in 2007. A bare majority (52%) had one qualification at SCQF level 3, although 38% for whom destinations were known were in some form of education, training or employment (Scottish Executive, 2008).

Across the UK, a more concerted effort has been made in recent years to extend the age at which young people leave care to become more commensurate with the age of leaving home of young people in the general population, to encourage looked after children to spend longer periods in education and training, and to decrease the likelihood of poor outcomes. Poor outcomes can be (and have been in the past) measured in terms of poor educational qualifications, teenage pregnancies, conviction of a criminal offence or imprisonment (NALA, 2008). But recent research helps assess outcomes in a more fine-grained manner and enables an analysis of the

circumstances in which good and poor outcomes are most likely to occur. We report here on two main studies carried out in both England and Scotland.

Research commissioned by the Department for Education and Skills (DfES) and undertaken in England has recently attempted to ascertain which young people do better or worse on leaving care and how professional support services can promote better outcomes (Dixon *et al.*, 2006a, 2006b). It traced samples of care leavers from seven different local authorities between October 2001 and July 2003. Interviews were conducted at two points in time at least nine months apart (T1 and T2) with young people (N=106) and, at T2, with their leaving care workers. 15% of the sample was from ethnic minorities and a further 10% were unaccompanied minors. 17% had sensory or learning impairments and 44% had mental health or emotional or behavioural difficulties.

Data was collected on key life events since leaving care at T1 and T2. Areas covered during interviews included housing, educational and employment career, health and well-being, difficulties encountered, and informal and formal support. The research adopted or adapted a number of measures of health, wellbeing and questions designed to examine social and interpersonal skills.

The research confirmed that, despite widespread recognition of the importance of educational qualifications as helping secure a bridge from school to working life, over half the sample (54%) left school with no qualifications. Just over a half of the sample was NEET (51% at T1 rising to 56% at T2). This is much higher than official government figures for 19 year old care leavers which show a decline of those classified as NEET from 32% in 2003 to 29% in 2007. It also indicates a much lower unemployment rate for those who were looked after in foster care (35% at T1 and T2), compared to a rise from 56% to 63% for those experiencing other forms of placement.

A more encouraging finding was the number of young people staying in some form of post-16 education, although the 35% reported as being in education at T1 declined to 23% at T2. Repeated official government reports and inquiries have lamented the lack of priority given to the education of care leavers (SEU, 2003). This study reported that a third of care workers did not know whether the young person with whom they were working had a qualification or not.

Official government figures for England suggest that of those 19 year olds who were in care, only around 22% are in some form of full time employment or training. The DfES research suggests this is an optimistic estimate and that only one in ten had obtained full time work, with a further 4% having obtained part-time employment. The nature of the work they obtained also appeared to be potentially insecure; they were often employed by agencies on a casual or temporary basis, factors known to be associated with later unemployment (Furlong and Cartmel, 2004).

Previous research and policy initiatives have highlighted the importance of 'placement stability' in ensuring continuity of care and a stable residential and educational base. Stability is described in this research as 'elusive' with a considerable minority (37%) experiencing four or more moves during their last care episode. The majority of the sample (69%) entered care as teenagers and they were much more likely than earlier entrants to have their last placement in residential care (34%).

Three-quarters of young people surveyed moved from their last placement before reaching the age of 18, something which more recent policy initiatives have been trying to prevent. Those who were most likely to leave care early also included those continuously looked after for a relatively short time, those with a higher rate of placement movement, those with past offences, and those reporting running away – in short, 'troublesome placements'. Only a third thought they had choice in when they left care but this did not seem to be related to their personal characteristics, their care career or their behaviour in care.

Government figures for England indicate that, by the age of 19, nearly two-thirds of care leavers have obtained some residential stability, with 43% living independently, 12.5% back living with parents or relatives and 9.3% in supported lodgings. The DfES sponsored research gives the same percentage (64%) as being 'relative stable'; since this research is longitudinal, it is able to point to episodes of extreme instability. The report claims that 35% of its sample is homeless at some stage; those most likely to experience homelessness and instability included those with mental health difficulties and those with disabilities. The research also reports a relationship between other aspects of poor outcomes including being unemployed, having poorer life skills and being involved in offending and/or substance misuse.

A similar piece of research was conducted in Scotland (between 1999 and 2001) in part to examine how support for young people in and leaving care was influenced by the 1995 *Children (Scotland) Act* and to help inform the *Working Group on Throughcare and Aftercare* set up by the Scottish Executive (Scottish Government, 2002). As with the English study, the research involved a longitudinal study of young people from three contrasting areas with young people and service providers providing data on their circumstances shortly after they reached minimum school leaving age and (on average) one year later (Dixon and Stein, 2005; 2006). As with the England study, a number of areas were covered including housing, career, health and well-being, difficulties experienced and patterns of informal and formal support.

The survey confirmed that care leavers are much more likely than their contemporaries to be NEET between the ages of 16 and 19. The Scottish Executive estimates that 14% of the whole age group are NEET, contrasting with the 60% NEET of those who have been looked after. The longitudinal study suggests that, during the course of the study, there was little change of (N)EET status for the majority of care leavers, with 74% remaining in the same status throughout the year. Two-thirds of care leavers remained unemployed throughout the period, although 15% did have a positive change of fortune, with 8% finding employment and 7% taking up some form of education or training. However, a slightly lower percentage (11%) moved into the NEET category during the period covered by the study.

Little variation was reported between the three research sites studied. More perplexingly, little relationship was found between school attainment and non-participation. There was some relationship reported between truancy, school exclusion and later inactivity and some links with later offending behaviour. Furthermore, stability in care (single long-term placements in foster care) was associated with good outcomes but the patterns of experience in care did not seem to be good predictors of positive statuses after care. The researchers point to the potential disincentives to obtaining employment *per se*, given the need of care leavers to have a level of income that will sustain independent living. This suggests a need for a level of income which is unlikely to be attained by job seekers with few, if any, qualifications in a youth labour market with few lucrative opportunities (Furlong and Cartmel, 2004).

Following two enquiries one commissioned by the Scottish Executive and another by the Children's Commissioner for Scotland, the Commissioner expressed concern that, in 2007, 164 young people under the age of 18 were reported to have their own tenancies where this 'independence might be particularly challenging'. He also expresses concern that the accommodation of 14 per cent of those young people eligible for aftercare services was not known, another 11 per cent were no longer in touch with the local authority and a further four per cent were known to be homeless (SYYP, 2008: 24).

The number of young people eligible for Aftercare Services in Scotland, but who nevertheless experience one or more period of homelessness, has decreased markedly in recent years, from 37% in 2003-4 to 13% in 2006-7. Taking into account those young people about whom local



authorities have no knowledge, it is estimated that only 49% of those eligible for support are known never to have been homeless (SYYP, 2008: 25).

One particularly vulnerable group, about whom the Children's Commissioners across the UK have expressed particular concern, is unaccompanied asylum seeking children (UASCs). There is some confusion in the official figures with the Home Office giving figures for all unaccompanied children and the DCSF producing figures only for those who were accepted as 'looked after' in that census year (Wade *et al.*, 2005). The Home Office indicate that there were 3,245 applications from UASCs aged 17 or under in 2006, 10% less than in 2005. The largest sending country was Afghanistan which accounted for 30% of all applicants (Bennett *et al.*, 2007).

According to the DCSF, at the end of March 2007, there were 3,300 UASCs who were looked after in England. These numbers are considerably down as well, although the numbers have been relatively stable for the last four years (DCSF, 2008a; Wade *et al.*, 2005). Two-thirds of applications are from young men, but male applicants have been as high as three-quarters of all UASC applicants in the peak year for applications in 2002 (Bhabha and Finch, 2006). There has also been a change in the age composition of the group with two-thirds 16 or over in 2007 compared to less than half (48%) in 2003 (DCSF, 2008a). The majority are located in London (70%) and south east England, although the Government is actively consulting on dispersal to a number of other local authorities, including Scotland and Wales (Taylor, 2008).

The picture is probably even more complicated than these set sets of official figures reveal, with suggestions that there is also a large and unquantified number of unaccompanied or separated children who are being looked after in the UK by family friends or distant relatives (Bhabha and Finch, 2006). Often, but not always, the motive is try to obtain an advantageous education for children but this is rarely deemed good grounds for a protracted stay in the UK unless the children plan to attend a fee-paying school. Thus, many children who live with friends or relatives of their parents often remain in Britain illegally but do not come to the attention of the authorities, except in circumstances in which they escape from forcible detention and/or exploitation (Bhabha and Finch, 2006).

Because an increasing number of UASCs are over minimum school leaving age there is a growing concern over their entitlement to social and financial support and the impact the absence of this will have upon their long term future. UASCs are only rarely given 'indefinite leave' to remain in the UK, with most being granted 'discretionary leave' only until their eighteenth birthday (Dixon and Wade, 2007). New proposals from the Home Office suggest that the local authorities will no longer have a duty of responsibility for this group, with some claims that this will leave them destitute and 'on the streets' (BIA, 2008; Taylor, 2008)

## Homelessness and young people

Providing robust estimates of the nature and extent of youth homelessness is an impossible task partly because simple and widely agreed definitions are not easy to ascertain. (For a discussion of definitions of statutory and non-statutory homelessness and rough sleeping, see ODPM, 2003.) The nearest we have to a recent and comprehensive study is research funded by the Joseph Rowntree Foundation (JRF) and based on young people who are both homeless and in touch with a range of support services. Those who are not in touch with such services are thereby excluded which limits the study considerably (Young Foundation, 2008). The JRF study suggests that across the UK, there were around 75,000 young people between the ages of 16 and 24 who were homeless in 2006-7. This includes just over 43,000 who were accepted as statutorily homeless

(including over 8,000 aged 16 and 17 who were, because of their age, accepted as 'a priority need'). In addition, the study estimated that there were around 31,000 non-statutorily homeless using Supporting People services (Quilgars *et al.*, 2008). This study also incorporates findings of separate studies carried out in Wales (WAG, 2007), Northern Ireland (DSD, 2007) and Scotland, (Scottish Executive, 2002) and a re-analysis of a survey conducted for the Department of Communities and Local Government in England (CLG) (Pleace *et al.*, 2008).

Although the varying definitions make like-for-like comparisons over time difficult, the study also suggests that while the numbers of young homeless have reduced in England and Wales in recent years, the numbers have remained about the same in Scotland and Northern Ireland. Expressed as a rate per 1,000 young people aged 16 to 24, Scotland also has the highest rate of homeless young people at 15.1 per 1,000, followed by Wales (8.2), England (4.9) and Northern Ireland (4.8).

Young women are more likely to be statutorily homeless than young men, while young men over the age of 18 are much more likely to be non-statutorily homeless. Young people with a minority ethnic background are significantly over-represented among the statutorily homeless in England (and especially clustered in London) but not in other parts of the UK.

Evidence about the incidence of rough sleeping based on street counts are difficult to make, may be unreliable, and underestimate the number sleeping rough in the course of a year. Most estimates are for very discrete geographical areas. For instance, a street count in London suggested that between two and three hundred people were sleeping rough on any one night. However, another estimate for the same city suggests that just under 4,000 rough sleepers contacted services in 2006-7. Of these, only a small proportion (7% or around 280) were under the age of 26 (CLG, 2007). In County Durham, 97 young people out of the 1,927 contacting services claimed to have been sleeping rough at some point during 2005-6. In Edinburgh one organisation claimed that 298 young people of those with whom they were in contact had slept rough during 2005-6. Given this patchwork of local pictures it seems safe to conclude that at least several hundreds young people (if not more than a thousand) sleep rough in the course of any one year. These young people are also highly likely to find their way into the statistics for other forms of homelessness at some point.

Some work has been done in recent years to trace different housing careers followed by young people, including charting routes into and out of various forms of homelessness (Ford *et al.*, 2002). This research suggests that successful housing careers are planned well in advance, supported (especially by family members) and further facilitated by access to an affordable supply of suitable housing. However, routes into homelessness are often associated with the reverse of this; leaving housing careers unplanned; having little or no support; and little access or entitlement to housing stock in which they can afford or sustain a stable tenancy.

Homelessness linked to the lack of a planned housing transition can be confirmed by data on the main factors which appear to trigger an episode of homelessness. Based on survey evidence in both England and Scotland, the main reason for homelessness was found to be associated with a breakdown of a relationship with parents and, to a lesser extent, other relatives and friends. Moves away from strained relationships with parents are often accompanied by 'sofa surfing' with friends or relatives (Fitzpatrick, 2000). The breakdown of relationships with parents accounted for 68% of stated causes for homelessness amongst 16 to 17 year olds in Scotland and more than two-thirds of the main reasons given by the same age group in England (Quilgars *et al.*, 2008). Relationship breakdown was also the main reason for homelessness among young parents aged 16 to 24, with violence or the threat of violence often precipitating this. In such circumstances, it is highly unlikely that leaving home abruptly will be accompanied by any significant social or material support from



families. Young people's housing moves are abrupt, unplanned and unsupported – the very factors associated with chaotic careers involving homelessness (Ford *et al.*, 2002).

Access to suitable housing is also a key part of the journey both in and out of homelessness. Many of those aged 16 to 17 accepted as statutorily homeless (around 2,384 in England at the end of June 2007) were placed in temporary accommodation. A quarter were placed in bed and breakfast hotels and a further 29% were in hostels or other supported housing. The number of young people in the wider age group (but aged under 24) and in temporary accommodation is much larger; nearly 34,000 in England, over 3,000 in Scotland, and 14,000 in Wales. These young people are also highly likely to be NEET at some point and highly unlikely to be covered by household surveys.

This linkage between the onset of homelessness and NEET is confirmed by an analysis of the CLG survey of homelessness in England (Pleace *et al.*, 2008). This research estimated that 57% of 16 to 17 year olds who became homeless were NEET, partly as a result of the disruptions caused by becoming homeless but also (as with care leavers) because 30% of them thought they would be financially worse off in work or on a course than becoming or remaining NEET (Quilgars *et al.*, 2008). Also strikingly, 34% said they had discontinued participation since their last settled accommodation and were most likely to have done so if they had been placed in temporary accommodation. Homelessness is, thus, an important precipitating factor in leading to NEET, but one unlikely to figure in household surveys.

Economic and educational inactivity is not the only consequence of homelessness. In the short term, it also results in various forms of social isolation and personal safety, mental health and emotional well-being issues (Quilgars *et al.*, 2008).

Those most likely to experience homelessness are also likely to have experienced a range of forms of social disadvantage during their childhood including: being looked after; running away from either home or care; experiencing the divorce and separation of their parents (including witnessing domestic violence); missing a lot of school whilst growing up (through truancy or school exclusion); being involved in crime; being gay or lesbian; or, particularly in London, being a member of a minority ethnic group (Pleace *et al.*, 2008; Quilgars *et al.*, 2008).


## Conclusions

This annex has drawn attention to the dangers of relying upon household surveys alone in seeking to estimate the numbers and characteristics of young people who experience social exclusion. We have documented considerable volatility in the number of young people who are socially excluded, especially NEET, including significant seasonal variation in the figures and some especially vulnerable groups who, while highly likely to be over-represented within the NEET population, are highly unlikely to be covered by household surveys.

While we have listed the groups most likely to be NEET, this annex has concentrated on only two main groups as those who would most likely to be NEET and also as the most unlikely groups to be covered by household surveys. Some recent research suggests that, in the year following early care leaving at the age of sixteen, more than half care leavers will likely to be NEET. Furthermore, based on detailed returns from one local authority, we estimated that only a small minority would be in households likely to be covered by household surveys and 55% of these were NEET. Therefore, household surveys are highly likely to provide significant underestimates of the size of the NEET population.

An important sub-set of the looked after population are UASCs. Although this is no longer a large or expanding group, we draw attention to them as there are real concerns that they will lose all entitlement to support once they reach the age of 18.

We also focus on recent research on the size and characteristics of the young homeless population. Homelessness is associated with numerous other factors linked to vulnerability and disengagement, including the onset of becoming NEET. Because of the widespread use of temporary accommodation, the young homeless are also likely to be excluded from household surveys.



Social Exclusion Task Force  
Cabinet Office  
Admiralty Arch  
The Mall  
London SW1A 2WH

Telephone: 020 7276 1234

E-mail: [setaskforce@cabinet-office.x.gsi.gov.uk](mailto:setaskforce@cabinet-office.x.gsi.gov.uk)

Web address: [www.cabinet-office.gov.uk](http://www.cabinet-office.gov.uk)

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