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Young people not in education, employment or training (NEET) – Where is Government policy taking us now?

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Introduction

Young people who are 'not in education, employment or training' (NEET) were brought firmly within the political agenda in 1999 with the publication of the Social Exclusion Unit's (SEU) report 'Bridging the Gap' (SEU, 1999). The SEU report drew attention to a growing body of evidence about the experiences and barriers that some groups of young people face. In recent years, a number of policy interventions have aimed to address social exclusion and disadvantage among young people, as well as to further support young people's transitions into education, training or employment. This paper draws on research evidence to highlight the issues that face young people who are defined as NEET. It describes recent policy developments, particularly in relation to the introduction of financial incentives, which are targeted at reducing the percentage of young people who do not engage in formal learning, work or training at the end of compulsory schooling. It also highlights the importance of establishing personal and trusting relationships between young people and their advisers as an effective tool for re-engagement. The article outlines the most recent policy initiative being piloted - Activity Agreements (AAs). AAs are designed to offer financial incentives, as well as flexible and responsive provision to address the needs of young people who are defined as long term NEET. One lesson learnt from a similar policy intervention which was introduced as part of the Australian Youth Allowance, showed that an inability among some advisers to establish positive relationships with young people hampered take-up of the initiative. Also, in some circumstances, young people did not feel part of the process in which they should have had a voice in determining the make-up of tailored flexible education and training interventions.

The NEET group

Prior to the publication of 'Bridging the Gap', research conducted in the early 1990s had identified the proportion of the youth cohort which was effectively disengaged from education, training and the labour market and the severity of associated problems (Istance, Rees and Williamson, 1994; Wilkinson, 1995). Regulations contained in the 1988 Social Security legislation had withdrawn mainstream entitlement to Income Support for most young people under the age of 18 and, in so doing, removed their status within the unemployment statistics, as well as their entitlement to financial support. While Istance et al, defined the young unemployed as the Status0 group, in order to reflect their marginal status in society, the term NEET was later adopted by policy makers and academics to reclassify young people under the age of 18 who were not participating in any form of education employment or training. However, some debate exists about the extent to which the term 'NEET' effectively articulates and defines the needs of the very different groups of young people who are clustered within this category (Furlong, 2006).

Research evidence suggests that spending time in the NEET category can have a detrimental effect not only upon a young person's future but also for society as a

whole. Non-participation in education, employment and training has been linked to a number of short and long-term consequences, including unemployment, poor health, drug and alcohol misuse, parenting at a young age and criminal activity (Coles et al., 2002). Findings from the 1970 British Birth Cohort Study showed that a NEET spell of six months or more between the ages of 16 and 18 was the greatest predictor of unemployment at age 21 (SEU, 1999). Where young people who were previously NEET enter the labour market, their earnings were likely to be lower than those of their counterparts (Coles et al., 2002). Research evidence also highlights the psychological impact of NEET group status on young people's lives. For example, Bynner and Parsons, analysing longitudinal data from the 1970 British Birth Cohort Study, found that negative psychological effects, such as a lack of a sense of control over life and dissatisfaction with life were more prevalent among young women in the NEET group (Bynner and Parsons, 2002). Also, it is widely reported in the literature that young people within the NEET group are not a homogenous group; instead they comprise individuals from a variety of backgrounds with a range of experiences (Payne, 2000; Scottish Executive, 2005; LSC, 2006). The reasons behind a young person's disengagement can be wide-ranging and include social, economic, cultural and motivational factors and becoming NEET may result from a combination of these factors and influences (LSC, 2006; York Consulting Ltd, 2005).

While there is evidence that there is diversity in the make-up of the NEET group, there are also certain economic, social and personal characteristics that are more common amongst this group of young people. Such characteristics include low socio-economic status, greater likelihood of poor educational qualifications amongst parents, low Year 11 attainment levels and a greater propensity to live in the social housing sector (Payne, 2000; Pearce and Hillman, 1998; Rennison et al, 2005). The link to educational experience and disadvantage was also highlighted in the 'Bridging the Gap' report. The principle drivers leading to non-participation for young people aged 16 to 18 were cited as "educational underachievement and educational disaffection, and family disadvantage and poverty" (SEU, 1999:24). Data from the Youth Cohort Study showed a link between low Year 11 attainment and an increased propensity among young people to enter the NEET group (Payne, 2000). Furthermore, it has been asserted that qualification attainment at age 16 is the most powerful predictor of a young person's future participation in education and their prospects in the workplace (Payne, 1998; Pearce and Hillman, 1998). Those over-represented in the NEET group include young people in care, those who are carers, young people with disabilities or who have health problems, young people with special education needs or mental illness, teenage parents, young people involved in crime and young people who have a history of truancy or have been excluded from school (Payne, 2000; Coles, 2002).

Although the proportion of young people aged 16-18 who are NEET at any one time has remained relatively consistent at around ten per cent over the last ten years, the composition of the young people within the NEET group is not static (HM Treasury, DfES and DWP 2004; Rennison et al., 2005; Sachdev et al., 2006). To break down the complexity of the group, a common approach to defining young people within the NEET group has been to categorise young people by the length of time they have spent holding this status. Young people who have been continually NEET for the most prolonged periods are likely to be the most disadvantaged and have complex needs (Payne, 2000). In addition, there is evidence that has shown that the NEET group is not solely made up of young people who have entered this destination after leaving compulsory education. A significant proportion of young people who are NEET at age 17 and 18 had first entered an education, work or training activity (Rennison et al., 2005; Coles et al., 2002). Also, the risk of a young person becoming NEET is greater from some destinations than others. Analysis of data

from the evaluation of the Education Maintenance Allowance (EMA) pilots showed that the risk of becoming NEET at age 17 was greatest for young people who had entered work with no training at the end of compulsory schooling. A young person undertaking work with no training was three times more likely to become NEET at age 17 than young people in full-time education (Rennison et al., 2005). This cycle of movement that young people make between work with no training and NEET is referred to in the literature as the 'NEET churn' (Mauger, 2005; Furlong, 2006). Once a young person has been disengaged from education, employment or training, they are more likely to become so again. Analysis of the Scottish School Leavers survey found that the incidence of becoming NEET was more likely for young people who had experienced an earlier spell in this status (Raffe, 2003).

As well as the variation in the characteristics and circumstances of young people who are NEET, the proportion of young people who are NEET differs from one region of the country to another and the composition of the NEET group also varies between localities (LSC, 2006; Sachdev et al., 2006). Recent research examining regional and sub-regional variations in NEET numbers in two regions of England illustrated the disparities in the proportion of NEET young people. The proportion of 16-18 year olds who were NEET in the South East region ranged between 3.1 per cent in Surrey and 7.8 per cent in Berkshire (November 2005 figures). In Yorkshire and the Humber, this variation was between 4.2 per cent of 16-18-year olds in North Yorkshire and 11.2 per cent in South Yorkshire (November 2005 figures) (Sachdev et al., 2006). Local factors such as persistent high rates of social deprivation in an area or the prevalence of a large traveller community highlighted that there are different characteristics and needs of the NEET population between regions (LSC, 2006). This would suggest that strategies which are aimed at re-engaging young people who are NEET need to be responsive to local needs.

In recent years, with an increasing emphasis within education and training policy on a strategy which encourages young people to remain in full-time learning beyond compulsory schooling, there has been limited research activity which explores the structure and functioning of the youth labour market. Thus, there is little research which explores the labour market experiences of young people and the attitudes and motivations of employers to recruit school leavers into jobs. Studies of the youth labour market have become increasingly focused on policy evaluation, particularly on a raft of youth training initiatives. In contrast, studies conducted in the 1970s and the 1980s, when significant proportions of young people entered the labour market at the end of compulsory schooling and staying on rates were much lower, contributed more widely to academic debate about the composition of a distinct youth labour market.

For example, Ashton et al were able to identify that not only were there broad differences between the types of occupations that young people entered, but that there existed a youth labour market, which was distinct from that available to adults, and differed in terms of its entry patterns and in the selection criteria used by employers. The labour market which young people entered was characterised as being made up of a number of segments, each offering different levels of pay, security of employment, training and prospects (Ashton et al., 1982). Evidence from the Economic and Social Research Council (ESRC) 16-19 Initiative which included longitudinal surveys of 16-19 year olds in four contrasting local labour markets between 1987 and 1989, provided substantial weight to Ashton et al's finding that local labour market conditions also had considerable impact on the job and training opportunities available to young people (Ashton et al., 1982; Ashton and Maguire, 1988; Bynner, 1990; Roberts and Parsell, 1992). In addition, the Scottish Young People's Surveys were used to identify differing routes into the labour market, as well

as to measure the impact of education and training policies on the employment opportunities available to young people (Raffe, 1988; Furlong, 1992).

Between 1989 and 2004, while there was a dramatic rise in the proportion of 16 year olds remaining in full-time education, this was largely achieved by reducing the proportions of young people entering both employer and government supported training programmes (Table 1). For example, in 1989, 55 per cent of 16 year olds were in post -16 education, 6.1 per cent were in employer funded training and 21.7 per cent were in government supported training. By 2004, while the proportion of 16 year olds in post-16 education had risen to 74 per cent, this corresponded with a significant downturn in the proportion of 16 year olds in employer and government supported training programmes, which were 3 per cent and 7 per cent respectively. Significantly, increases in post-16 education participation rates have been achieved without reducing the proportion of young people who enter the NEET group. In fact, between 1994 and 2004, the proportion of young people in the NEET group actually increased from 5 per cent to 8 per cent (Table 1).

Table 1 16-year olds in post-16 education, employer based training, government supported training and NEET category

Percentage

Year	Post-16 education	Employer funded training	Government supported training	NEET
1989	55	6.1	21.7	unknown
1994	71.4	3.2	12.6	5.0
1999	70.4	3.4	8.1	7.0
2004	74.0	3.0	7.0	8.0

Source: Adapted from Participation in Education and Training by 16-18 Year Olds in England: 1988 to 1998 SRF 13/1999 (DfEE, 1999) and Participation in Education and Training by 16-18 Year Olds in England: 2004 and 2005 SRF 21/2006 (DfES, 2006a).

Policy response

The SEU report 'Bridging the Gap' (SEU, 1999), set out four main elements to an approach which sought to ensure that young people stay in education, training or work with a strong education or vocational element until the age of 18. These elements were:

- Ensuring that young people establish clear goals to aim for by the age of 19;
- Introducing a variety of pathways in education and training, which meet the needs of all young people;
- Establishing systems of financial support, which encourage all groups of young people to participate in education and training, and
- The creation of a new support system for young people which gives priority to those who are most at risk of underachievement and disaffection.

Recent years have seen an array of policy initiatives targeted at meeting the SEU agenda and which in particular, seek to address the needs of young people who are defined as NEET. This has included the establishment in 2001 of the Connexions Service, which, through a network of Personal Advisors (PAs), provides information, advice and guidance to 13-19 year olds on a wide range of issues to assist them in making a successful transition to adult life. In addition to providing a universal

careers service for 13-19 year olds, a particular focus for the Connexions Service has been on providing support for NEET young people, with the aim of engaging them in education, employment or training (EET) for which there are nationally set targets (Hoggarth and Smith, 2004; Britton et al., 2002; Sachdev et al., 2006). However, Connexions Services are currently undergoing a period of change. The Green Paper for young people, 'Youth Matters', which was published in July 2005, set out the Government's measures for empowering young people and involving them in local decision making. Plans to reform universal services for young people were also outlined, including reshaping the delivery of information, advice and guidance (IAG) (DfES, 2006b). Connexions Services will be devolved into Local Authority control to form part of Children's Services provision. This process of transfer is taking place between 2006 and 2008. Local Authorities will take responsibility for the commissioning and provision of guidance and support services to young people (HMSO, 2005). From 2008, Local Authorities will be allocated a single grant for Connexions resources (DfES, 2006b).

Tackling financial barriers to participation in full-time learning among young people from lower income families was addressed in policy terms by the national roll-out of Education Maintenance Allowances (EMAs) from 2004. The EMA aims to increase the participation, retention and achievement rates in post-16 education among 16-19 year olds from lower income families and to help prevent entry into the NEET group through offering young people weekly and incentive payments (Maguire and Rennison, 2005). The national evaluation of the EMA pilots found that the introduction of EMA increased participation in Year 12 participation in full-time education by 5.9 percentage points in pilot areas, compared to matched control areas. As a result, fewer young people entered work or training (-3.4 per cent) and the NEET group (-2.4 per cent) (Ashworth et al., 2002; Maguire and Thompson, 2006). In terms of longer-term effects, the EMA was found to impact on Year 13 post-16 education retention rates by 6.2 percentage points overall. The majority of the pull came from work or training (-5.4 per cent) with a more modest effect on the NEET group (-0.8 per cent) (Ashworth et al., 2002; Maguire and Thompson, 2006). Analysis of young people's trajectories after leaving compulsory education found that the EMA had only a limited impact on encouraging young people who had become NEET to return to full-time education. The allowance was, however, more successful at preventing young people's entry to the NEET group at age 16 (Maguire and Rennison, 2005).

Running alongside the drive to increase participation through the introduction of targeted financial incentives has been the long running debate about the structure and composition of the 14-19 curriculum. The Tomlinson Review, which reported in October 2004, and the subsequent publication of the White Paper *14-19 Education and Skills* (February 2005), established a reform programme which is aimed at ensuring that all young people achieve and continue in learning until at least 18. Following recommendations made by the Tomlinson Review, proposals to introduce a unified system of vocational and academic qualifications have been largely replaced with government plans to introduce from 2008 a range of Diplomas, which will sit alongside the existing range of academic qualifications. There will be Diplomas in 14 lines of learning covering many different industrial and commercial sectors, which will be available at three levels of learning. It is envisaged that the new Diploma qualifications will further diversify the 14-19 curriculum and encourage the retention in learning of more young people, in particular among those who may be at risk of dropping out (DfES, 2007).

With regard to early labour market entrants, further initiatives which have been developed and implemented have included the introduction of a National Minimum

Wage rate for 16 and 17 year olds, the Right to Time Off to Train and changes made to the Apprenticeships system (Mauger, 2005). From its introduction in 1999, the National Minimum Wage applied only to employees aged 18 and over, with two payment bands, one for 18-20 year olds and a higher rate for employees aged 21 and over. In 2004, as part of the wider review of financial support for 16-19 year olds, the Government implemented the recommendations of the Low Pay Commission through the introduction of a minimum wage for 16 and 17 year olds (exempting apprenticeships) (HM Treasury, DfES and DWP, 2004). A minimum wage for 16 and 17 year olds was introduced to ensure young people were not left vulnerable to exploitatively low wages, but, at the same time, it was set at a level which aimed to maintain incentives for this age group to remain in education or training (HM Treasury, DfES and DWP, 2004). The Right to Time Off initiative was brought into effect in 1999. Under the scheme, low skilled young people aged 16 or 17 who are not in full-time education and have not already achieved a level 2 qualification have an entitlement to paid time off to study for approved qualifications (Economic Research Services Ltd, 2002; HM Treasury, DfES and DWP, 2004). Eligible young people take up this right by agreeing a package of paid time off and training with their employer. Research to evaluate the impact of the initiative has found that, although awareness of the policy amongst employers was rising, take-up rates were lower than had been anticipated (HM Treasury, DfES and DWP, 2004). Government supported training provision offered within the Apprenticeship programme comprises two options for young people aged 16 and over; a Foundation Modern Apprenticeship (FMA) which offers training to Level 2 standard, and an Advanced Modern Apprenticeship (AMA) which trains to Level 3 standard. Strategies are currently in place to improve the quality of training delivered through Modern Apprenticeships and to tackle the problem of a high rate of non-completions (HM Treasury, DfES and DWP, 2004).

The latest DfES destination figures reveal that the proportion of young people who are NEET has actually increased in recent years. Eleven per cent of 16 to 18 year olds in England were NEET at the end of 2004 compared to a figure of 9 per cent in 1997 (DfES, 2006a). The Government's commitment in the current Public Service Agreement (PSA) is to "reduce the proportion of young people not in education, employment or training (NEET) by 2 percentage points by 2010" (DfES, 2006a: 2). In the 2003 Budget, as part of the drive to tackle the issue of disengagement amongst young people and to enhance the development of young people's skills to prevent social exclusion, it was announced that a review of financial support and incentives for 16-19 year olds would be conducted. This followed the success of the EMA pilots in increasing participation and retention rates in post-16 education. The review involves cross-departmental working between the Treasury, the Department for Education and Skills (DfES) and the Department for Work and Pensions (DWP) (HM Treasury, 2005). In 2004, the publication of the report 'Supporting Young People to Achieve' outlined plans to improve financial support for 16 to 19 year olds, with the ultimate goal of achieving a cohesive and unified system of financial support for young people between all post-16 destinations.

The 2005 Budget implemented recommendations made in 'Supporting Young People to Achieve' by announcing the introduction of two new pilot initiatives, which sought to extend participation in education and training amongst young people in jobs without training (JWT) and young people who are NEET. Sixty million pounds was allocated to support the piloting of the Activity Agreement (AA), which aims to extend participation in education and training among 16 and 17 year olds who are long-term NEET. The initiative offers young people (and in some pilot areas their parents) financial incentives to support and encourage re-engagement in learning or training. In addition, eighty million pounds was allocated to pilot a Learning Agreement. This

pilot policy is charged with encouraging young people in jobs without training to re-engage with formal learning in return for a financial incentive which will be paid to the young person (in two areas, wage compensation will be made available to their employers). The Activity and Learning Agreements form part of the wider agenda towards establishing a greatly simplified single financial support system for 16-19 year olds. The pilots started in April 2006 for a two-year period and are each being trialed in eight areas of England.

Young people aged 16 or 17 years old who have been NEET for at least 20 consecutive weeks are eligible to receive the Activity Allowance over a 20-week period. While recipients of Income Support or Job Seekers Allowance are able to participate in Activity Agreements, they are not eligible to receive the allowance (unless they have a disability or are a lone parent). The allowance does not affect other benefits that a family may receive, nor is it means tested. Within the eight pilot areas, three variants of the Activity Allowance, which differ in terms of the weekly allowance and to whom it is paid, are being tested. Weekly payments of £20 and £30 are made to young people and in some areas a weekly payment of £20 is paid to their family.

The initiative is managed at a local level by Connexions Partnerships/Services. Connexions Personal Advisors (PAs) engage with young people on a one-to-one basis to design and implement action plans, with the aim of moving the young person into education, training or employment. In return for an Activity Allowance, the Activity Agreement forms a contract which is drawn up between the PA and the young person, and outlines the steps that the young person will take to demonstrate progress. This approach builds on the 'something-for-something' principle on which the EMA was based (HM Treasury, 2005). The AA is made up of three elements: engagement activities; development activities; and exit activities. PAs have a large amount of flexibility over the type of activities they can source, depending on the needs and requirements of the young person, and can go beyond existing mainstream provision to tailor individual programmes. The role of the PA as both administrator of the AA and issuer of the Activity Allowance payments is an extension of the prescribed responsibilities of the Connexions Service. Not only will the allowance be delivered through Connexions, but, in cases where young people do not meet the conditions set out in their AA, the PA has the power to issue sanctions, which can include the withdrawal of weekly payments to young people.

Research which has focused on investigating the role of Connexions has highlighted the importance of securing positive relationships between the young people and PAs in order to achieve positive outcomes (Coles et al., 2004; LSC, 2006; Hoggarth and Smith, 2004). A study by Coles et al., highlighted in particular the PA's role as advocate on behalf of the young person. The PA was described as a 'powerful friend' in dealing with other organisations (Coles et al., 2004). An evaluation of a European Social Fund (ESF) supported 'EET to NEET' project delivered by a Connexions Partnership, found that it was the individual relationship with the PA and the guidance and support provided that was most valued by beneficiaries, i.e. young people (LSC, 2006). A study which examined the impact of Connexions on young people also reported that it was the relationship that the young person had with their PA, which was most instrumental in supporting young people 'at risk'. "The primary mechanism of impact lies in the interaction of PAs and young people" (Hoggarth and Smith, 2004:2).

The Activity Agreement (AA) is modelled on one element of the Youth Allowance (YA) which was introduced in Australia in 1998, and brought together a range of allowances into a single, unitary source of financial support for young people. The

YA was introduced as a means of simplifying the financial support system and aimed to encourage participation in Further and Higher Education by offering an allowance to low income students from age 16 to 24 and by removing disincentives to study or train (HM Treasury, DfES and DWP, 2004). The benefit is means tested and conditional upon a young person's completion of an 'activity test', which enables them to prove that they are participating in education or training, or actively seeking work. Young people who do not meet the requirements of their activity test may be sanctioned, that is, their weekly allowance can be withdrawn. Although evaluations of the YA have asserted that it is difficult to disentangle the effect of various policies on increasing participation rates in education and employment, an increase of more than two percentage points was reported in the proportion of 16 to 24 year old Australians in full-time education between 1997 and 2001 (Finn and Branosky, 2004).

Under the YA, young people who are not participating in education, employment or training and have no other income are eligible to claim a strand of the allowance. The rules of the allowance permit a young person's Preparing for Work Agreement (PFWA) to include a combination of job-searching with a range of other activities which are deemed to be appropriate in promoting entry into employment. However, it was found that the flexibility which is permissible under the agreement to meet individual need was rarely applied. This has been attributed to a number of reasons (Jope and Beaumont, 2003; Finn and Branosky, 2004). Evidence suggested that the necessity for Centrelink (the Government agency responsible for delivery of the programme) staff to complete the PFWA during the first interview with the young person often resulted in insufficient time being available to identify the vocational and non-vocational barriers to young people's participation, such as a lack of access to appropriate education and training. Many young people did not have a clear understanding of the support they could receive from Centrelink or that they could influence the choice of activities included within the PFWA. It was also found that the approach taken by Centrelink to determine activities was often narrow and limited, with an over-emphasis on job search activities (Jope and Beaumont, 2003; Finn and Branosky, 2004). In essence, the opportunity to develop flexible and responsive provision to meet the diverse needs of the NEET population has largely remained unfulfilled.

The research also highlighted the importance of a trusting working relationship existing between the young person and their advisers (Jope and Beaumont, 2003). The inability of some Centrelink Officers to establish rapport with young people who were NEET, due to the negative attitudes of staff or poor communication skills, led in some cases, to the failure to obtain relevant information from the young person. This in turn meant that some young people were inaccurately assessed and did not receive the most appropriate support (Jope and Beaumont, 2003; Finn and Branosky, 2004).

Recent policy initiatives aimed at increasing post-16 participation rates in education and training have culminated in proposals set out in the Green Paper 'Raising Expectations: staying in education and training post-16', which signify government plans to ensure that all young people will stay in some form of education and training until at least the age of 18 (DfES, 2007). While a decision on these proposals has yet to be finalised, it is proposed that post-16 participation rates will be raised to the age of 17 from 2013. This will coincide with the full implementation of new Diploma qualifications, which seek to offer young people a more applied curriculum through both practical and theoretical study. In addition, financial support packages i.e. EMA, are designed to support the needs of young people from lower income families to remain in education or training. Crucially, the Green Paper also sets out plans to ensure that young people who enter the labour market at 16 will be required to

undertake some form of accredited training. Failure to comply with the proposed requirements to undertake any form of post-16 education or training will result in young people facing civil or criminal prosecution. Most controversially, this may result in the most vulnerable groups of young people being penalised for their unwillingness to participate in an education and training system, which, despite the numerous policy interventions, may still fail to either fully understand or meet their needs.

Conclusion

This paper has set out to highlight the policy attention given in recent years to young people who are categorised as 'NEET', as well as to summarise evidence from some of the studies, which have sought to define the characteristics and composition of these young people. Far less attention is placed in the literature on defining and unpacking the underlying structural issues within local areas which may contribute to a greater or lesser extent to the incidence of a high NEET population. For example, the structure and functioning of local labour markets will be critical in defining the opportunities that are open to all groups of young people in terms of work and training. Too great an emphasis has been placed within the literature, and within policy making, on defining what is perceived to be a 'problem group', rather than on tackling the exclusion that specific groups of young people within the NEET group face, particularly with regard to training and employment. With a policy push towards encouraging as many young people as possible to remain in full-time learning, this has come at a cost of inhibiting any real understanding of the alternative route that many young people still take - early labour market entry. Why do young people choose to enter jobs with and jobs without training and why do employers choose to recruit them? Why do some young people access training while others do not? What level of training exists for young people in the labour market, beyond the prescribed Level 2 demanded within government supported training programmes? Why is there such a close relationship between young people in 'jobs without training' and the NEET group and what can be done to prevent the NEET churn? There is a lack of evidence and understanding about young people's routes into the labour market, which requires full investigation, if proposals to introduce compulsory participation in post-16 education and training are to be effectively implemented.

The most recent policy initiative that is targeted at reducing the NEET population (the piloting of Activity Agreements (AAs)) builds on the financial remedy provided by EMAs, by offering young people 'something for something' i.e. a package of financial support in return for young people's participation in learning and training. However, AAs also require the establishment of intensive support packages, which need to be developed between Connexions PAs and young people. Research evidence suggests that the development of positive and effective relationships between young people and their advisers is pivotal to establishing successful outcomes. In addition, findings from the evaluation of the Australian Youth Allowance endorse the need for young people to fully understand 'the offer' and that individual learning agreements are representative of their needs and views. There are clear lessons to be learnt from the Australian model in relation to the piloting of Activity Agreements. Education and training providers will need to deliver on their commitment to provide flexible packages of learning which are attractive to, and meet the needs of, 'hard to reach' groups. The Australian experience also alerts us to potential pitfalls, in that even where there was scope to develop individualised packages of learning with young people, this often failed to happen because advisers 'stuck to what they had always offered'. The AA pilot presents itself as a real opportunity to enable young people to develop their own entry back into education and training. Therefore, as part of this

process, it is critical that their advisers and learning and training providers are effective in facilitating this process.

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