

## Summary

An estimated **765,000 young people aged 16 to 24 are not in education, employment or in training (NEET)** in the UK.<sup>1</sup> We therefore welcome the **Kickstart Scheme**<sup>2</sup> which supports young people facing long term unemployment to complete a 6-month (24-week) paid work placement, including £1,500 per job placement for setup costs, support and training.<sup>3</sup>

Barnardo's is an 'early adopter' of the Kickstart Scheme and will be recruiting 69 young people in the new year to join our retail and children services teams, in England, Scotland and Wales. Alongside applying to be an intermediary to support more placements in partnership with our corporate and delivery partners.

**However, a key test of the Kickstart Scheme must be whether it is accessible to and benefits the most disadvantaged young people** - which is central to achieving Government's 'levelling up' agenda. We know from our 150+ years of experience that disadvantaged young people are often the **furthest away from accessing employment** and need **specialist wrap around support than their peers** to enter and maintain a work placement. Supporting the most disadvantaged young people not only benefits them as individuals but benefits the Government and our economy - avoidance of benefit payment, paying tax and national insurance.

We have estimated that there are **197,000<sup>4</sup> disadvantaged<sup>5</sup> young people who are NEET** and we are concerned the £1,500 provided by the Government to support each Kickstart placement will not be enough to support this group of young people. For the Kickstart Scheme to be accessible to the most disadvantaged young people we have estimated, based on our 35 Employment, Training and Skills services, that they would need an additional **£1,200 to £2,700** depending on their level of need - **a 'Kickstart premium'**.<sup>6</sup>

In total, to provide a 'Kickstart premium' to the estimated 197,000 disadvantaged young people who are NEET it would cost a maximum of **£247.4 million**<sup>7</sup> (see appendix):

- **£17.6 million** for young people on an Education, Health and Care plan;
- **£5.1 million** for care leavers;
- **£73.7 million** for young people who are homeless or at risk of homelessness; and
- **£150.9 million** for Black, Asian and Minority Ethnic young people.<sup>8</sup>

We are therefore **calling on the Government to provide a 'Kickstart premium' for young people furthest from the workplace** to ensure they receive the specialist wrap around support they need to benefit from the Kickstart programme.<sup>9</sup>

## 1. Youth un/employment

After almost a decade of falling youth unemployment, the COVID-19 pandemic is predicted to cause an increase which is unprecedented in modern history - it is estimated that **over one million** 18 to 24 year olds could be unemployed by the end of this year.<sup>10</sup> A fifth of all employees on the Job Retention Scheme are under 25<sup>11</sup> and the number of young people claiming benefits during lockdown **more than doubled**, rising from 250,000 to 538,000.<sup>12</sup>

We welcome the Government's [Kickstart Scheme](#) to support young people aged 16-24, who are currently on universal credit and facing long term unemployment, to complete a 6-month (24-week) paid work placement, including £1,500 per job placement for setup costs, support and training.<sup>13</sup> This is an important step in addressing the looming spike in youth unemployment, especially as being and remaining out of employment, education or training (EET) **increases the likelihood of future unemployment, under-employment, disadvantage and negative health outcomes.**<sup>14</sup>

An estimated **765,000 young people aged 16 to 24 are NEET in April to June 2020.**<sup>15</sup> As it currently stands the Kickstart Scheme is estimated to help 350,000 young people'. A key test of the Kickstart Scheme must be whether it benefits the **197,000** most disadvantaged young people.

Barnardo's has been supporting the most vulnerable young people to enter work for over 150 years and we know that particular groups, including care leavers, those on Education, Health and Care Plans (EHCP), who are homeless or at risk of homelessness and/or are Black, Asian and Minority Ethnic (BAME<sup>16</sup>), often require specialist wrap around support to enable them to enter into and remain in work.

## 2. Disadvantaged groups of young people entering employment

Disadvantaged young people are **twice as likely** to be out of EET than their better off peers<sup>17</sup> and face **additional barriers** to entering and sustaining employment. Making the transition to entering further education, employment or training is particularly challenging for the nearly **197,000** young people who are NEET and are also:

- care leavers (4,256);
- young people on EHCP (5,876);
- who are homeless or are at risk of homelessness (61,438); and/or
- are BAME (approximately 125,745)

Often these young people have complex and overlapping needs. **One third** of care leavers become homeless within the first two years of leaving care<sup>18</sup>; and looked-after children and previously looked-after children are significantly more likely to have special education needs than their peers.<sup>19</sup> Their experiences can make it more difficult to enter and maintain a work placement as they often face additional challenges than their peers, such as<sup>20</sup>:

- **Practical barriers** associated with chaotic personal lives, lack of 'soft' skills such as how to apply for a job or prepare for an interview, insecure

accommodation, the financial pressure of living independently, poor financial literacy and costs associated with EET e.g. clothing, travel.

- Previous **negative experiences of learning** such as low educational attainment and lack of work experience.
- **Mental health** problems and low self-esteem.
- A history of **criminal activity**/contact with the criminal justice system or taking drugs.

This results in higher levels of NEET amongst these groups of young people. For example, 39% of care leavers aged 19-21 in England are NEET compared to 13% of 19-21s overall.<sup>21</sup>

### 3. Barnardo's Employment, Training and Skills Services

At Barnardo's we run **35** specialist [Employment, Training and Skills services](#) across the UK which support **over 3,000** young people every year. We provide courses, support and careers advice, and help support young people to be 'work ready', as well as provide ongoing specialist wrap around support whilst young people are in training or employment.

#### Barnardo's Make Trax Program, South East, England

[Make Trax](#) offers young people who are NEET aged between 16 and 25 a flexible and personalised programme with a dedicated coach to create a progression plan, setting out ambitious but achievable goals. The program is run in partnership with Asphaleia, Gingerbread and The Prince's Trust across the South of England and provides support such as:

- One-to-one coaching and mentoring
- Receive impartial information, advice and guidance
- Build confidence, motivation and social skills
- Access creative activities
- Apply for courses
- Get involved with community events or volunteering
- Find and apply for training, courses and jobs
- Access employability skills workshops
- Gain local work experience
- Gain CV and interview skills

The service focuses on supporting young people facing complex barriers, who need additional support - of the young people accessing the service 34% were in care or had left care, 35% had a mental health issue; almost 92% were defined as lacking basic job skills.<sup>22</sup> Often these young people are referred to Make Trax from Job Centres that are unable to accommodate for their needs and are not able to provide the specialised intervention required. Of the young people who accessed the services:

- 92% felt they were more confident in making informed choices regarding EET;
- 86% felt they had improved their communication skills; and
- 81% felt the program had supported them to become more work ready.

Our internal analysis found that **for every £1 invested in the service, the average estimated benefit to the Government and wider economy is £2.43**. The Make Trax service derives cost savings through:

- Avoiding the economic costs of young people remaining NEET. This represents the loss of earnings to the individual young person whilst in NEET.
- Avoiding the Government and fiscal costs of young people remaining NEET. The costs saved are derived from avoidance of benefits payments falling to the Department of Work and Pensions plus forgone tax and national insurance receipts.

Casey<sup>23</sup> was 16 when he started on the Make Trax Programme. He had been attending college but dropped out due to high anxiety. Casey attended the Food Industry course, it was a huge achievement for him to overcome his anxieties and attend the whole course.

After the course we worked together on a 1:1 basis and identified that education wasn't the right path for him at that time. That his anxiety was high, confidence low and he was lacking direction and self-esteem. Casey had been diagnosed with depression and was seeing a counsellor.

In order to support Casey to prepare for interviews we spent a lot of time establishing his strengths, we did this by talking through his personal traits and asking his friends and family. We have completed exercises together looking at the pros and cons of going to college, starting an apprenticeship, finding employment and going travelling. We established short and long term goals, breaking aims down into small achievable steps. Casey has now succeeded in finding employment.

## **Barnardo's YouthBuild Academy, London**

Barnardo's [YouthBuild Academy](#) is a structured construction skills programme for 16-29 year olds. The programme primarily supports care leavers and those NEET to provide support towards sustained independence and employment. Young people learn essential skills and knowledge to access employment in the construction industry, as well as developing the confidence and leadership qualities required to fulfil their full potential. The programme covers:

- Level 1 City and Guilds Construction Skill
- Health and Safety Awareness and CSCS Card
- Dry-lining Upskilling Course
- First Aid Training
- Employability skills
- Functional skills in Math and English
- Leadership skills for personal professional development.

The programme also embeds a structured holistic approach to develop skills necessary for employment and independent living. The aim is to ensure young people have the support they need to achieve during and after the programme. It has been designed in consultation with young people and helps them to build the skills needed to sustain independence. The model is delivered with the support of

an experienced project worker who delivers:

- 1-to-1 support and goal setting
- Group based workshops
- Information and advice

Callum is a care leaver who experienced challenges in his family that resulted in him struggling to manage his anger. Callum had very low confidence and would often isolate himself.

Having had to be removed from the program at one point due to a serious incident, Callum was really upset, fearing he had jeopardised his place. He agreed to start Cognitive Behavioural Therapy (CBT) to address his issues, re-joining the Academy after 2 months.

Callum's confidence has grown hugely since this point, he has worked extremely well in construction and has chosen at times to lead the team and has even spoken on behalf of care leavers about his experiences on the course on BBC News.

## Barnardo's ETS North

Barnardo's [Employment Training and Skills North](#) is a youth training project in Newcastle. It offers vocational training for young people aged 14-24 who aren't in full time education or employment. They have around 100 young people attending courses every week, either full time or part time.

The project also offers vital pastoral support to its young people, including sexual health advice; health and hygiene (they hand out basic hygiene items when needed); emotional support and mental health support through links to other local youth organisations.

All courses include a standard 2.5 hours of basic maths and English tuition a week. A key role of the project is to find the young people work placements and apprenticeships.

Liam<sup>24</sup> is 17 and he's just completed his first year at the project, doing his Level 1 in Retail and Warehousing. Until a year ago, he lived with his mum, dad and little brother, and attended a local high school. He only achieved a GCSE in Maths, and towards the end of Year 11 he started to get involved in drugs with his friends.

Liam joined another college in Year 12 to start a City & Guilds Level 1 in Welding, which he completed. But during that year he and his friends took increasingly more drugs. After a year, Liam decided himself that he wanted to stop. Liam moved in with his grandparents, who helped him find the Barnardo's centre and the retail course that he's now on. Liam says that coming to the Barnardo's centre has given him the opportunity to talk more about his life, concerns and future and says that his confidence has definitely increased since starting his new course.

During COVID-19 Liam has struggled with the lack of routine and misses his friends at ETS North. Liam has gone from working 4-5 days a week both in placement and at ETS North to accessing learning virtually. Liam became frustrated and

depressed. During lockdown ETS North hosted FaceTime sessions - 'face parties' - for all the learners to see one and other in a safe and monitored environment. Liam really missed contact with people, during the strict lockdown, ETS North staff would visit and sit in their car whilst Liam sat on his front door step to ensure Liam was safe and well. Once lock down restrictions had lifted, Liam wanted to go back to his placement, with the support of his tutor and thorough COVID-19 risk assessment carried out by his employer, Liam was able to access work.

## Appendix: 'Kickstart premium': Estimated cost of supporting the most disadvantaged young people to enter and maintain a work placement

	<b>EHC Plan</b>	<b>Care Leavers</b>	<b>Homeless</b>	<b>BAME</b>	<b>Total</b>
<b>Estimated count of NEET Young People (16-24) (A)</b>	5,876	4,256	61,438	125,745	197,315
<b>Cost per person supported (£) (B)</b>	£4,500	£2,700	£2,700	£2,700	-
<b>Wrap around support per person (£) (C)</b>	£1,500	£1,500	£1,500	£1,500	-
<b>Top-up support per person (£) (D = B-C)</b>	£3,000	£1,200	£1,200	£1,200	-
<b>Estimated additional cost of support (£m) (E = A*D)</b>	<b>£17.6m</b>	<b>£5.1m</b>	<b>£73.7m</b>	<b>£150.9m</b>	<b>£247.4m</b>

### Notes:

- Estimated counts calculated using national estimates of NEET for each group based on ONS, Scottish Government, Stats Wales and the Northern Ireland Department for Health. Additional data from Centre Point used to estimate the number homeless NEET 16-24 year olds. Cost per Young Person supported based on Barnardo's, Employment, Training and Skills services. Wrap around support cost taken from DWP announcement. The analysis provided is reliant on a number of underlying assumptions so the results should always be presented as broad estimates rather than exact costings.
- In our analysis we assume young people with a disability (proxied as those on an Education Health and Care plan) are more likely to face additional barriers compared to other groups. This will likely result in additional costs per young person which is reflected in the table below. The estimates only include costs directly related to the support service and not any costs related to wages or in-work training.

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- <sup>1</sup> ONS, [Young people not in education, employment or training](#), May 2020.
- <sup>2</sup> Kickstart Scheme will operate in Scotland, Wales and England.
- <sup>3</sup> Department for Work and Pensions. [Guidance for Businesses: Kickstart scheme](#), September 2020.
- <sup>4</sup> Notes: Estimated counts calculated using national estimates of NEET for each group based on ONS, Scottish Government, Stats Wales. Additional data from Centre Point used to estimate the number homeless NEET 16-24 year olds. It is possible that there will be some overlap between the four groups of young people identified (see footnote 4) and the estimated number can therefore be treated as the possible highest number.
- <sup>5</sup> Notes: disadvantaged young people refers to young people who are care leavers, on education, health and care plans (EHCP), are homeless or at risk of homelessness and/or who are Black, Asian and Minority Ethnic (BAME).
- <sup>6</sup> Similar concept as the pupil premium disadvantaged young people receive in school.
- <sup>7</sup> Notes: It is possible that there will be some overlap between the groups above and the cost estimates can therefore be treated as an upper bound.
- <sup>8</sup> Individuals may choose to identify themselves in different ways, including as Black, Brown, BAME, as 'people of colour' and/or as members of Global South Communities.
- <sup>9</sup> This should be included in the Spending Review.
- <sup>10</sup> BBC News, [Coronavirus: Young people 'most likely to lose work' in lockdown](#), May 2020.
- <sup>11</sup> Resolution Foundation, [All together now?](#) 2020.
- <sup>12</sup> The Parliamentary Review, [Chancellor's £2bn 'kickstart scheme' to be set out on Wednesday](#), July 2020.
- <sup>13</sup> Department for Work and Pensions. [Guidance for Businesses: Kickstart scheme](#), September 2020.
- <sup>14</sup> Coles, B., Godfrey, C., Keung, A., Parrot, S. and Bradshaw, J. (2010). 'Estimating the life-time cost of NEET: 16-18 year olds not in Education, Employment or Training.' York: University of York.
- <sup>15</sup> ONS, [Young people not in education, employment or training](#), November 2020.
- <sup>16</sup> Individuals may choose to identify themselves in different ways, including as Black, Brown, BAME, as 'people of colour' and/or as members of Global South Communities.
- <sup>17</sup> Gadsby, B. (2019). 'Research Briefing I: Establishing the Employment Gap.' London: Impetus-PEF.
- <sup>18</sup> Homeless Link, [Young & Homeless](#), 2018.
- <sup>19</sup> Department for Education, [Promoting the education of looked after children and previously looked after children](#), February 2018.
- <sup>20</sup> Centrepoint, [Supporting disadvantaged young people to earn or learn](#), 2015; The Young Foundation et al, [A Brighter Future](#), October 2019.
- <sup>21</sup> Department for Education, [Children looked after in England \(including adoption\), year ending March 2018](#), November 2018.
- <sup>22</sup> Barnardo's, [Impact Report](#), 2019.
- <sup>23</sup> Name change for anonymity
- <sup>24</sup> Name change for anonymity