

## CABINET

20 June 2017

<b>Title:</b> Accelerating NEET Reduction	
<b>Report of the Cabinet Member for Educational Attainment and School Improvement and the Cabinet Member for Social Care and Health Integration</b>	
<b>Open Report</b>	<b>For Information</b>
<b>Wards Affected:</b> All	<b>Key Decision:</b> Yes
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<b>Accountable Strategic Director:</b> Anne Bristow, Strategic Director, Service Delivery and Integration.	
<b>Summary</b>  This report summarises the borough's current position regarding the reduction of young people who are Not in Education, Employment or Training (NEET), with particular reference to action taken to reduce NEETs in key vulnerable groups i.e. Care Leavers, those with Special Educational Needs and Disabilities and Teen Parents.  The report outlines measures in place to accelerate NEET reduction and further improve performance across all these areas.	
<b>Recommendation(s)</b>  The Cabinet is recommended to:  (i) Note the report and the work being undertaken to reduce NEETs, particularly within key vulnerable groups, as well as secure resources and enhance leadership and accountability; and  (ii) Approve the Action Plan, as set out at Appendix 2 to the report, and provide any further policy direction to support the work being undertaken.	
<b>Reason(s)</b>  The Education and Skills Act, sections 10, 12 and 68 (2008), set out statutory duties on local authorities in relation to the participation of young people in education or training. Young people have, since 2015, been required to participate in education, employment or training until the academic year in which they turn 18. Statutory guidance issued in 2014 (Participation of young people in education, employment or training) provides detail of what is considered statutory under different circumstances.  In addition to NEET tracking, the Local Authority is required to carry out a number of other	

cohort tracking activities that provide proxy indicators of performance and support NEET reduction. These are:

- A survey of the intended destination of the all Year 11 students in the Spring of each year;
- Tracking to establish how many of each year's cohort are provided with 'September Guarantees' of education, employment or training;
- An activity survey in November of each year to track how many of this Year 11 cohort are now participating in education, employment or training.

## **1. Introduction and Background**

1.1 The Education and Skills Act, sections 10, 12 and 68 (2008), set out statutory duties on local authorities in relation to the participation of young people in education or training, otherwise known as Raising the Participation Age (RPA). Young people have, since 2015, been required to participate in education, employment or training until the academic year in which they turn 18. Statutory guidance issued in 2014 (Participation of young people in education, employment or training) provides detail of what is considered statutory under different circumstances.

1.2 The principal statutory duties are:

- Local authorities must promote the effective participation in education and training of 16 and 17 year olds in their area with a view to ensuring that those persons fulfil the duty to participate in education or training. A key element of this is identifying the young people in their area who are covered by the duty to participate and encouraging them to find a suitable education or training place;
- Local authorities must make arrangements – i.e. maintain a tracking system - to identify 16 and 17 year olds who are not participating in education or training;
- Secure sufficient suitable education and training provision for all young people aged 16 to 18 and for those up to age 25 with a learning difficulty assessment (LDA) or Education, Health and Care (EHC) plan in their area;
- Make available to all young people aged 13-18 and to those up to age 25 with an LDA or EHC plan, support that will encourage, enable or assist them to participate in education or training.

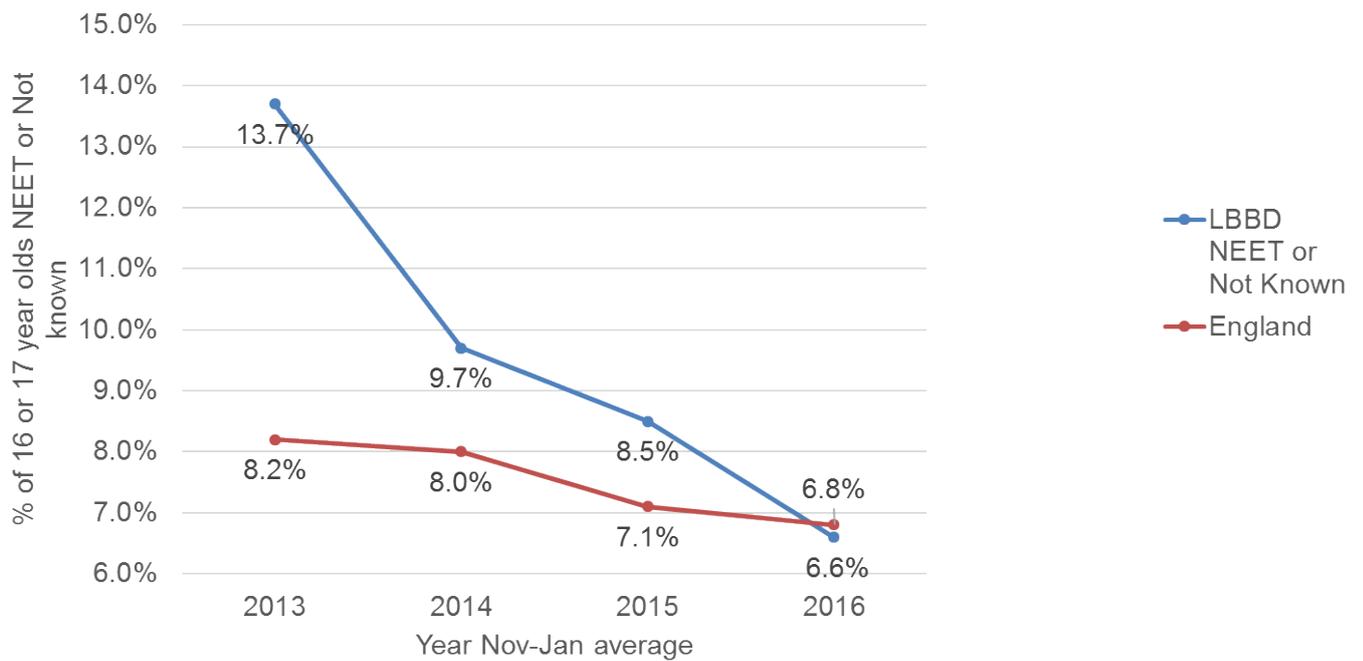
1.3 The key national measure for all Local Authorities is the November-January average percentage young people within a Local Authority that are either Not in Education, Employment or Training (NEET) or whose current education status is Unknown. This November to January average figure is then subsequently published as part of the DfE's 'NEET scorecard' around October each year.

## **2. NEET (Not in Education, Employment or Training) and Unknown performance.**

2.1 Barking and Dagenham's performance in reducing the numbers of young people aged 16-18 who are NEET or Unknown has improved substantially over the past 4 years as demonstrated by the key national measure of the November – January average figure (see figure 1). The national November – January average figure for 2016 is yet to be published, but the provisional figure is available. It demonstrates

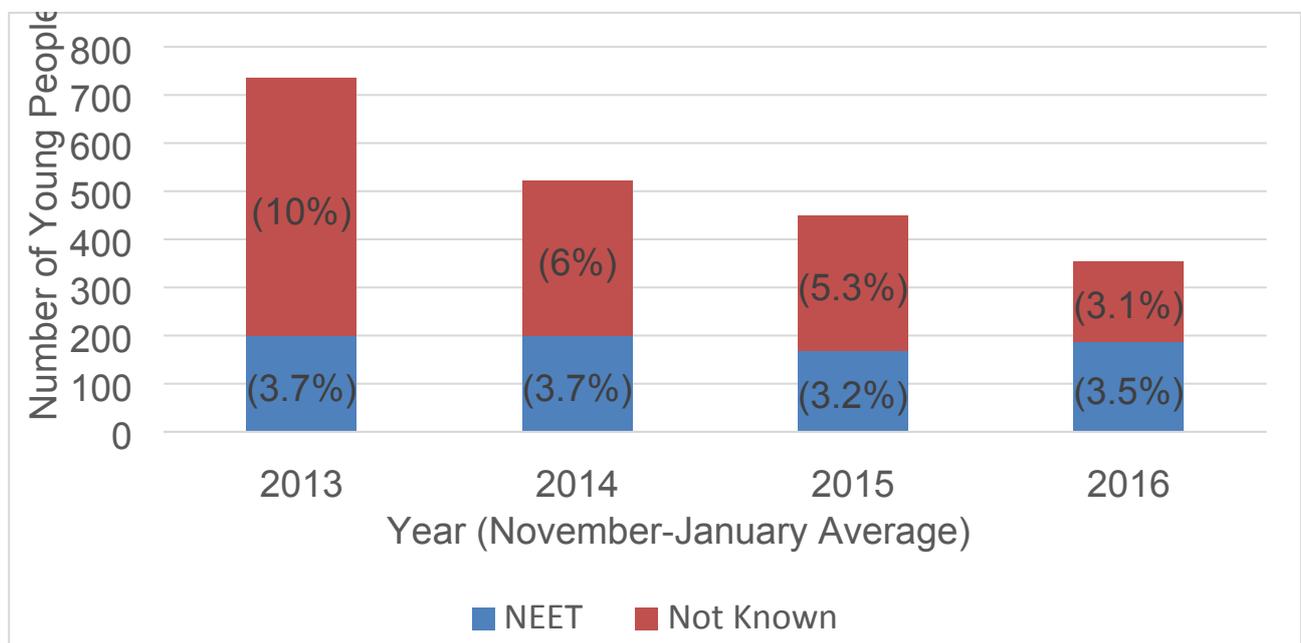
that Barking and Dagenham have improved their performance to better than national average. The provisional London average figure is 6.7%.

Figure 1: LBBB NEET and Unknown November to January averages vs National.



2.2 The majority of the progress made has been in the reduction of Unknowns, with NEETs appearing to be stubbornly high (see figure 2). The reduction in Unknowns has been largely achieved through better coordination of council and partner resources. For example, having access to the council’s Revs and Bens database to ensure contact details are up to date to enable more accurate tracking. Better and more accurate data sharing between services has also reduced levels of dependency on more costly tracking interventions, such as door knocking.

Figure 2. LBBB NEET and Unknown November – January averages.



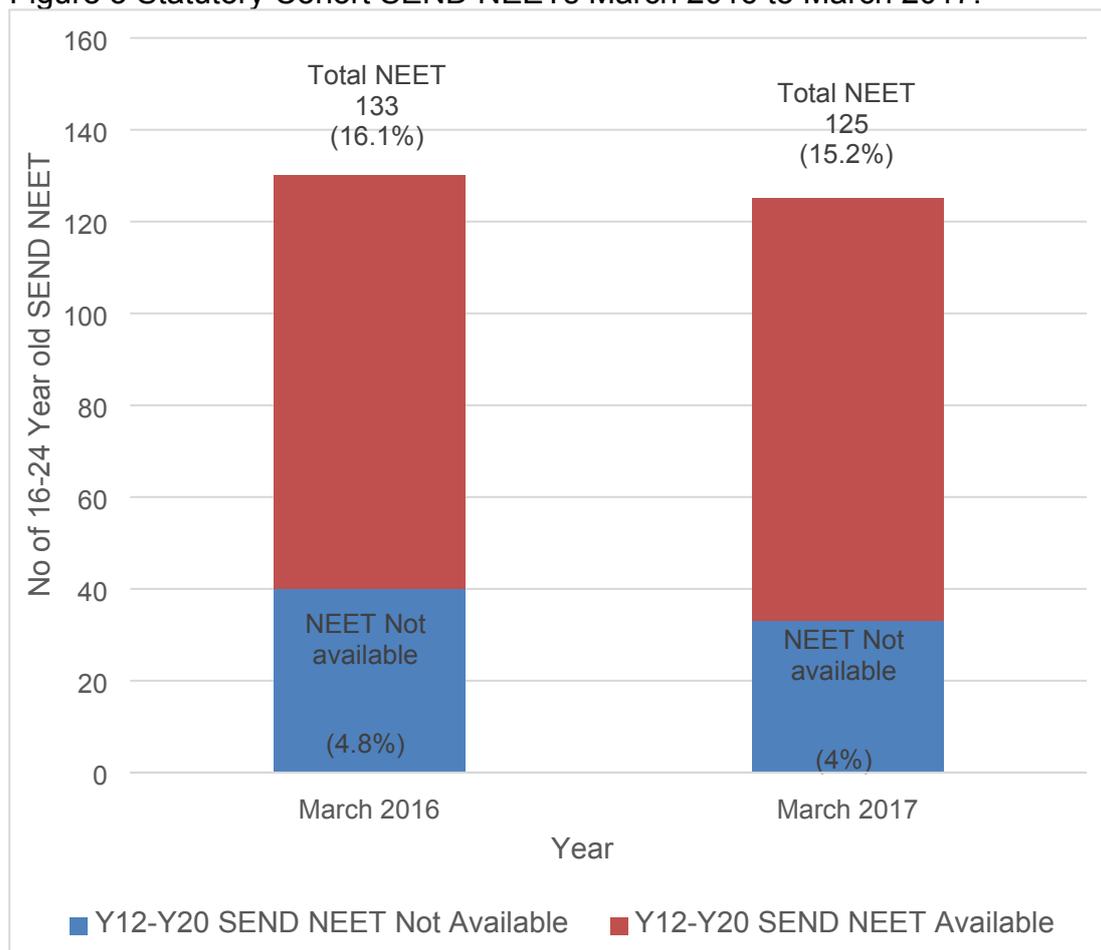
- 2.3 It is important to note that approximately one third of Unknowns are usually found to be NEET through the tracking process. Therefore, whilst it appears that NEETs have not shifted, NEETs may have reduced in real terms by up to 50% between 2013 and 2016. Nevertheless, the Local Authority has had a consistently high cohort of around 200 NEET young people to support back into education, employment and training over this period, which is too high.
- 2.4 Progress in improving NEET and Unknown figures has been sustained beyond the November 2016 to January 2017 average. The national NEET and Unknown figure for February 2017 is 5.6% vs Barking and Dagenham's figure of 4.9%. Nevertheless, the borough remains behind the London average for February of 4.5% (but with a faster rate of improvement sustained).
- 2.5 The next national 'NEET scorecard' will be published in October 2017, which will include the 2016 national November – January average. The borough's October 2016 scorecard, which in turn was rooted in the 2015 November - 2016 January average data, placed Barking and Dagenham in the bottom quintile nationally for our combined NEETs and Unknown score with 8.5% (albeit in the fourth quintile for NEETs and Unknowns separately, and with a faster rate of improvement since 2014 against national). The provisional national figure place the borough in the 3<sup>rd</sup> quintile nationally for NEETs and Unknowns combined, up two quintiles on the previous year.

### **3. NEET performance in vulnerable groups**

- 3.1 NEET and Unknown performance is particularly challenging in key target groups, such as teen parents, those with Learning Difficulties and Disabilities and care leavers. As a corporate parent, Local Authorities have a duty to provide services to all care leavers until the age of 21 (or 25 if in further education), including supporting those that are Not in Education, Employment or Training in EET.
- 3.2 Nationally, almost four in ten (38%) care leavers are NEET. A recent report by the Centre for Social Justice highlighted that, for those not at university, 19 to 21 year olds care leavers are also eight times less likely to be apprentices compared to the general population ('Delivering a Care Leavers strategy for Traineeships and Apprenticeships', 2016). Significant barriers therefore remain for care leavers wishing to pursue vocational pathways over academic, as well as moving into Education, Employment or Training generally. As of January 2017, the Council's Learn 2 Live Team (care leaving service) held a case load of 281 young people. Of these, 66% are in Education, Employment and Training.
- 3.3 Performance with regards to young people with Special Educational Needs and Disabilities is improving, but is still not good enough. For those in Year 12 and 13 NEETs reduced from 12.3% (19 young people) to 7.8% (9 young people) between March 2016 and March 2017. Of these, a small number of young people are deemed 'unavailable' for Education, Employment or Training due to the extreme complexity or level of disability. However, this has also reduced as the Local Authority matches as many young people to suitable provision as possible.
- 3.4 Overall NEET figures for SEND young people i.e up to 25 years of age,

are 15.2% for March 2017, of which 4% are unavailable. This compares to 16.1% last year, of which 4.8% were unavailable, see figure 3.

Figure 3 Statutory Cohort SEND NEETs March 2016 to March 2017.



- 3.5 The level of Unknowns has also reduced for those in Year 12 and 13, from 3.9% in March 2016 to 3.5% for 2017. However, Unknowns for 18-25 year olds are still unacceptably high and it is acknowledged that collaborative working between Children's and Adult's service has not been adequate. This has therefore been identified as a priority area of work with close collaborative working between Education and Adult Services to ensure that Adult Services' up to date knowledge of the education status of each young person with SEND is accurately reflected on the NCCIS database which feeds the DfE.
- 3.6 The launch for the Council's All Age Disability Service will enable more effective tracking of and support for SEND young people who are, or at risk of, becoming NEET. It will not only improve the transition between children's and adult services, but allow for better coordination of support services that transition young people into employment rather than the all too frequent cycle of retaining young people with SEND in education until they reach 25 years of age.
- 3.7 Levels of NEETs are also high amongst teen parents, although national data is not published for this group. White British young people now represent two thirds of the NEET cohort but only one third of the 16-18 year old population, as demonstrated in figure 4. White British are even more greatly overrepresented in the three key vulnerable groups of care leavers, teen parents and those with SEND, as demonstrated in figure 5.

Figure 4: White British NEET vs Non-White British NEETs, January 2017.

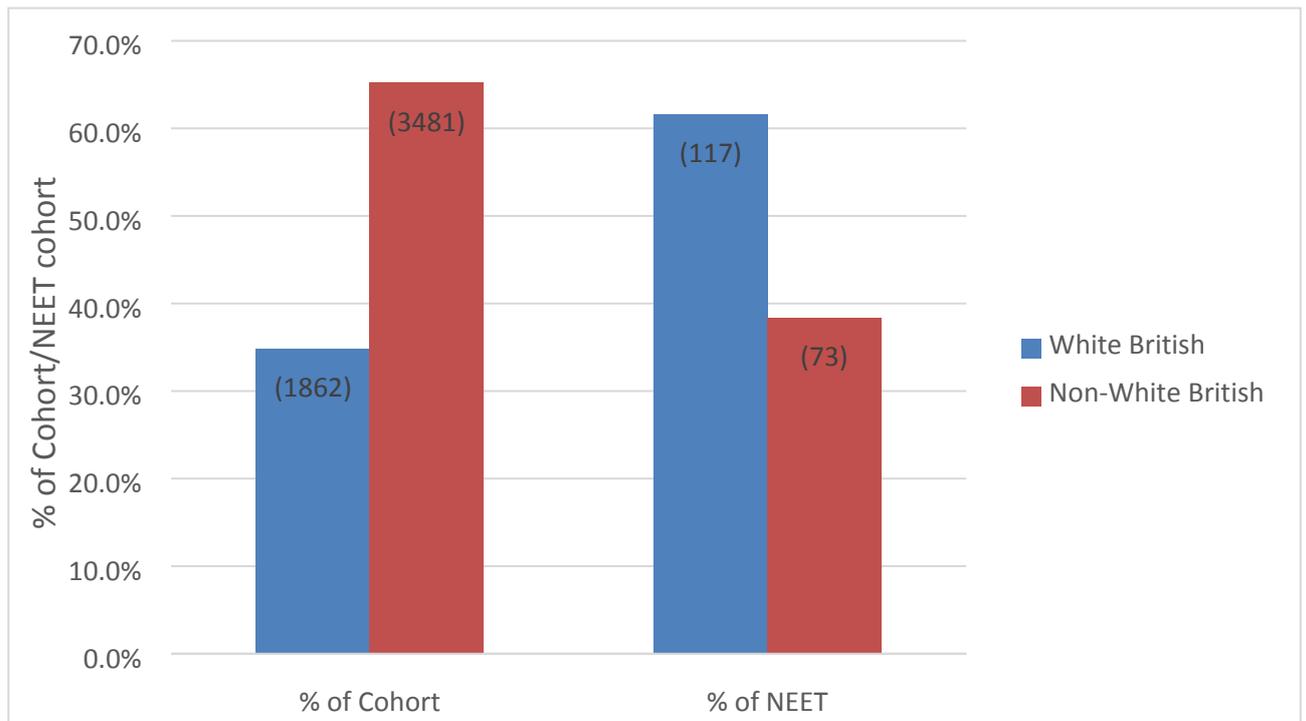
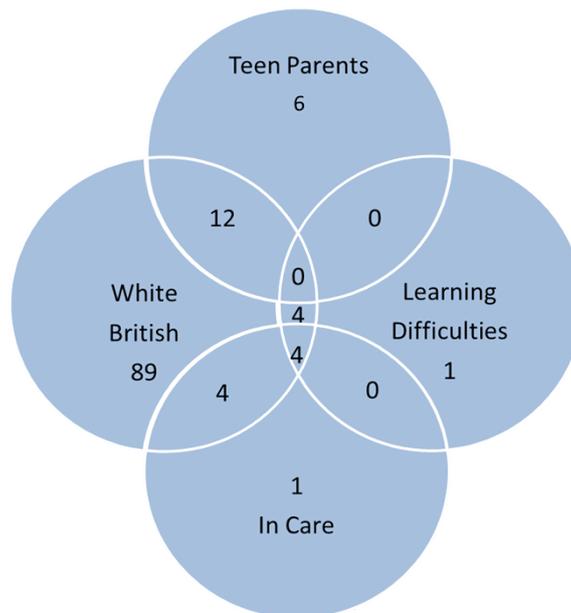


Figure 5 16 and 17 year old NEETs by White British, Teen Parents, Learning Difficulties and In Care, February 2017.



#### 4. Actions to further improve NEET and Unknown Performance

4.1 The ongoing annual work of the local authority in raising levels of participation at post-16 and driving down NEETs is guided by the borough's 14-19 Participation Plan, which sets out core annual activities against four overarching themes:

- An effective programme of pre-NEET prevention work, including a focus on preventing drop-outs;
- Improved outreach and marketing of existing services
- Effective data sharing and partnerships;
- Improved support for vulnerable groups.

4.2 Work is additionally supported by a local Providers' Forum, which pulls together a large range of local partners that are funded to deliver pre-NEET and NEET work with young people quarterly. 35 providers are currently members. Members include prime contractors and delivery partners for the national European Social Fund NEET Youth Programme, which comprises eight interrelated strands and a potential maximum investment of over £1.5m into NEET reduction locally over four years. These strands are:

- Young BME (Black and Minority Ethnic);
- 16-18 targeted NEET;
- 16-24 Targeted NEET LDD (Learning Difficulties and Disabilities);
- 18-24 Targeted NEET Mental health;
- 18-24 Targeted NEET Migrant Groups and Others;
- 15-18 Preventative NEET;
- 16-24 NEET Outreach;
- Careers Guidance.

The Local Authority has additionally submitted an Expression of Interest to the Life Chances Fund (a Social Impact Bond) which would see the introduction of bespoke mentoring and interventions for young people at risk of becoming NEET at post-16.

4.3 The introduction of the Providers' Forum has been key in reducing NEETs. As well as acting as a physical network, where providers can bring cases to discuss, information regarding opportunities for young people is shared virtually across the network several times a week. The Forum is also supported by a Provider Directory, which lists current provision to prevent and reduce NEETs across the 16-24 age range (Appendix 1). The directory is published on the Council website and updated monthly.

4.4 Work with these providers, and referrals to them, is underpinned by the provision of NEET drop in sessions delivered by two LBBB staff in two locations, five times a week. NEET young people in Year 12 and 13 are able to book an appointment with a qualified careers adviser, who works with them to re-engage them in education, employment or training. Evening appointments are also available. Performance of NEET drop in sessions continues to improve quarter on quarter, with a 62% increase in the numbers of young people seen between Quarter 1 and Quarter 4 2016-17.

4.5 A workshop involving key Cabinet Members with a portfolio interest in NEETs and Local Authority leads was held in January 2017 to discuss strategies to further reduce our levels of NEETs, both generally and within priority groups. A series of core proposals and actions were identified and developed into an action plan which was further discussed and finalised at a further workshop held in March. The full action plan is provided in Appendix 2.

- 4.6 A number of core, longer term projects were signed off by the Workforce Board in April 2017 as part of the action plan and are currently being taken forward. These examples demonstrate the range and scope of the programmes being initiated to further reduce NEETs, and are outlined below.

### **Work Experience development**

- 4.7 The value of work experience for young people to enable them to become work ready is widely evidenced nationally. A recent report by The Careers and Enterprise Company surveyed teacher perspectives on various work-related learning activities ('Towards an Employer Engagement Toolkit: British Teachers' Perspectives on Work-Related Learning Activities', 2017). In summary:

- 92% of teachers perceived that work experience is effective in improving student understanding of the world of work;
- 77% of teachers perceived that work experience to be effective in giving students a realistic sense of career choices and what they need to do to secure their job objectives;
- 76% of teachers perceived that work experience to be particularly effective for borderline achievers.

In addition, work experience was ranked first in terms of effectiveness by teachers from a list of sixteen work-related learning activities.

- 4.8 Barking and Dagenham is in a relatively fortunate position in that the majority of our secondary schools buy in to a work experience programme as a traded service. The Trident Team place approximately 1900 young people a year pre and post-16, via a network of over 300 employers, including the Council.
- 4.9 Placements are targeted, with young people selecting their preferences, and Looked After Children in participating schools prioritised for all placements and always matched against one of their preferences.
- 4.10 The number of placements provided by the Council has fallen substantially in recent years to just under 40 placements a year, which has presented a challenge for the Trident Team in sourcing a sufficient range of quality placements for young people. Whilst this is partially linked to a smaller workforce, it is more closely linked to the introduction of smarter working, where departments are unable to allocate IT equipment (i.e. laptops) to individuals on placements or adequately supervise. Therefore, young people are not able to undertake an adequate experience of work on many 'desk-based' placements.
- 4.11 The issues around IT have been discussed in detail with Elevate. As generic user profiles are not possible with the Council's new laptops, the solution is to provide a number of 'bank laptops' to Trident, with Elevate 'rebuilding' the laptop between placements. It is also proposed to increase the number of placements provided by the Council from 40 to 60 annually, with a maximum of 12 placements at any one time, which the Trident Team feel would meet current demand.
- 4.12 Funding for this proposal has been secured and the Workforce Board have agreed 1 placement per year, per service block, with an addition of 1 (of part thereof) for

every 50 staff, to ensure sufficient provision. Compliance is to be measured by the Workforce Board.

- 4.13 The Trident Team offer a great deal of support for each placement. This includes a health and safety visit, and provision of a job description. It is important to note that young people are matched carefully to each placement, with young people having been consulted on their placement preferences. Supervision of work experience students also provides appropriate professional development experience for staff that are seeking management roles. Ongoing support is available during each placement.

### **SME partnership pledge**

- 4.14 2015 ONS data demonstrated that Barking and Dagenham has 4535 registered Small to Medium sized Enterprises (SMEs). Whilst this is small compared to most other London boroughs, the borough saw the third highest growth in SMEs during that year, a trend that is anticipated to continue.
- 4.15 SMEs provide an excellent resource in the Council's drive to reduce NEETs, and many already do. As well as the provision of employment opportunities for local residents, SMEs are able to provide apprenticeships, traineeships, work experience opportunities, workplace tasters and school visits.
- 4.16 To both celebrate the commitment of SMEs to the borough's young people and to better formalise this commitment, the Council is seeking to develop a partnership pledge that SMEs will be encouraged to sign up to. The pledge will ask SMEs pledge their commitment to reducing NEETs through one of more of the following:
- Provision of one of more work experience placements per year through the Council's Trident Team
  - Provision of one or more traineeship or apprenticeship
  - Provision one work-related learning activity per year (either in school or on site) brokered through the Council's Careers Service.

The Pledge, which can be rooted in the now outdated Council's Employer Accord from 2008, could see SME's encouraged to support more vulnerable groups, such as those with learning difficulties, mental health issues and the long-term unemployed.

- 4.17 Plans are underway to build the Partnership Pledge into the Council's procurement processes. A kitemark or logo will accompany the pledge, to encourage businesses to sign up, which SMEs may in turn use on their stationary, etc. This is to be launched via local reception hosted by the Local Authority.

### **Care Leavers' support grant**

- 4.18 All Care Leavers have pathway plans, in accordance with Government legislation, with each plan formally reviewed every 6 months and Young Person's Advisers (YPAs) meeting with each Care Leaver every 6-8 weeks. Going forward, pathway plans will make explicit reference to work-related learning. Designated Council Job Brokers will attend relevant reviews or informal meetings with individual Care Leavers alongside the YPA to better move them into employment as they come to

the end of their education. The aim will be to pick up ongoing support within the mainstream employment service offer, currently within Job Shops.

- 4.19 Where the Leaving Care Service is struggling to find appropriate provision or work-related learning opportunities for particular care leavers, their Young Person Adviser will attend the Council's Provider Forum, which brings together a wider range of VCS and private NEET and pre-NEET providers working within the borough. YPAs should also consult the Council's Provider Directory (available publicly) which lists current provision.
- 4.20 In 2015, Government pledged to create 3 million apprenticeships by 2020. Locally, the borough's activity survey from January 2017 demonstrated that only 65 (2.7%) young people who finished their GCSEs in the borough went on to begin an apprenticeship, below the London average. Bexley, for example, had 5.4% of their school leavers move into an apprenticeship.
- 4.21 The Council will need to have regard to a 2.3% apprenticeship start figure with the advent of the Apprenticeship Levy in April 2017, as well as developing a range of apprenticeships that match Local Labour Market forecasting. A care leaver who is NEET incurs additional spend for the Local Authority in tracking and support. However, it remains a challenge to fill apprenticeship vacancies, particularly from targeted groups, such as care leavers. Currently, £57.90 a week is given to care leavers to support independent living. For those undertaking an apprenticeship, this allowance is replaced with a £27.90 a week shopping allowance.
- 4.22 Despite being able to earn a wage, care leavers are often reluctant to take up apprenticeship opportunities because of the impact that may have on their allowance and other benefits, such as housing benefit. Recent analysis from the Learn 2 Live team demonstrated that a care leaver undertaking an apprenticeship may be left with a weekly surplus of disposable income of as little as £6.50.
- 4.23 The Council is to implement a transition grant to care leavers undertaking apprenticeships of £50 per week, rising to £70 per week for the second year of a two year programme. This will be incentivised with a proportion of the grant (e.g. 30%) held back and paid to the care leaver quarterly or on completion of the Apprenticeship. All apprentices will be assessed for literacy and numeracy skills and may need to undertake pre-apprenticeship training to bring them up to the required standard before providers will accept them on to a programme.
- 4.24 Further analysis is underway to establish the size of the current cohort, and levels of need. Cabinet Members who attended the January and March NEET workshops have provided policy direction in this area. Officers have set a target for 30% of council apprenticeships be taken up by care leavers. Funding is being secured for this, as an invest to save initiative, with a review to take place of the programme in two years' time.

### **Ringfencing apprenticeships for Care Leavers and SEND**

- 4.25 The introduction of the Apprenticeship Levy in April 2017 will see the Council's head count of Apprentices increase to roughly 80. To support the Council's aspiration of a 30% take up of apprenticeships by care leavers, introducing a policy for prioritisation for targeted groups in relation to apprenticeships.

- 4.26 Research was conducted with other London LAs to establish whether similar programmes to prioritise key target groups were in place. Responses varied, with some LAs offering no prioritisation beyond residents, some having introduced and then abandoned a policy due to lack of success (e.g. Lewisham), and others having a policy in place (e.g. Bromley and Redbridge).
- 4.27 The intention is not to introduce a fixed ringfence for apprenticeship posts (as this may leave some unfilled), but rather award extra points upon the application shortlisting stage to those from priority groups within the borough. At least one other London Borough already adopts this policy successfully.

### **Internships for under and post-graduate Care Leavers**

- 4.28 There is more the Council can do to support those specific care leavers that are attending university, for whom apprenticeships are less likely to be an option. Following a recent request from a graduating care leaver, the Group Manager for Law and Governance developed a paid work placement pilot within HR, paid at scale 3 for 3 days a week for 3 months, linked to an entry level job description. Whilst this pilot requires more formal evaluation, the opportunity exists to create a number of these opportunities. Similarly, the Council and its partners have a range of Summer job opportunities, which will provide important financial support for undergraduate care leavers.
- 4.29 17 care leavers are currently studying for graduate degrees. Therefore, should the Council offer placements to all, then up to 6-8 such internships a year would need to be formerly established across service blocks to meet the needs and interests of care leavers at university.
- 4.30 Costs for each internship will be met by each respective service block, and a needs analysis is underway to establish which care leavers that are graduating this year are interested in such an internship and the areas they are interested in.
- 4.31 2-3 month Summer jobs are available annually through Council services such as the Events Team, as well as key council partners such as Leisure Services and the National Citizens' Service. However, more is to be done to make these opportunities available to undergraduate care leavers, both by bringing them together in one place and targeting recruitment at this cohort through existing care leaver careers events. Additional work placement offers are also underway for undergraduate care leavers that wish to undertake work experience in specific areas.

### **Governance**

- 4.32 Governance for the local authority's work in reducing NEETs is led by the 14-19 Partnership (which includes schools and Barking and Dagenham College) and the NEET Board, which is Officer led. The Corporate Performance Group will also provide additional oversight to some of the specific programmes outlined above. Strategic regional meetings are held with prime contractors and delivery partners who deliver the ESF NEET Youth Programme, and Local Authorities, incorporating ten North and East London Boroughs.

## **5. Financial Issues**

Implications completed by: Katherine Heffernan, Group Manager for Service Finance

- 5.1 This report requests Cabinet to endorse the work to reduce NEET numbers. No additional resources are being requested as part of this work, but will be met from existing resources.
- 5.2 The 14-19 Youth service is a statutory service . The running cost of NEET activities is split across Education and Community Solutions and has been provided for in the 2017-18 General Fund budget of the Youth Services. The financial impact and funding arrangements for the implementation of a transition grant for Care Leavers undertaking an apprenticeship is still to be finalised and discussions are currently underway with Social Care.

## **6. Legal Issues**

Implications completed by: Lindsey Marks, Principal Solicitor Children's Safeguarding

- 6.1 Local Authorities have statutory duties to provide targeted support to vulnerable young people and those who are NEET. The report refers to the legislation governing these duties at paragraph 1 and to the guidance issued in 2014 that details what is required by them. The Education Act 1996 imposes general duties to ensure the provision of suitable education for children in the area of the Local Authority, including special education provision.

## **7. Other Issues**

### **7.1 Corporate Policy and Customer Impact**

- 7.1.1 Whilst more up to date data is needed, there are several estimates around the cost of NEETs to the public purse. According to a report by Impetus PEF (2014), a young person who experiences a period NEET will, on average, lose up to £50,000 in earnings over their working life when compared to a peer who doesn't experience a period NEET, with direct implications on government taxation revenues. Similarly, the Centre for Social Justice in 2014 estimated that one NEET cohort alone costs the taxpayer £13 billion in public finance costs over their lifetimes.
- 7.1.2 The costs of NEET tracking and support have reduced in the borough. Nevertheless, failure to prevent a young person becoming NEET can have serious financial consequences as they move into and through adulthood. It is also important to note that the highest risk factor in a young person becoming NEET, as having been previously NEET, as demonstrated below.

Figure 6: NEET risk factors.

Increased chances of being NEET	
Factor	Increase in chance of being NEET for six months or more
Being NEET at least once before	7.9 times more likely
Pregnancy or parenthood	2.8 times more likely
Supervision by youth offending team	2.6 times more likely
Fewer than three months post-16 education	2.3 times more likely
Disclosed substance abuse	2.1 times more likely
Responsibilities as a carer	2.0 times more likely

Source: Audit Commission, analysis of Connexions data from fieldwork areas (approximately 24,000 people). 2010

The Council must maintain its momentum on NEET reduction if it is to realise its vision to grow the borough, as well as some the specific aspirations set out in the borough manifesto.

- 7.2 **Crime and Disorder Issues** - Young people who are under supervision by a Youth Offending Team are 2.6 times more likely to be NEET. Similarly, being NEET increases the risks of young people offending. By accelerating NEET reduction, the council should see a positive impact on youth offending.

**Public Background Papers Used in the Preparation of the Report:** None

**List of appendices:**

**Appendix 1** – Provider Directory

**Appendix 2** – NEET Action Plan