

Breaking Barriers: Addressing Youth Unemployment in London



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1. Executive summary

This report provides an analysis of the youth unemployment landscape in London, highlighting the persistent rise in unemployment rates among 16-24 year olds, which remain above pre-pandemic levels. **Geographical disparities exacerbate the issue, with certain boroughs bearing a disproportionately higher burden of youth unemployment. Targeted interventions are needed, tailored to local needs.**

The intersectionality of factors such as ethnicity, disability, and health status compounds these challenges, underscoring systemic barriers that hinder equal access to employment opportunities for all young Londoners. For example, **young Black Londoners and individuals with disabilities face disproportionately higher rates of unemployment compared to their counterparts.** These disparities highlight the urgent need for inclusive policies and support systems that address systemic barriers and provide equal opportunities for all young Londoners.

The prevalence of ill health among young people, particularly mental health issues, has also increased significantly since the onset of the pandemic, contributing to economic inactivity among this group. **The report emphasises the crucial link between mental health and employment, highlighting the need for holistic support systems that address the mental and physical wellbeing of young Londoners.**

London government has committed to providing good work for the most vulnerable Londoners and to address inequalities through the [London Economic Framework](#) and [Building a Fairer City](#).

However, **the fragmented nature of employment services provision poses significant challenges** to meeting the variety of challenges outlined above. There are many bodies operating at the national, London, sub-regional, and borough levels which offer employment and skills services to young Londoners, but the lack of integration and collaboration among them hinders effective support. Significant gaps and challenges in youth employment persist and are exacerbated in this fragmented landscape, such as gaps in the data needed to identify and address the needs of disadvantaged young Londoners effectively.

Addressing youth unemployment in London requires a multifaceted approach that involves stakeholders at various levels working collaboratively to implement targeted interventions, prioritise mental health and wellbeing, and provide valued opportunities for education, employment, and training. By addressing systemic barriers, enhancing coordination, and investing in holistic support systems, London can work towards ensuring equal access to employment opportunities for all young individuals.

2. Recommendations

The report therefore makes the following recommendations:

Proposals in London's gift to deliver now

- London partners should collectively focus on tackling youth unemployment across the capital, including developing a clear plan on how to use data to identify those at risk early and provide a clear pathway for them to obtain good work. This will mean joining up both the range of fragmented provision and the many avenues in which stakeholders are already addressing this issue separately.
- Commissioners and service providers should work with young people in the co-design of universal provision, and be prepared to design specific provision meeting the needs of the most disadvantaged groups. This includes continuous evaluation by young people, so programmes can flex to remain attractive.
- London Councils should work internally to understand how it can help boroughs to improve the post-education transition, including better use of 'risk of NEET indicators'.
- The Department for Work and Pensions (DWP) should work with local partners on Job Centre Plus (JCP) Youth Hubs, including sharing data on who is accessing them, the suite of provision available, and how these can link-up with wider youth provision in the local area.
- As part of its current 'challenge areas' focus, DWP should make its local District Provision Tool available to London partners so they can input any additional youth employment, education and training opportunities available to young Londoners.
- London Councils, the GLA and other key London partners should lobby government for the continuation of and improvements to UKSPF People & Skills funding after it ends in 2025, including greater lead-in times, longer funding windows, fewer restrictions on the residents that can be supported, and more certainty throughout the whole process.

Proposals requiring further resourcing or external action

- London partners will need to consider what can be achieved to join up provision with current capacity, and what might need to be resourced by new funding streams. For example, Partnership for Young London have been awarded £40,000 over two years to facilitate greater coordination between youth services, 'making sure the sector is well-informed, skilled, and able to meet young people's needs'.
- First steps might include understanding how best to use this grant to identify where resource for joining up provision is most needed when it becomes available.
- Learning / methodologies from the sub-regional *No Wrong Door* integration hubs and the Young Foundation's report should be adapted to support practitioners to improve the awareness of each other's offer (including the Youth Offer).
- Pan-London resource to join the system up, just as the integration hubs do for other cohorts, should be made available (in either a successor fund to UKSPF, or elsewhere).
- London Councils, the GLA and other key London partners should continue to call for a fully devolved, 'local first' approach to all employment support services, where services are provided at the most feasibly local level, enabling join up with other local services, but scaling services where appropriate.
- DWP and Department for Education (DfE) should commit to publishing more frequent regional and borough data releases on youth unemployment and NEET respectively, and should share data on which young people national programmes are reaching.

3. The current landscape

Rising youth unemployment rates

Youth unemployment in London is consistently higher than pre-pandemic levels and steadily rising. For the three months ending in July 2023, the youth unemployment rate (16-24) in London increased from 14.1% to 15.5%. This is 3.2pp higher than the pre-pandemic unemployment rate and accounts for 64,253 young unemployed Londoners. By comparison, youth unemployment rates for the whole of the UK were 10.5% in Q1 2023.

When this pan-London rate is broken down by sub-region or borough, it reveals a need for a concerted local effort to address geographical inequalities.

Youth unemployment figures vary greatly by borough, with the most recent figures for youth unemployment by borough in London (November 2020) showing that the highest rates of unemployment for 18-24 year-olds are in Croydon (15.8%), Barking and Dagenham (15%) and Lewisham (14.5%), with the lowest rates in Westminster (6.3%) and Camden (6.2%).

A one-size-fits-all approach will not suffice.

The compounding effect of intersectionality on outcomes for young Londoners

These geographical inequalities are exacerbated when considering the protected characteristics that further disadvantage young Londoners. This compounding effect can scar a young person's chances and leave them fully excluded from the labour market. Young Black Londoners are twice as likely to be unemployed as their White counterparts.

ONS figures obtained by the Evening Standard show that 37.4% of Black Londoners aged 16-24 who are economically active are unemployed, compared to 17.5% of White and 20.6% of Indian, Pakistani and Bangladeshi youths. In London, the youth ethnic minority employment rate is 40.4%, compared to 49.9% for their White counterparts. Similarly, the London youth ethnic minority unemployment rate is 15.8%, compared to 12.8% for their White counterparts.



Disabled people in London are more than twice as likely to be unemployed, due to social exclusion, segregated educational settings and a lack of support. Research by the London Innovation and Improvement Alliance shows that approximately 66% of 19-24 year-olds without Learning Difficulties or Disabilities (LDD) progressed from education into employment, whereas for those with LDD it was 35%. Similarly, young people with LDD are half as likely to progress into an apprenticeship as those without LDD.

Taken with location within London, a young person's race and disability continues to negatively impact their employment prospects.

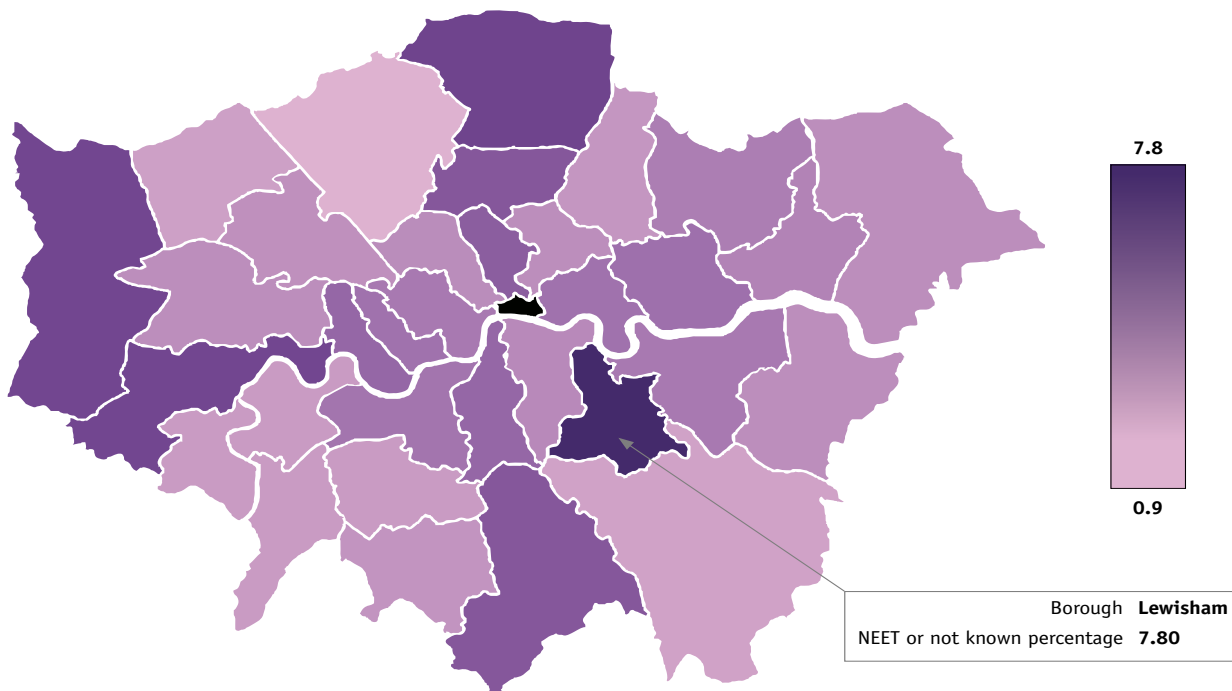
Currently, the negative effect of protected characteristics affects the full suite of young Londoners' education, employment and training (EET) outcomes, as they are cast away from the employment and skills system entirely and at risk of NEET. For example, the Learning & Work Institute (2022) estimates that 41% of care-experienced young people are NEET, around three times the rate of all young people. Other groups of young people at higher risk of becoming NEET include young women, certain ethnic groups, those with physical and mental ill health, those with lower qualification levels, and those who experience socio-economic disadvantage. There has also been significant stagnation in the youth NEET rate across the UK, which has been structurally above 10% for the past two decades. ONS data released in August 2023 estimate the proportion of 16-24 year-olds that are NEET to be 11.6%. In 2000 this proportion was 12.3%.



NEET rates are also significantly dependent on geographical inputs. London's NEET or 'Not known' 16-17 proportion in March 2023 is currently 3.4%, which accounts for 6,360 16-17 year olds. However, as can be seen in the below figure, boroughs vary greatly, with the largest proportions in Lewisham (7.8%) and Hillingdon (5.6%), compared to the lowest proportions in Bromley (1.6%), and Barnet (0.9%). The borough in which a young person is raised can have a profound difference on their outcomes, with additional barriers raised by a young person's social-economic status. The youth unemployment challenge is also hyper-local, with large variations within boroughs.

Data from LB Lewisham's recent work with the Youth Futures Foundation reveals that certain neighbourhoods have higher levels of disadvantage, which increases risk of NEET for young people. In its Downham ward, originally a White, working class neighbourhood, 2011 census data showed that 31% of Downham's population was under 19 (24% nationally), and 47% were from a Black or Minority Ethnic background. Young people here report feeling detached from the wider London economy, and have low educational outcomes and high rates of poverty. Deprivation is compounded by the lack of access to services that could improve opportunities. Any response to youth unemployment in London must face these challenges pragmatically, with a local-first approach.

Map 1: 16-17 NEET or not known percentage, London Boroughs, ONS, March 2023



Ill health's increased impact on young people

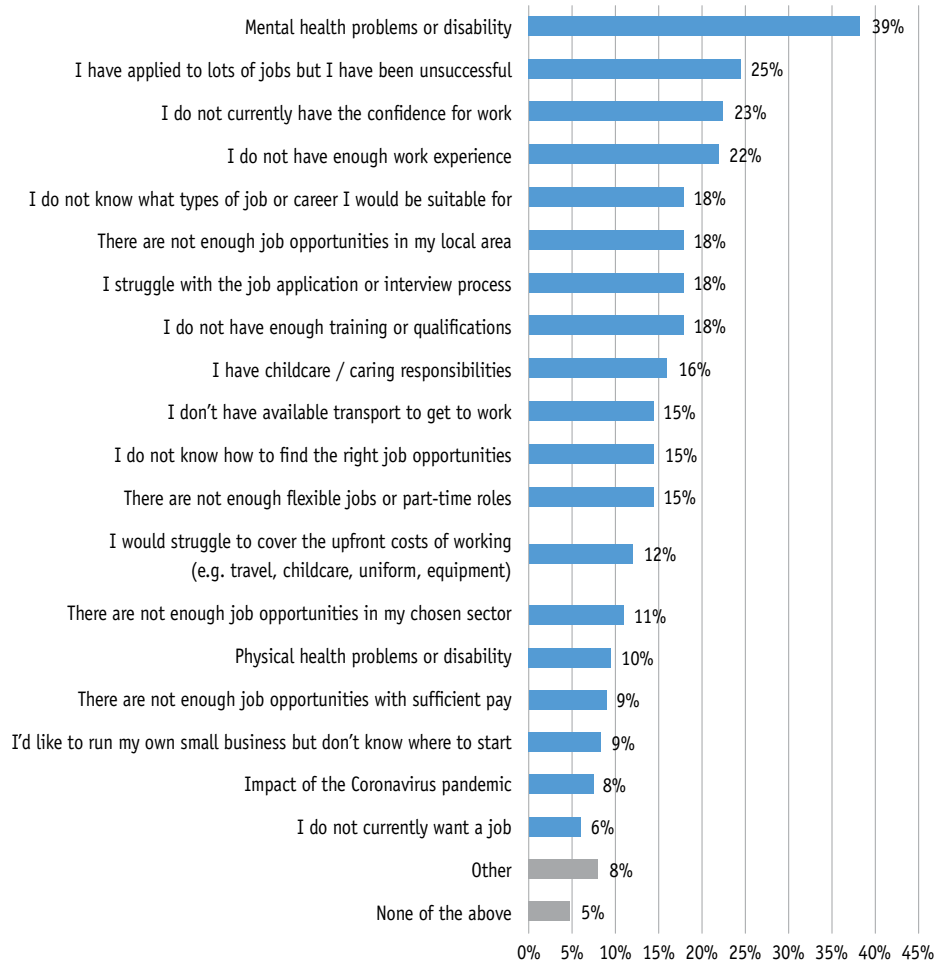
Issues of geography and socio-economic disadvantage continue to contribute to youth unemployment, just as they did pre-pandemic. The issue of poor mental and physical health, however, has risen rapidly since the pandemic and is a core cause for economic inactivity among young people. Where previous interventions surrounding youth employment may have overlooked this, it is paramount that this now occupies a prominent role in any response. Reported health conditions, both mental and physical, have increased for both NEET and the overall 16-24 population in the UK.

According to analysis of ONS Labour Force Survey figures, 25.6% of young people aged 16-24 who were NEET and inactive in October to December 2022 cited long-term or temporary sickness as the reason for their inactivity. Before the pandemic, 20.5% cited long-term or temporary sickness. Most economically inactive people in the UK cite ill health as their main barrier to work (42.3%). In London, while caring responsibilities (29.0%) is more commonly cited, ill health (25.9%) remains a significant cause of inactivity.¹

As can be seen in Figure 1, a survey conducted by Prince's Trust found the most common reason for young people who are NEET finding it difficult to get a job, and stay in that job, to be poor mental health. This ranks higher than traditional barriers to Employment, Education and Training (EET) opportunities, such as lack of work experience, suitable careers guidance or access to opportunities. The percentage of NEET young people reporting mental health conditions has almost tripled from 7.7% in 2012 to 21.3% in 2021², demonstrating the increased prevalence of this problem.

And one in four NEET young people say they would like to work but are unable to due to their poor mental health³, highlighting the extra attention that London must pay to this when devising proposals around youth employment.

Figure 1: Reasons for difficulty finding a job/not currently looking for work by % of NEET young people



Base: 200

4. Youth voice: What do young people want?

Recent surveys of youth voice in the UK and London confirm the strong negative link between mental health and employment. They also emphasise young people’s desire for an improved suite of opportunities for EET. Across the UK, 34% of young people said worrying about money has made their mental health worse. This rises to 39% among NEET young people, and 45% among those from poorer backgrounds⁷. 26% of young people feel like they are going to fail in life, rising to 35% among NEET young people, and 36% among poorer backgrounds, and 64% of young people say a good quality, stable job would improve their mental health.

In London, 42.7% of polled young people wanted better employment services⁸. Improved employment opportunities ranked fourth in importance to young people in London, behind mental and physical health, cost of living, and housing. ‘Good employment and opportunities to succeed’ was ranked third in importance to having a happy life, behind being healthy and feeling financially secure, which themselves are intrinsically linked to good employment opportunities.

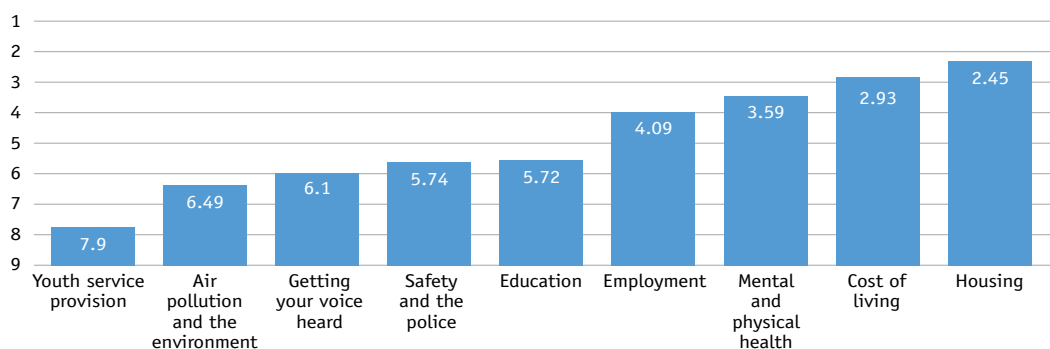
Young people in London seem to have not fully enjoyed the potential benefits of youth services, possibly revealing that they are not working as they should in their current form; youth services were ranked lowly in importance.

However, young Black people were half as likely to rank youth service provision lowly compared to White young people, which suggests that they are an important vehicle in attracting more disadvantaged groups. In one survey, Young Black, Black African, Black British and Caribbean Londoners were over three times more likely to say they did not feel welcome in their secondary school, suggesting that this cohort may prefer to explore future ambitions outside of school with trusted adults such as youth workers⁹.

“Youth services funding has dropped what, like 400%? I don’t think we’ve really experienced the benefits of youth services to understand them.” “There are no youth clubs in my area to go to.”

London also faces a unique challenge around the negative perceptions of apprenticeships. Anecdotally, the perceived difference in the social offer between universities and apprenticeships remains a barrier, as well as the relatively low esteem in which students, parents and teachers hold apprenticeships.

Figure 2: Rank the following issues by which are most important to you, with 1 being the most important and 9 being the least important



“Youth services funding has dropped what, like 400%? I don’t think we’ve really experienced the benefits of youth services to understand them...There are no youth clubs in my area to go to”



5. What is being done?

National, pan-London, sub regional and borough partners all currently provide employment and skills services to young Londoners. The employment and skills system is fragmented, and youth services are no exception to this.

Current mainstream national youth provision in London includes Careers Hubs, National Careers Service, Youth Hubs, the Youth Offer and local employment advisors in JCPs. Their impact is varied and, despite the announcement of the expansion of the Youth Offer¹³ to those on Universal Credit (UC) who are not currently looking for work (such as young parents and carers), a large chunk of the young inactive population remain uncatered for or unaware of the full suite of services on offer.

London Jobcentre Plus has recently¹⁴ identified 10 boroughs as ‘challenge’ areas, with bespoke actions to support young people from ethnic minority backgrounds into employment. These include running listening forums, ensuring compliance with the Youth Offer, targeted jobs fairs, reassessing work with schools advisors, and establishing Youth Hubs in boroughs where there is not already one¹⁵.

Across London, there are 12 JCP-led Youth Hubs¹⁶, alongside independent Youth Hubs established by boroughs. JCP Youth Hubs were introduced by the government as part of the 2020 Plan for Jobs. They are physical spaces, shared by partners including colleges, charities, training providers and local councils, with a range of support to help young people access local training and job opportunities, as well as a range of services to address wellbeing needs. Anecdotal evidence suggests that they work well as a ‘one-stop shop’ for young people (see West Thames College’s JCP Youth Hub pilot¹⁷),

and Lambeth’s (independent borough-led) Youth Hubs reported solid outcomes in their first year (291 registrants, of which 26 progressed into an EET outcome, and 51 progressed into employment)¹⁸. 88% of boroughs provide local employment support services, and, of these, 43% work with DWP Youth Hubs. Looking ahead, JCP’s renewed activity in this space needs to be plugged into existing borough and other local services to maximise investment. This includes transferring learning and best practice from other youth initiatives in London that are experiencing success.

Boroughs also deliver youth provision beyond their statutory duties. Despite looming funding challenges, innovative ways of providing place based solutions to youth employment are in development; For example, LBs Brent and Lewisham are working with the Youth Futures Foundation to develop youth-led solutions to local barriers into employment, both with emphasis on partnership working within different council departments and with stakeholders in the wider community¹⁹.

Some Sub Regional Partnerships²⁰ (SRPs) are focused on joining up youth provision via the *No Wrong Door* programme. For the West London Alliance, this involved creating an online platform for providers to add their youth provision offers²¹ in one place. Young people / those working with young people are then able to use this to find a suite of provision available to them locally. Local London has undertaken listening exercises with its youth advisers to ascertain best practice and local training gaps, and who their local customer is (what their day-to-day needs are, and the challenges presented in meeting these needs). It will now seek to tailor provision to be uniquely accessible to young people in the local area and has begun delivering disability training across council divisions off the back of these learnings.

Via UKSPF, GLA opened bidding²² to award contracts for programmes to support NEET youth in London. Conscious of the end of ESFA and ESF funding streams, UKSPF will be used to award a general NEET contract to cover each sub region and ensure there is a consistent and accessible provision for young people who are NEET, regardless of postcodes.

Additionally, GLA opened bidding for targeted programmes which meet the needs of young people who are marginalised and face multiple complex barriers to achieving outcomes. The focus and structure of these programmes has been informed by consultation activities with young people and stakeholders in a youth-led co-design and bid review process.

Other major providers of youth provision in London include Shaw Trust and Prince's Trust. The majority of their programmes are funded or part-funded by ESF, which will come to an end at the end of 2023 with no direct funding replacement lined up. GLA estimates the total value of ESF youth provision between 2019 – 2023 to be £71.3m. With a programme's duration often spanning those three years, this is equal to £23.76m per year. UKSPF funding for NEET young people is less than half this, at £10m.

Some core challenges for current provision lie in the initial design



6. Challenges

Core challenges for current provision

Some core challenges for current provision lie in the initial design. There is a lack of collaboration and integration between agencies both locally and nationally, partly due to programme design (specific cohorts, agencies with different targets and short term funding).

A systems approach, with employment strongly linked to careers education, mentoring, and mental health services, is required. Existing forums between stakeholders in London (JCP, SRPs, and GLA) can be re-configured towards this, with themed meetings and accompanying task & finish groups assigned to tackling basic integration of fragmented youth provision.

Young people's core needs are often not considered in the design phase, which can lead to programmes which do not appeal to them. A recent survey conducted by the Employment Related Services Association (ERSA) demonstrates this discrepancy; whilst mental health was reported by young people as their biggest barrier to accessing EET, only 49% of respondent employability organisations reported providing some form of mental health support. Only one respondent reported providing a peer mentoring service – for care-experienced young people, this is considered priority provision.²³

Just as the GLA has worked with young people in the co-design of recent programmes, commissioners and service providers must adopt this approach to ensure programmes remain attractive. Disengagement can also occur when programmes are based in schools, colleges, libraries, or other institutions where young people may have had negative experiences, when staff do not build relationships with them, or when

programme design hasn't taken due account of wider family circumstances around benefits.

The funding dropoff at the end of 2023 will significantly reduce the amount of employment and skills support for young Londoners. UKSPF will attempt to fill certain gaps left behind by ESF. However it is a much smaller funding pot, and borough, centrally funded programmes, Prince's Trust, and GLA services will be much reduced. It will be vital to join up any remaining provision, so its benefit is maximised. Local partners will be key in this join up, and devolving as much flexibility to them as possible will ensure this is done in the most efficient manner.

In the longer-term, London must prioritise integrated investment in youth employment with any successive funding pots, not only to begin replacing the vast reduction in resources, but also to guarantee that this investment is linked into the existing landscape. Shortcomings associated with UKSPF People & Skills funding have revealed lessons for future investment, including underlining the importance of greater lead-in times, longer funding windows, and with more certainty across the whole process.

Ultimately, UKSPF should be included in a single, multi-year settlement devolved to London, with a 'local first' approach to all employment support services. Here, services are provided at the most feasibly local level, enabling join up with other local services and maximising the benefit of new and existing youth provision, while scaling up across boroughs where appropriate.

Additional data challenges

A key challenge in identifying who and where the most disadvantaged young people are in London is that data on youth unemployment and NEET young people is not reliable or granular enough at a regional and borough level, particularly at key transition points. Data releases are sporadic and are quickly out-of-date, meaning boroughs and local providers often struggle to point to these as evidence when designing provision. Similarly, data on young people with SEND on their destinations after progression from Key Stage 5 is not disaggregated by region or SEND status²⁴, meaning local authorities are unable to easily develop insights and actions to tackle unemployment among another disadvantaged cohort.

An additional data gap is the lack of real time analysis from DWP on who the main programmes are reaching and what the gaps are. Data obtained from Ingeus, a provider of the Restart programme²⁵, shows that many young people had joined the programme following the end of the Kickstart scheme²⁶ in 2022 (1.55% of the Restart caseload were ages 18-23 in March 2022, compared to 5.2% in March 2023, signifying that 7% of joiners on the scheme in the past 12 months had been from this cohort). However, due to Restart requirements of being on UC for 9+ months before being eligible, it is uncertain where young people might have turned to during this provision vacuum.

The national [DWP District Provision](#) Tool shows there to be very little youth provision locally in London²⁷, yet this is not the case. London Councils' 2022/23 Borough Employment and Skills Services Survey reveals that just under half of boroughs (43%) are working with Youth

Hubs and case studies demonstrate that boroughs are in fact developing and maintaining youth provision across London. Some boroughs also stated that one of their priorities for supporting residents would be to better coordinate and understand the 18-25 funding landscape across agencies, with a view to developing more provision locally. A recent DWP evaluation of the Youth Employment Initiative highlights use of local data and knowledge consistently underpinning effectiveness and impact²⁸. Equipping local authorities and other key partners in London with this additional data in a timely manner is a key component for tackling increasing youth unemployment in the capital.

Data gaps then arise in three key areas; identification of at-risk young people, identification of where provision for these young people lies in London, and identification of who this provision is reaching. We need data to develop a shared understanding of these issues across London government, DWP and DfE and other key partners.

7. Steps already taken

Steps already taken by London Councils to address the issue

London Councils and partners have already taken a number of steps to improve current youth employment provision. Via the Strategic Engagement Forum, which convenes London partners and DWP, workshops have been carried out to understand what challenges arise for youth provision in London, and what is within our gift to solve. While the discussion within the SEF has changed focus, its learnings have been useful and can be taken away to inform next steps.

Looking more widely, London Councils' work on young and diverse apprenticeships is seeking to address the year-on-year decrease in the number of under 25s starting apprenticeships in the boroughs. This has included a roundtable with young people on their perceptions of apprenticeships, London local government, employment, and the suite of youth provision currently available; and a renewed campaign around lobbying asks on apprenticeships, including allowing levy to pay for pre-apprenticeship support and wages for priority groups (an important measure in strengthening support in transition points).

The London Innovation and Improvement Alliance²⁹ is exploring the suite of provision available to care leavers, with a view to improving routes into further and higher education, apprenticeships, and employment, and developing asks of the government to support this. A separate commission is underway to evaluate the range of EET support available for young people with SEND and those with Education, Health and Care plans up to 25 years old.

This will allow us to better understand how this specialised provision might interact with mainstream support for young Londoners. WLA is using UKSPF to introduce an innovative programme providing an Individual Placement and Support³⁰ service focused on people and their carers known to Adult Social Service or people with a SEND assessment using FE.

London Councils is also working on a New Deal for Young People, beginning with a mapping of services for 11-18 year-olds in the boroughs. Included in this work are insights on how boroughs' services impact youth employment or training outcomes, with a focus on NEET young people. Many Integrated Care Systems point to cross-collaboration with youth services, but this is not universal across all boroughs, and it is clear that further work is needed to bridge the gap between school and employment, especially for those with complex barriers.

8. What is still left to do?

There remains a large piece of work on integrating employers into provision. Confidence building and work experience are identified by young people as key support required to improve their outcomes. The more times a young person encounters employers during secondary education, the less likely they are to become NEET. Finally, if the most disadvantaged schools were to meet all eight of the Gatsby Benchmarks (the Gatsby Benchmarks are a framework for school leaders, headteachers, and careers advisors to assess the development of their pupils in employability skills), they would see an average increase of 31% in the chances that their pupil secure a sustainable EET outcome.

Evidence shows that strengthened links between employers and education can be fostered by local authorities, who can help employers progressively develop the understanding and resources to support disadvantaged young people into work³¹, and that local employers can provide the most valuable work experience for young people³². This is echoed in the recommendations of the London LSIP report, which calls for hubs to support SMEs navigating the employment and skills system in a 'one-stop shop' model.

Anecdotally, relationships with employers are often held between individuals, putting them at risk when officers move on – more formal structures for employer engagement would remedy this. For example, London partners are developing an employer compact as part of wider devolution proposals to the capital, whereby employers contribute more to the labour market (e.g. with commitments to more work experience for young people, inclusive recruitment, and deeper involvement with careers support).

In return, London would commit to simplifying the system for employers and significantly reducing multiple approaches to employers from providers.

Careers Hubs³³ work with SMEs and micro businesses in their subregions, and ensure that any new employer initiatives include opportunities for meaningful encounters with young people, both as a solution for employers and a key tool in improving outcomes for young people. The recent update to the Provider Access Legislation³⁴, which mandates that schools must provide at least six encounters with approved providers of apprenticeships and technical education, represents a new opportunity for Careers Hubs to engage with schools and business alike.

We should be making it easier for employers to learn how best to support young people into Good Work, by bringing together the asks of them such as the Good Work Standard, My Covenant (for care experienced people) and anchor institutions work in one place, alongside practical guidance on how they can support local schools with work and more informal opportunities.

More flexibility and greater integration is required across different youth employment and skills programmes in order to best serve those at key transition points and beyond. There is little evidence about how to best support students when moving into post-16 learning transition points. Yet learnings from a pilot, published in January 2023³⁵, show that deep partnerships between stakeholders, which ensure joined-up interventions and warm handovers, and increased information sharing and understanding of protocols, can strengthen provision at transition points.

Local authority reflections on improving outcomes for care-experienced young people often refer back to increased flexibility of provision; extending inductions where needed, working with employers to understand where extra support can be given and offering sign-ups at a young person's home or other address so they don't need to travel to an area they perceive as unsafe³⁶. This can only be achieved when employment, health and wraparound services are brought together and integrated.

London Councils should look to facilitate further integration of the youth employment system, linking schools and healthcare with employment, and thereby strengthening post-16 transition points. In the long-term, this needs to be accompanied by lobbying for increased devolution of employment provision to local areas, allowing them to incorporate more flexibility and deeper partnerships.

Finally, there is a clear indication that the current youth provision landscape in London is too disjointed and hard to navigate for young people who would like to engage with it. Reflections on improving outcomes for young people highlighted the importance of a dedicated coordinator of all provision (the example cited here refers to a person as a single point of contact for the young person), and of identifying and sweating local partners to widen the youth offer.

With 12 JCP Youth Hubs already established across London, these may provide useful bases for a 'Hub and Spoke' model for coordination of youth provision, however, this requires engagement with, and cooperation from, DWP. While evidence shows that Youth Hubs seem to be working well, youth offers which look different to compulsory education, with 'cultural or financial magnets', are crucial to engage with the hardest to reach young people. Youth Hubs cannot be the only solution to youth inactivity, yet should provide important coordinator functions to signpost for under resourced but effective VCS providers.

9. Proposals

Proposals to improve youth employment outcomes in London

Addressing youth unemployment in London demands a strategic, long-term approach involving diverse stakeholders. London requires a systems-based approach, whereby key partners take action as part of a post-16 local vision and strategy, tackling a two-system education landscape in favour of a lifelong learning approach. Focus must extend beyond general youth unemployment to specific groups facing significant disadvantage, such as those with SEND, BAME, or economically deprived backgrounds. Engaging not only London partners like GLA, London Councils, Sub-Regional Partnerships, and boroughs, but also central government departments, providers, and other commissioners is essential.

Amid challenging funding constraints and escalating unemployment rates, particularly affecting intersectional backgrounds, stakeholders must prioritise co-designing services with young Londoners and addressing the surge in poor mental health.

To maximise impact, these proposals target the current system's fragmentation, emphasising the need for open data sharing and learning from best practices. A refreshed focus includes ambitious suggestions to build on the success of the No Wrong Door programme in London, enhance the successor of UKSPF, and establish a fully devolved employment and skills system in London.



Proposals in London's gift to deliver now

- London partners should collectively focus on tackling youth unemployment across the capital, including developing a clear plan on how to use data to identify those at risk early and provide a clear pathway for them to obtain good work. This will mean joining up both the range of fragmented provision and the many avenues through which stakeholders are already addressing this issue separately.
- Commissioners and service providers should work with young people in the co-design of universal provision, and be prepared to design specific provision meeting the needs of the most disadvantaged groups. This includes continuous evaluation by young people so programmes can flex to remain attractive.
 - London partners can share their best practice (e.g. GLA, Youth Futures Foundation, Partnership for Young London) as a useful first step.
 - Providers in London should also be invited to share best practice and be part of the co-design processes, as the actors who have been offering youth provision for decades, across multiple funding models and eras of provision.
- London Councils should work internally to understand how it can help boroughs to improve the post-education transition, including better use of 'risk of NEET indicators'.
 - An initial exploration should involve discussions with the London Office of Technology and Innovation on what data is available to boroughs and how we can use it better.
 - This should also include best practice sessions from boroughs that have their youth services (11-18) linked to youth employment provision, which can then be shared with other boroughs.
 - This will lead to the development of more sophisticated joint lobbying asks around increased linkage between health, children's services and employment.
- DWP should work with local partners on JCP Youth Hubs, including sharing data on who is accessing them, the suite of provision available, and how these can link-up with wider youth provision in the local area.
 - With DWP's renewed 'challenge areas' focus, there is a timely opportunity to share best practice from youth provision in London to maximise this investment. DWP should also pilot increased data sharing with partners in these challenge areas.
 - The VCS community is able to provide unique intelligence and should be engaged to co-create sustainable employment support services.

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- As part of its current ‘challenge areas’ focus, DWP should make its local District Provision Tool available to London partners so they may input any additional youth employment, education and training opportunities available to young people in London.
 - This existing resource has the potential to be more useful. London Councils can assist in directing DWP to the correct partners to fill this out. A workshop held in October 2023 began this process and it should be ongoing.

 - London Councils, the GLA and other key London partners should lobby government for improved conditions for the successor of UKSPF People & Skills funding, including greater lead-in times, longer funding windows, fewer restrictions on the residents that can be supported, and more certainty throughout the whole process. This will form part of wider asks around employment and skills.
 - UK government should continue UKSPF beyond 2025 prior to any Spending Review, to guard against lack of provision or capacity, given that current UKSPF funding ends in March 2025.
 - It should also continue to fund UKSPF at the levels for 2024-25 (when it matched the ESIF allocations), adjusted for inflation.
 - UKSPF funding should be incorporated into a single settlement with London government, with accompanying flexible governance and delivery arrangements to allow local areas to maximise its use for specific cohorts and programmes.

Proposals requiring further resourcing or external action

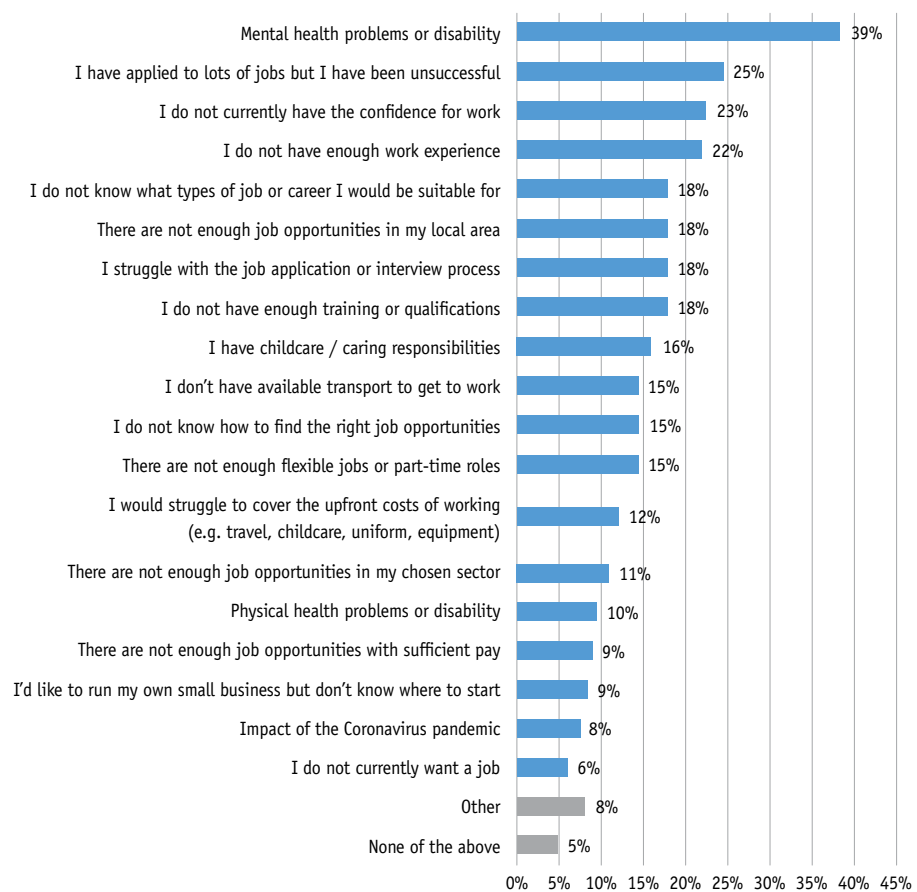
- London partners will need to consider what can be achieved to join up provision with current capacity, and what might need to be resourced by new funding streams. For example, Partnership for Young London have been awarded £40,000 over two years to facilitate greater coordination between youth services, 'making sure the sector is well-informed, skilled, and able to meet young people's needs'³⁷. First steps might include understanding how best to use this grant to identify where resource for joining up provision is most needed when it becomes available.
- Learning / methodologies from the sub-regional *No Wrong Door* integration hubs and the Young Foundation's report should be adapted to create mechanisms for practitioners to improve the awareness of each other's offer (including the Youth Offer).
 - Mapping might be the logical first step, but as the landscape is always changing, this may not be feasible.
- Pan-London resource to join the system up, just as the integration hubs do for other cohorts, should be made available (in either a successor fund to UKSPF or elsewhere).
 - This may still take the form of sub-regional youth networks with sub-regional coordinators, allowing for a more joined-up approach to local resourcing, opportunities, bidding etc. This allows for building of trusted relationships between different agencies and boroughs.
 - GLA to bring different Good Work initiatives and examples of inclusive workplace practice together at a pan-London level.
 - Further development of these networks may include Employer Representative Bodies and Employer Hubs, who can coordinate information to be disseminated and bringing employers closer to the youth employment landscape. Via UKSPF, London & Partners will be developing a 'single front door' for business support. In its development, information on the range of employment and skills offers available to SMEs should be incorporated. This will also build on the recommendations of the London LSIP to build a 'London Recruitment & Skills Support Hub' to help employers navigate the employment and skills system in London.

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- London Councils, the GLA and other key London partners should continue to call for a fully devolved, 'local first' approach to all employment support services, where services are provided at the most feasibly local level, enabling join up with other local services, but scaling services where appropriate.
 - A fully joined-up system, which includes the careers service and 16-18 skills provision alongside youth employment provision, can only be properly realised at a local level. Local actors will develop gateways into careers, employment and skills provision.
 - For the above networks and proposals to work best, fully devolved services are essential.
 - Moving towards longer term funding and stability allows for programmes that are more flexible in terms of cohorts and give providers more time to engage with young people who may not be ready to engage, in spaces that they trust.
 - This also allows providers to better flex to accommodate young people's concerns over additional costs to work and benefits, for example.
 - DWP and DfE should commit to publishing more frequent regional and borough data releases on youth unemployment and NEET respectively.
 - DWP should share data on which young people national programmes are reaching.
 - These asks allow local partners to better prevent young people from becoming unemployed, and identify which young people are not engaging with current provision, before designing new opportunities or methods of engagement.
 - This includes encouraging DWP to share data on those visiting London Youth Hubs, and which Youth Hubs are JCP-led, which are partnerships, and which are independently run by boroughs.

10. Appendix

i) Prince's Trust, July 2022 – Reasons for difficulty finding a job/not currently looking for work by percentage of NEET young people

Figure 1: Reasons for difficulty finding a job/not currently looking for work by percentage of NEET young people



Base: 200

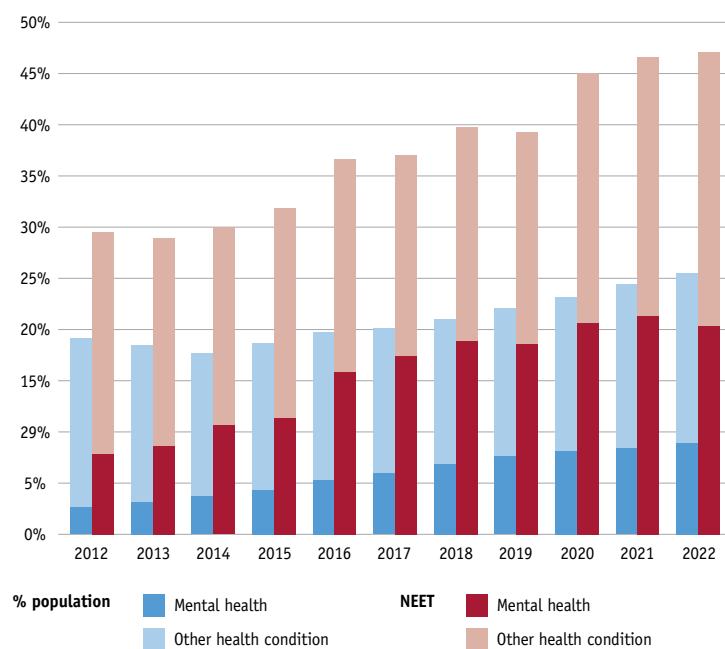
i) Mental Health Conditions and NEET 2021-2022

Table 6: 'NEET Primary Health Condition Estimates from the APS' for Mental health condition and Non-mental health condition in England between 2021 and 2022

	Percentage of 16-24 year olds		Percentage of NEET 16-24 year olds	
	Mental health condition	Non-mental health condition	Mental health condition	Non-mental health condition
2021	8.3%	16.2%	21.3%	25.4%
2022	8.6%	17.0%	20.3%	26.9%

ii) Prince's Trust, July 2022 – Support to meet employment and career aspirations

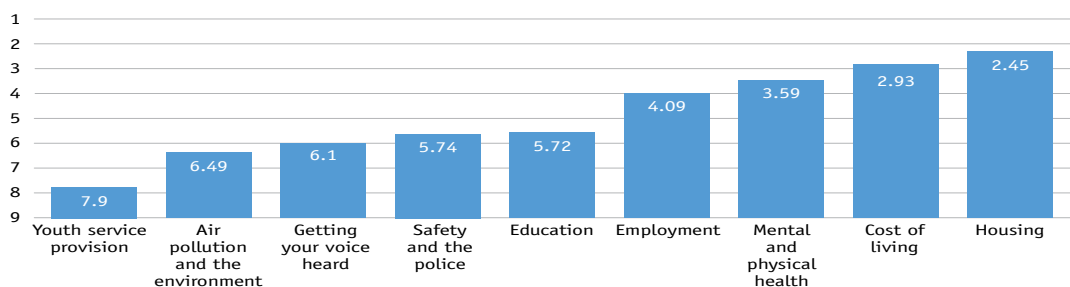
APS analysis: Reported health conditions have increased for both NEET and the overall 16-24 population, in particular mental health conditions have seen the largest increase (table 6)



Source APS

i) Trust for London, March 2023

Figure 2: Rank the following issues by which are most important to you, with 1 being the most important, and 9 being the least important



ii) DWP Youth Offer (accurate January 2024)

- All JCPs have youth employment specialist advisers
- Apprenticeships and traineeships – JCP could do more link to providers offering these
- Work experience
- Sector Based Work Academy Programme
- Mentoring Circles - Youth Theatre; Sky etc – to explore what it’s like to work in different sectors
- Flexible Support Fund – funding gaps in some of the mainstream provision
- 12 Youth Hubs across London which are co-located and co-delivered in libraries, colleges; etc. Take a one-stop shop approach including debt and money management; Youth Employability Coaches and bringing in mental health services.

Endnotes

- 1 Source [here](#)
- 2 Source [here](#)
- 3 Source [here](#)
- 4 Source [here](#)
- 5 Source [here](#)
- 6 Source [here](#)
- 7 Source [here](#)
- 8 Source [here](#)
- 9 Source [here](#)
- 10 Source [here](#)
- 11 Source [here](#)
- 12 Source [here](#)
- 13 Spring Budget 2023
- 14 September 2023
- 15 These 10 challenge areas are: Brent, Ealing, Croydon, Haringey, Lambeth, Lewisham, Newham, Southwark, Tower Hamlets and Westminster. Of these Brent, Ealing, Croydon, Lambeth, Newham, Southwark and Tower Hamlets do not currently have a Youth Hub
- 16 Source: Information attained via the London Strategic Engagement Forum (December 2022)
- 17 Source [here](#)
- 18 Source [here](#)
- 19 Source [here](#)
- 20 Sub Regional Partnerships play a key role in supporting the delivery of inclusive growth in the capital by bringing together groupings of boroughs on a range of issues. London's size and diversity means subregional partnerships bridge the space between boroughs and regional government, with SRPs often described as where the 'top down' and the 'bottom up' meet
- 21 Accessible [here](#)
- 22 Accessible [here](#)
- 23 Source [here](#)
- 24 Source: Research carried out by the London Innovation and Improvement Alliance
- 25 As part of the UK government's Plan for Jobs, the Restart Scheme gives Universal Credit claimants who have been out of work for at least 9 months enhanced support to find jobs in their local area. The scheme provides up to 12 months of tailored support for each participant. The scheme comes to an end in 2025
- 26 Also a part of the UK government's Plan for Jobs, the Kickstart scheme allowed employers to receive funding to create new six-month job placements for young people. The scheme was aimed at 16 to 24-year olds currently on Universal Credit and at risk of long-term unemployment. They were able to access a six-month paid placement for a minimum 25 hours a week. The programme came to an end in 2022
- 27 The tool that is available online is a snapshot in time from December 2022. DWP colleagues have advised that their local Provision Tool is much richer and constantly updated. This should be made available to London partners for input on any missing provision
- 28 Source [here](#)
- 29 The London Innovation and Improvement Alliance facilitates collaboration that benefits children and young people by tackling agreed London-wide priorities that are set through the Association of London Directors of Children's Services. Hosted by London Councils, LIIA is the capital's Regional Improvement and Innovation Alliance (RIIA) and works with Department for Education, the Local Government Association (LGA), the Society of Local Authority Chief Executives (SOLACE) and the eight other RIIA across the country to promote learning, facilitate collaboration, enable governance, leverage investment and share best practice solutions for mutual benefit
- 30 Individual Placement and Support (IPS) offers intensive, individually tailored support to help people to choose and find the right job, with ongoing support for the employer and employee to help ensure the person keeps their job. It was originally developed for people experiencing mental health and addiction issues. The approach is now increasingly being implemented in a range of settings including supporting veterans, people with physical health issues and prison leavers
- 31 Source [here](#)
- 32 Source [here](#)
- 33 A Careers Hub is a group of secondary schools, FE colleges, Alternative Provision and Special Schools in a dedicated area that work together to deliver high quality careers education for all students. Collaborating with employers, the public, education and voluntary sectors, they help deliver the [Gatsby Benchmarks](#) and improve careers outcomes for young people. In London there are four careers hubs, one each in each subregion
- 34 Source [here](#)
- 35 Source [here](#)
- 36 Source [here](#)

