

THE WELL-BEING OF YOUNG PEOPLE

SKILLS AND EMPLOYABILITY



WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU

SEPTEMBER 2019

CONTENTS

About this report	3
A picture of skills and employability	5
What is the Welsh Government trying to achieve?	7
Who else is involved?	8
How much is being spent?	9
Opportunities for improvement	10

Wales Audit Office
24 Cathedral Road
Cardiff CF11 9LJ

Tel: 029 2032 0500
Fax: 029 2032 0600
Textphone: 029 2032 0660
We welcome telephone calls in
Welsh and English.

E-mail: info@audit.wales
Website: www.audit.wales

This report has been prepared
for presentation to the National
Assembly under the Government
of Wales Act 1998.

The Wales Audit Office study
team comprised Mark Jeffs, Rachel
Harries, and Verity Winn under the
direction of Matthew Mortlock.

ABOUT THIS REPORT

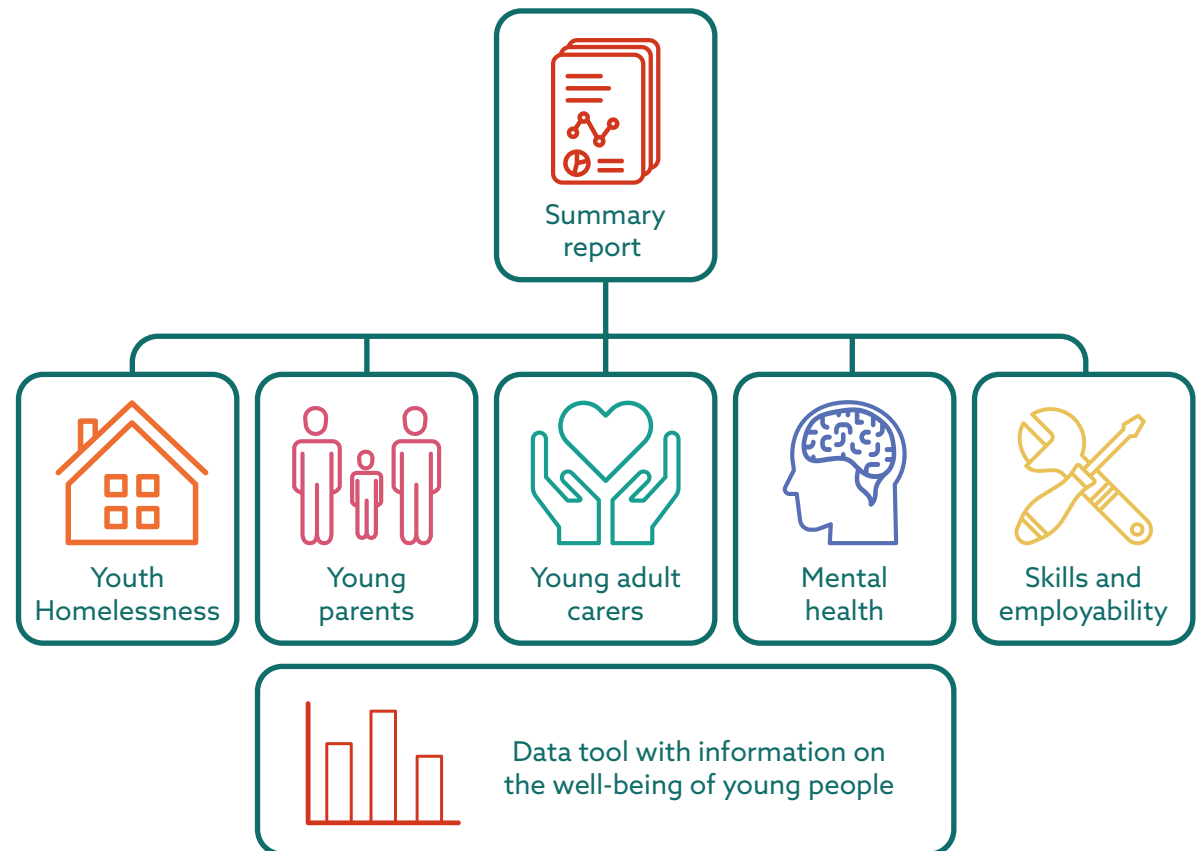
About our wider work on the well-being of young people

Joint-working

We have been working with other organisations to examine a common theme of 'Youth'. The education inspectorate Estyn published its report on **youth support services** in July 2018. Healthcare Inspectorate Wales published its **review of healthcare services for young people** in March 2019. Care Inspectorate Wales published its **report on care experienced by children and young people** in June 2019.

Our work

We looked at the Welsh Government's work to support the well-being of young people in Wales. Well-being is a broad concept, so we have focussed our work on five topics: youth homelessness; young adult carers; young parents; mental health; and skills and employability. We are publishing seven products based on our work, including this report. The diagram provides a link to each product.



About this report on skills and employability

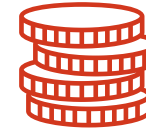
We looked at skills and employability because improving skills is a priority for the Welsh Government. With the right skills, young people are more likely to get secure and rewarding employment.

This report is not a comprehensive audit of skills and employability services for young people. We focus on how the Welsh Government improves young people's skills and chances of finding work. We focussed on young people aged 16 to 24. We give our observations based on interviews with Welsh Government officials, organisations working with young people and research evidence and statistics. The diagram provides an overview of this report and you can use it to move to the different sections that explain what we found.



A picture of skills and employability

The number of young people who are not in education, employment or training (NEET) is reducing. Some young people are pessimistic about their opportunities.



How much is being spent?

It is not entirely clear how much is being spent on skills and employability for all ages or young people in particular.



Who else is involved

Lots of organisations have a role to play in supporting young people to improve their skills and chances of employment.



What is the Welsh Government trying to achieve

The general aim is improving skills to improve the economy. This is underpinned by several plans and strategies.



Opportunities for improvement in the Welsh Government's approach

The Welsh Government could be clearer on its approach for the wider population who are not NEET.

A PICTURE OF SKILLS AND EMPLOYABILITY

In 2017, there were just over 350,000 16 to 24 year olds.

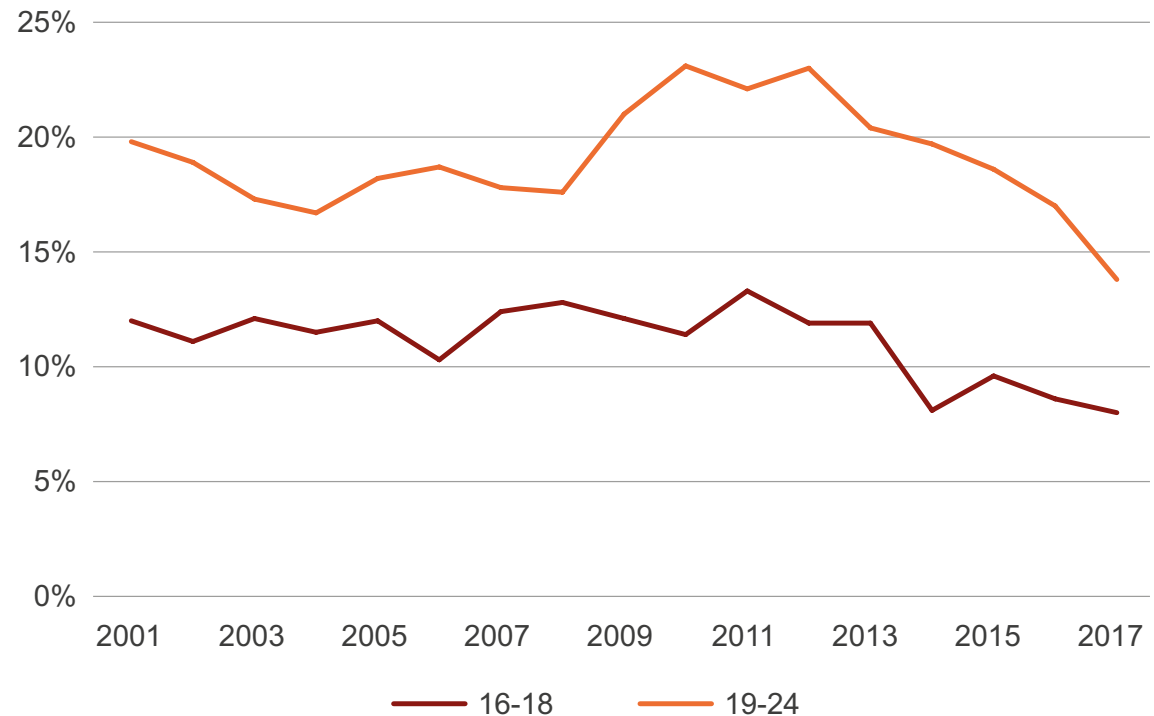
- 40% of 16 to 24 year olds were in full-time education. Almost a third of these people were also working full or part time.
- 3% were in part-time education. Around two-thirds of these people were also working full or part time.
- 7% were training. Most were also working full or part time.
- 50% were not doing any kind of learning activity. Almost three-quarters were working full or part time.

12% of 16 to 24 year olds were NEETs (41,800 people).

[Click here to see an interactive version of the data¹. Our data tool](#) gives more information about young people in relation to skills and employability.

The chart below shows that the percentage of 16-18 year olds who are NEET has fallen since 2001. The percentage of 19-24 year olds who are NEET increased from 2008-2010 and then fell sharply from 2012 onwards.

Percentage of young people who are NEET



Source: [Welsh Government statistical bulletin](#), January 2019.

FOOTNOTES

- 1 Data in this report may differ slightly from our data tool which includes live data updates.

Our 2014 report on NEETs described research saying that 16 to 18 year olds NEETs fall into three groups:

- about 40% of NEETs are 'core' NEETs. These young people may have been out of education, employment or training for a long time and need help to re-engage.
- another 40% are 'cyclical' NEETs. They are open to learning and likely to re-engage in the short term.
- the remaining 20% are 'floating' NEETs. They are undecided about their future but do not necessarily need help to decide or access opportunities.

Applying the research to 2017 figures suggests that out of the 8,600 16 to 18 year olds who were NEET, just 3,440 people would have been core NEETs requiring support.

In 2019, the **Prince's Trust Youth Index**² showed that young people's happiness and confidence across all areas of their lives was the lowest since the index began in 2009. Two thirds of respondents living in Wales agreed³ that their generation is less certain about future employment than their parents. Nevertheless, over half the respondents living in Wales were confident⁴ about their future employment and almost three-quarters were confident about their training and qualifications.

■ FOOTNOTES

2 Based on a national survey of 2,162 young people aged 16 to 25 years living in the UK. Two-hundred and five respondents were living in Wales.

3 Includes respondents who 'strongly' and 'slightly' agreed.

4 Includes respondents who were 'fairly', 'mostly' or 'very' confident.

WHAT IS THE WELSH GOVERNMENT TRYING TO ACHIEVE?



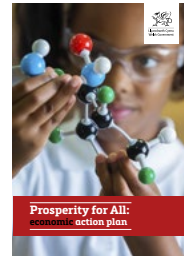
The Welsh Government wants schools to equip young people with skills for life. Its **national strategy** says it will deliver a school curriculum that meets the needs of individuals and the wider economy. This includes giving people qualifications that employers want. One of the Welsh Government's national priorities is to support young people to make the most of their potential.



The Welsh Government wants to reduce the number of NEETs. Its **Youth Engagement and Progression Framework** says how organisations should identify and help NEETs.



Lots of education strategies set out the opportunities and support available for young people. For example, the **Careers and World of Work Framework** gives schools guidance on how they should deliver this part of the current curriculum. **Estyn reviewed the implementation of the framework** in September 2017. It recommended that the Welsh Government should review the framework and update its guidance.



The Welsh Government's plans for economic development and employment are set out in its **Economic Action Plan** and **Employability Plan**. Both plans include employability support designed to be easier for individuals and their advisers to navigate and access. Support includes Working Wales, a new advisory service for people aged 16 and over, being delivered by Careers Wales. The service provides one national, independent access point for careers advice. Qualified careers advisors work with individuals to make sure they are directed to the right place at the right time depending on their needs. From April 2020 people will be able to access a new employability programme, Job Support Wales, which will support individuals of all ages and include specific help for 16 to 18 year olds.



The Welsh Government's **Extending Entitlement Guidance** 2002 sets out what support all young people are entitled to under the **Learning and Skills Act 2000**. The **Welsh Government commissioned a review** of its guidance in 2018 but has not decided whether to update it.

Lots of local projects help NEETs or young people at risk of being NEET. Projects include Communities for Work, Communities for Work Plus, Inspire 2 Work and Trac 11-14, among others. Often these are supported by funding from the Welsh European Funding Office.

WHO ELSE IS INVOLVED?

Who else is involved in supporting young people to improve their skills and employability?



Councils employ an Engagement and Progression Co-ordinator to make sure organisations are joining up their work to identify and help young people who are NEET. They are also responsible for allocating lead workers who support young people directly. The council must also make sure every young person has access to a suitable place in learning post-16, if they want it.



Careers Wales and local youth services provide additional support for young people who are NEET or at risk of becoming NEET. Careers Wales offers advice and guidance on career options and provides information on whether young people are in education or employment post-16, including via the new Working Wales advice service launched on 1 May 2019.



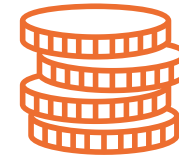
Schools, colleges and private or third-sector training providers offer opportunities to develop skills and qualifications. They also let other organisations know if young people need more support or have dropped out.



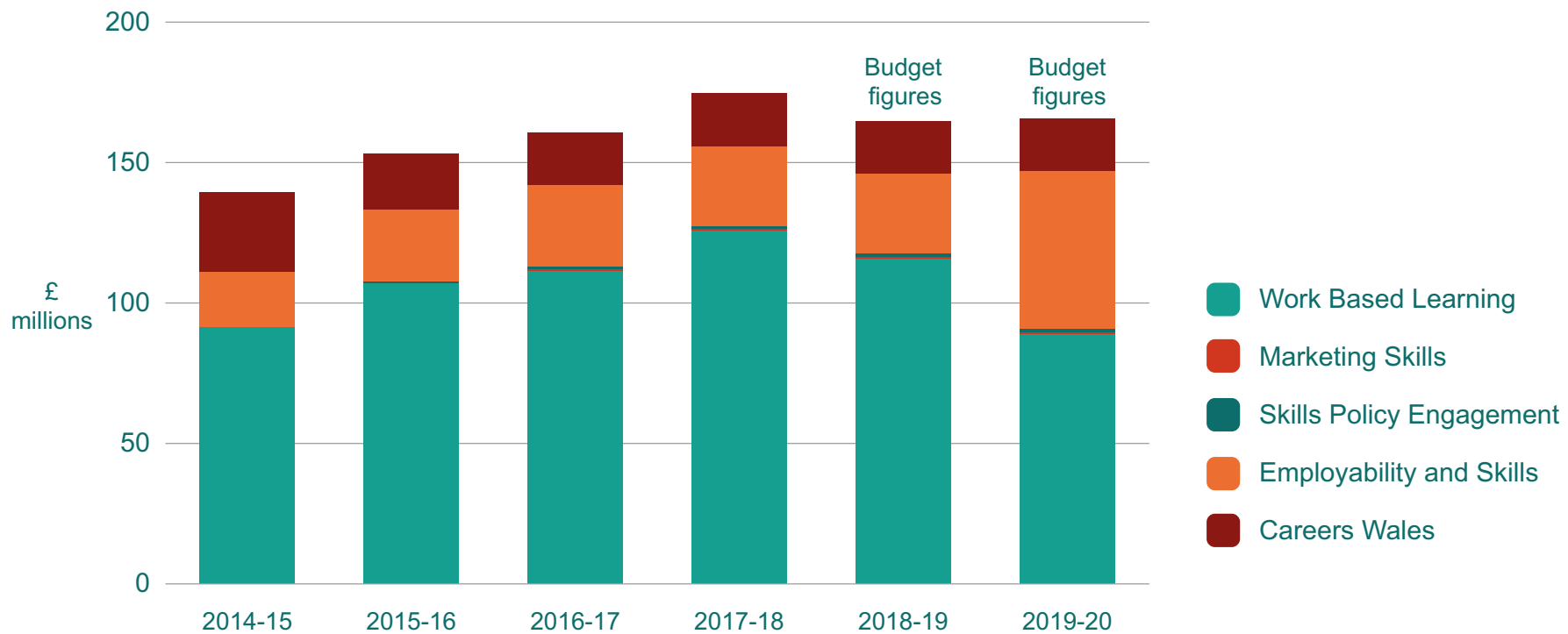
There are three **Regional Skills Partnerships** in Wales. Partnerships analyse the economic challenges and likely growth areas in their region, to identify the skills the workforce needs. They produce an annual plan for the Welsh Government which influences funding in each region.

HOW MUCH IS BEING SPENT?

The chart below shows Welsh Government spending on skills for people of all ages excluding money for schools, colleges and universities. The figures for 2019-20 include around £42 million for several employability programmes which will become a single new employability programme, Job Support Wales, in 2020-21. The Welsh Government does not know exactly how much is being spent on 16 to 24 year olds because some of its spending is to help people of all ages.



Welsh Government spending on skills



Source: Welsh Government figures.

OPPORTUNITIES FOR IMPROVEMENT

| Opportunities for improvement in the Welsh Government's approach

Understanding what young people need



The Youth Engagement and Progression Framework expects councils, Careers Wales and other organisations to have detailed information on NEETs and young people at risk of becoming NEET. The Framework uses the Careers Wales five-tier model of engagement for 16 to 18 year olds. Young people are allocated to a tier based on their risk of disengagement and need for support. This dictates whether they are given a lead worker and, if so, which organisation the lead worker will come from.

The Welsh Government and wider public sector have some information about what the economy and specific employers need. But they have less information about what other young people need, how they experience public services that support their progression, or the world of work. They do not have enough information about which sectors young people are working in, how much they are earning or whether their skills and qualifications match what employers want.

Understanding what services exist and gaps

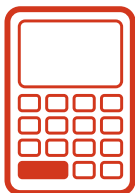


There are many projects across Wales trying to target the same relatively small group of young people that are NEET or at risk of becoming NEET. The Welsh Government does not know enough about these projects to ensure they do not repeat the same work. The Welsh Government intends Job Support Wales to simplify the overall picture of employability support and make overlapping projects less likely.

The Welsh Government lacks information on gaps in careers support services in schools and the impact of these gaps. For instance, cuts to Careers Wales' budget means it no longer vets potential work experience placements for schools. As a result, some schools are not offering work experience opportunities to pupils. The Welsh Government assessed the impact of reducing Careers Wales' budget, but could have done more to understand how it would affect schools and individual learners.

Some organisations are trying to fill gaps in services themselves. For instance, youth workers are helping write CVs when the Job Centre cannot help.

Understanding Spending



The Welsh Government knows how much it is spending on skills as a whole, although it does not separate out the money it spends specifically on 16 to 24 year olds.

The Welsh Government also knows how much European Social Fund money is being spent on projects that relate to youth employment and attainment. There are opportunities for the Welsh Government to further improve its understanding of spending on young people's skills and employability in specific areas by analysing the information it already has about spending on EU projects and schemes such as apprenticeships and traineeships.

Joining up policy making



Other parts of the Welsh Government are learning⁵ from the Youth Engagement and Progression Framework. The Framework encourages joint working while allowing flexibility to decide what works locally.

The Welsh Government is trying to join up its own policy areas to support young people's progression. But, it still mostly focusses on stopping a small minority from becoming NEET at age 16 to 18. Some organisations are concerned that the Welsh Government's focus on NEETs has reduced help available for other young people, and for those who stop being NEET because they have started training or low paid work. It has not yet got a joined-up approach to helping all young people to fulfil their potential.

Some young people are being sent between different agencies and having to join up services for themselves.

■ FOOTNOTES

- 5 The Welsh Government plans to adapt the Framework and use it for work on youth homelessness and mental health support for young people.

Working out who does what



The Youth Engagement and Progression Framework clearly sets out responsibilities for organisations working with young people who are NEET or at risk of becoming NEET. But the Welsh Government is less clear who is responsible for helping other young people.

Finding jobs and skills support is complicated. There are different referral routes and criteria for local services offering different but similar support. Many young people are not aware of the support available to them. Professionals found it difficult to keep up with services available in their local area. NEETs have lead workers to help them find their way around a complex system. But other young people do not have the same help.

Learning from and improving delivery on the ground

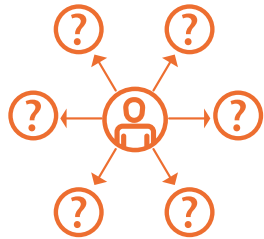


The Welsh Government is clearly learning from its overall approach to employability and skills as it develops the Job Support Wales programme and adapts its Youth Engagement and Progression Framework.

However, it focusses much of its monitoring on a single narrow figure. The **Welsh Government's national well-being indicators** include NEETs but do not measure progress for other young people.

The Welsh Government does not know whether NEETs projects ultimately help young people reach their potential, or whether they end up in low-paid work or training courses they are not interested in. Organisations told us that young people struggle to move from one course to another and can get stuck on a course they no longer want to do. They told us this is because some funding conditions are driving organisations to hold on to young people in order to meet their targets. The Welsh Government does not know enough about whether other young people are getting the help they need.

Providing leadership



The Welsh Government's approach to NEETs is clear and has been broadly successful in reducing the number of NEETs. Our 2014 report on NEETs, found that the Welsh Government's approach was based on sound evidence, engagement with councils and other partners, and young people themselves.

Organisations are less clear what the Welsh Government wants to achieve for the wider population of young people in relation to skills and employability. They are also unclear as to how the Welsh Government wants wider services such as health or transport to work together to help young people reach their potential. Some strategic documents⁶ that set out the support that young people are entitled to are out of date and do not reflect current delivery arrangements.

■ FOOTNOTES

6 Including The [Careers and World of Work Framework](#) and [Extending Entitlement Guidance 2002](#).

The Auditor General is independent of the National Assembly and government. He examines and certifies the accounts of the Welsh Government and its sponsored and related public bodies, including NHS bodies. He also has the power to report to the National Assembly on the economy, efficiency and effectiveness with which those organisations have used, and may improve the use of, their resources in discharging their functions.

The Auditor General also audits local government bodies in Wales, conducts local government value for money studies and inspects for compliance with the requirements of the Local Government (Wales) Measure 2009.

The Auditor General undertakes his work using staff and other resources provided by the Wales Audit Office, which is a statutory board established for that purpose and to monitor and advise the Auditor General.

© Auditor General for Wales 2019

You may re-use this publication (not including logos) free of charge in any format or medium. If you re-use it, your re-use must be accurate and must not be in a misleading context. The material must be acknowledged as Auditor General for Wales copyright and you must give the title of this publication. Where we have identified any third party copyright material you will need to obtain permission from the copyright holders concerned before re-use.

For further information, or if you require any of our publications in an alternative format and/or language, please contact us by telephone on 029 2032 0500, or email info@audit.wales. We welcome telephone calls in Welsh and English. You can also write to us in either Welsh or English and we will respond in the language you have used. Corresponding in Welsh will not lead to a delay.

Mae'r ddogfen hon hefyd ar gael yn Gymraeg.