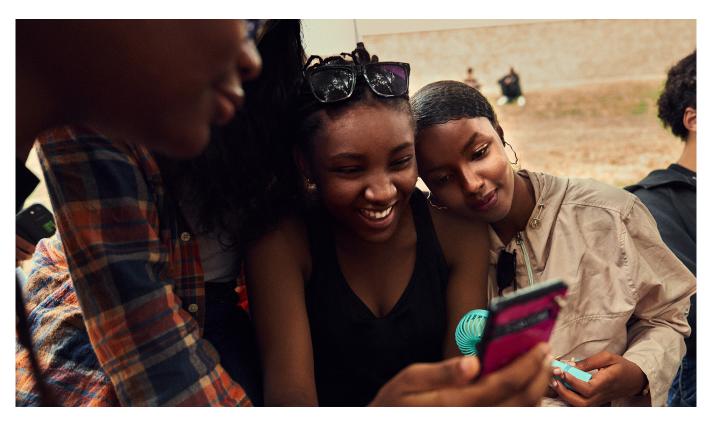


# NCS Submission to the APPG on Youth Affairs' Inquiry on Skills and Youth Employment

In June 2022, NCS Trust submitted a response to the All-Party Parliamentary Group on Youth Affairs' inquiry on skills and youth employment. Since the inception of NCS, over 800,000 young people have participated in an NCS experience, and more than 18 million hours of volunteering and social action have been completed. Over 80% of young people say that NCS gave them a chance to develop skills that will be useful in the future.

The purpose of this APPG inquiry was to explore barriers to youth employment, skills gaps across the country, and

solutions that the government and other partners could implement to build the workforce of the future. Our response included an evidence review, insights from NCS experiences, and findings from our thought leadership work on young people's skills for life and work, mental health and wellbeing, enrichment and non-formal learning, and employment outcomes. The submission was incorporated into an APPG Inquiry Report led by YMCA — Empowering Youth for the Future of Work: Addressing Challenges and Enabling Opportunities — which was published in August 2023.



## Skills and Youth Employment in the UK: An Overview of the Evidence

In April 2023, the number of young people (aged 16–24) not in full-time education or employment surpassed one million, the highest figure since autumn 2020.¹ Despite being the most academically qualified generation ever, employers consistently report that young people are unequipped to successfully transition into work due to a lack of essential skills.² Young people facing additional disadvantages still encounter the biggest challenges, including a higher incidence of mental ill-health and long-term unemployment.³





Mental health issues are both a consequence of youth unemployment and a barrier to young people gaining employment.4 The effect of youth unemployment on mental health can also continue into adulthood independent of later employment experiences.<sup>5</sup> An increase in mental health conditions and low selfconfidence are key factors preventing young people from entering employment.6 Just 22% of young people say they feel confident in their future career, and 24% worry that they do not have the skills for the jobs that are available to them.<sup>7</sup> This feeling is also shared by UK employers, with an estimated 80% believing that graduates do not have the skills they need to be work ready.8 The UK skills deficit will cost the country £120 billion by 2030.9

<sup>&</sup>lt;sup>1</sup> Institute for Employment Studies (2023) <u>IES Briefing: Labour Market Statistics, April 2023.</u>

<sup>&</sup>lt;sup>2</sup> Ibid; CMI (2021) Work ready graduates: building employability skills for a hybrid world.

Essential skills include problem solving, leadership, and teamwork. Skillsbuilder Partnership (2021) <u>Better prepared: Essential skills and employment outcomes for young people.</u>

Mental Health Foundation (2020) The Covid-19 Pandemic, financial inequality, and mental health.

<sup>&</sup>lt;sup>4</sup> The Learning and Work Institute and The Prince's Trust (2022) The Power of Potential: Supporting the future of 'NEET' young people.

Strandh M, Winefield A, Nilsson K, et al (2014) <u>Unemployment and mental health scarring during the life course.</u> Eur J Public Health

<sup>&</sup>lt;sup>7</sup> The Prince's Trust (2021) <u>Confidence Crossroads: The Path Ahead for Young People.</u>

<sup>&</sup>lt;sup>8</sup> TechRadar (2022) <u>Industry and academia can close the UK's digital skills gap.</u>

<sup>&</sup>lt;sup>9</sup>The Learning and Work Institute (2021) <u>Local Skills Deficit and Spare Capacity.</u>

### Mental ill-health and a lack of essential skills are key barriers to young people feeling work ready.

To enter into — and succeed in — the world of work, young people need more than good grades. Essential skills are increasingly important in supporting young people to navigate the world of work.

For example, in 2019, 92% of talent professionals and hiring managers agreed that 'candidates with strong soft skills are increasingly important'.10 Yet McKinsey estimates that by 2030, millions of UK workers will be underskilled in areas such as communication and negotiation, interpersonal skills and empathy. leadership and managing others.11

Polling conducted by NCS Trust, in partnership with Scouts, found that parents, teachers, and young people believe that 'life skills' are the most important area of support needed outside of formal education.<sup>12</sup> This view is supported by Sutton's Trust, which found that 88% of young people believed that life skills are just as important, or more important, than academic qualifications.<sup>13</sup> With a 'crisis of confidence' among young people about their skills for work<sup>14</sup>, opportunities to develop essential skills are needed to ensure they are prepared to take their first steps into fulfilling and decent work.

#### Key evidence from NCS experiences

Essential skills and employability. Two years after doing an NCS experience, participants were still ahead of their peers on key work skills like teamwork, communication, and leadership.15 Two in three NCS

- participants felt more confident about getting a job in the future as a result of participating in the experience.16
- **Social mobility.** This is particularly important for disadvantaged young people. In the long-term, young people who've participated in NCS have, on average, a 12% higher entry rate into higher education than those who have not participated in NCS. That rate is significantly higher for those living in poorer areas.17
- Mental health and wellbeing. Independent evaluations have shown that NCS has a positive impact on participants' wellbeing. There is evidence of improvements in life satisfaction, happiness, and anxiety levels. There is also evidence of a social return on investment, with every £1 spent generating an estimated economic 'wellbeing' benefit of £3.05.
- Feeling positive about the future new evidence from an evaluation of the 2021 NCS Summer programme.
  - 74% of participants agreed that they saw more opportunities available to them as a result of participating in the programme.
  - 67% of participants stated that they felt more confident about getting a job in the future.
  - » 67% of participants felt more optimistic about the future.
  - » 84% of participants agreed they got a chance to develop skills that will be useful to them in the future, particularly teamwork (87%), speaking (64%) and problemsolving (60%).18

Linkedin (January 2019) Press release: Linkedin Releases 2019 Global Talent Trends Report.
 McKinsey & Company (November 2019) The future of work: Rethinking skills to tackle the UK's looming talent shortage.
 The Centre for Education and Youth (October 2021) Enriching Education Recovery.

<sup>&</sup>lt;sup>13</sup> The Sutton Trust (October 2017) <u>Life Lessons: Improving essential life skills for young people.</u>

<sup>&</sup>lt;sup>14</sup> The Prince's Trust (November 2021) Confidence Crossroads: The path ahead for young people.

<sup>&</sup>lt;sup>15</sup> Ipsos MORI (2017) National Citizen Service 2013 Evaluation – Two Years On: Main Report.

<sup>&</sup>lt;sup>16</sup> Kantar and London Economics for DCMS (2021) <u>National Citizen Service 2019 Summer Evaluation: Main Report.</u>

<sup>&</sup>lt;sup>17</sup> Jump Projects LTD and Simetrica (2017) <u>A wellbeing and human capital value for money analysis of the NCS 2015 programme.</u>

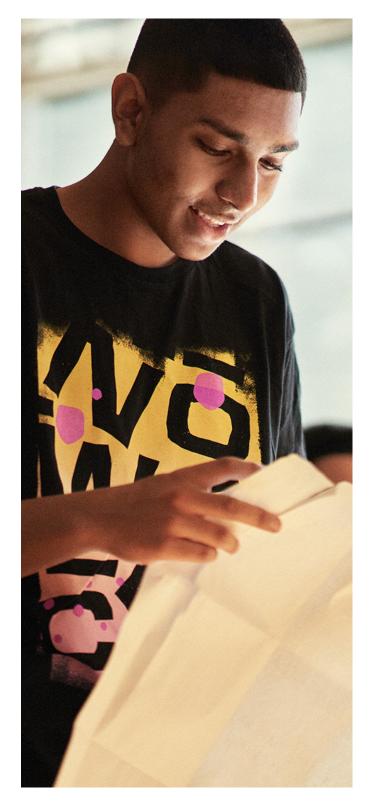
<sup>18</sup> NCS Trust (2021) Summer 2021 Evaluation.

Enrichment and non-formal learning activities support the development of essential skills, enabling young people to feel world ready and work ready.

Essential skills are linked to better employment outcomes, with evidence of a wage premium of around £3,400 per year. <sup>19</sup> Enrichment and non-formal learning provides crucial opportunities for young people to develop essential skills.<sup>20</sup>

However, the schools that young people go to, the areas they grow up in, and their socio-economic background still largely determine the opportunities available to them outside of formal education.<sup>21</sup> This means that too many young people are missing out on potentially transformative experiences that help equip them for adult life — which has knock-on effects for the UK economy, labour market productivity, and social mobility. Recent polling by NCS Trust found that 8 in 10 children and young people want to have more access to extracurricular activities.<sup>22</sup>

NCS Trust and The Duke of Edinburgh's Award (DofE) have identified the following opportunities to ensure that every young person can access high-quality enrichment. The proposals have been developed through convening, polling, and research<sup>23</sup> led by NCS Trust and DofE, in collaboration with DfE, DCMS, and other youth and education sector organisations.



<sup>&</sup>lt;sup>19</sup> Skills Builder Partnership (February 2021) Better prepared: Essential skills and employment outcomes for young people.

<sup>&</sup>lt;sup>20</sup>NCS and Centre for Education and Youth (2021) Enriching Education Recovery.

<sup>&</sup>lt;sup>21</sup> Social Mobility Commission (2019) An unequal playing field.

<sup>&</sup>lt;sup>22</sup>The Centre for Education and Youth (October 2021) Enriching Education Recovery.

<sup>&</sup>lt;sup>23</sup> The Centre for Education and Youth with National Citizen Service Trust (2021) <u>Enriching Education Recovery: The role of non-formal learning, extra-curricular and enrichment activities in driving a transformational catch-up experience for children and young people.</u>

NCS Trust and Scouts (2021) <u>Enriching Education Recovery: Summary of new polling with children and young people, parents and teachers.</u>

- 1. An Enrichment Guarantee.
  - Facilitated and enabled by schools. in partnership with specialist youth providers, the Enrichment Guarantee will ensure that every pupil has access to a minimum level of enrichment. It will be delivered both in and out of schools, and complement the National Youth Guarantee. This will strengthen collaboration between the education and youth sectors, and improve equity of access to high-quality enrichment provision for young people. It could be funded through an 'electives premium', as recommended by The Times Education Commission.24
- 2. Strengthened partnership, collaboration, and coordination between schools and youth providers. This involves leveraging existing resources and infrastructure to connect young people with quality enrichment opportunities both in and out of school, and enabling the education sector to better support the National Youth Guarantee. This could be achieved through dedicated partnerships coordinators, supporting schools to become enrichment 'hubs', and the establishment of digital platforms where schools can more easily find out about local youth provision.

- 3. A framework for the recognition of enrichment achievements and experiences. This will include a mix of accredited, non-accredited, and certified enrichment activities. The framework will increase the visibility of young people's enrichment experiences and achievements with, employers and FE providers.
- 4. Common benchmarks for the impact of enrichment and nonformal learning. a consistent framework through which to assess, monitor and evaluate the positive impacts of enrichment across a wide range of outcomes. This would allow for better data collection and comparison between a range of NFL programmes and approaches supporting young people, families, and Government to make informed decisions on where to invest time and resources to deliver the greatest impact.



<sup>&</sup>lt;sup>24</sup> The Times Education Commission (2022) <u>Bringing Out the Best: How to transform education and. unleash the potential of every child.</u> Final report

Opportunities to develop skills for life and work should be integrated into every stage of a young person's journey into employment.

There is a need for innovative new solutions to try and tackle the skills gap and youth unemployment crisis. The solutions proposed here need to be in place for every stage of a young person's journey — from when they are developing their skills at an early age, to the early stages of their first employment.

UK Year of Service (UKYoS) is a truly unique national employability programme that helps young people aged 18–24 get work ready and world ready. The 9 to 12-month programme has three core elements:

- 1. Entry-level socially beneficial job Placements. These roles offer 30–35 hours per week, paid at the Real Living Wage.
- 2. Wrap-around support. Structured and coordinated activities supports the development of participants' essential skills, improves their understanding of self and wellbeing, and builds their network.
- 3. Enrichment activity. Additional learning opportunities complement the wrap-around support. The enrichment activity adds further value to the programme experience and includes employment coaching.

The placements are diverse, inclusive, and accessible to all young people. Each placement is aligned to the UKYoS socially beneficial criteria — supporting communities, social agendas and public services. By engaging young people in a compelling way, and supporting employers and technical training

providers to develop the essential skills of young people, UKYoS ensures that young people not only access — but also stick with — long-term employment and technical skills development.

Networking is a key aspect of the UKYoS national training offer. Improved peer networks and networking skills are achieved by delivering national conferences that support young people and help them develop their personal and social skills. An expanded professional network provides social connection and common ground with peers, helping to tackle feelings of isolation and loneliness among young people post-COVID-19.25 By providing support directly to employers looking to engage and develop their young talent pipelines, a growing number of organisations improve their capacity to offer good youth employment opportunities.

The UKYoS programme delivers a triple benefit:

- Personal and professional skills development for young people.
- Increased engagement and talent retention for employers.
- Social and economic benefit for society.

"I have also gained so much confidence in myself over the months as I have been supported by an excellent team (...) It has provided me with a greater understanding of what I want to do in the future and has shown me to ignore my self-doubt"

— Ashleigh, Manchester, speaking about UK Year of Service

<sup>&</sup>lt;sup>25</sup> OnSide Youth Zones (November 2022) <u>Generation Isolation. Onside Youth Research</u> November 2022.

#### Key evidence from UK Year of Service.

UK Year of Service delivered over 300 placements to young people in 2021–23. These placements, lasting 9+ months, were paid at the Real Living Wage and took place in socially beneficial and community-based organisations, including roles in environmental, health and social care, and the public sectors.

NCS has commissioned two independent evaluations of UKYoS. Some of the key findings from the report by the Behavioural Insights Team include:

- 53% of participants were claiming government benefits prior to participating in UKYoS.
- 69% were actively seeking employment before the programme

- 23% were from Black, Asian or Ethnic Minority backgrounds.
- Partner-reported post-placement outcome data for UK Year of Service suggests that over 80% of members go directly into education, employment, or training following their placement.
- Not only did the majority of participants go on to EET opportunities, they were high-quality opportunities, ranging from extended roles with their placement partners, returning to study, or new roles that aligned with their long-term interests.



#### **About NCS Trust**

NCS Trust is the only dedicated public body for youth. We work closely with the government to shape their ambition for young people. Our vision is a country of connected, confident, and caring citizens where everyone feels at home.

NCS offers a range of experiences which support young people to become world ready and work ready — growing their confidence, independence and skills; connecting them with people from all walks of life; and empowering them to make a difference in their communities and wider society.

NCS works cross-sector, and partners closely with the youth sector to deliver the National Youth Guarantee through NCS experiences.