

Witness Name: Barry Fletcher

Statement No: 1

Exhibits:42

Dated: 31st July 2025

UK COVID-19 INQUIRY

WITNESS STATEMENT OF BARRY FLETCHER

In relation to the issues raised by the Rule 9 request dated 25/06/2025 in connection with Module 8, I, BARRY FLETCHER, will say as follows: -

Personal Details

- i. My name is Barry Fletcher. I am the Chief Executive Officer (CEO) of Youth Futures Foundation; an independent, non-profit organisation in England and the national What Works Centre for youth employment, established in 2019. I have been the CEO of Youth Futures Foundation since January 2023. Prior to that my roles included CEO at Career Connect, a youth focused charity based in the North West, and Managing Director of the UK business at Ingeus (a large health, youth, employment and skills provider).
- ii. This witness statement relates to the matters addressed by the Inquiry's Module 8, which is examining the impact of the pandemic on children and young people.
- iii. I have prepared this statement myself, with the support of staff at Youth Futures Foundation and the factual information and evidence referenced in this statement.

Part A - Role and purpose of Youth Futures Foundation

1. Youth Futures Foundation (YFF) is England's accredited 'What Works' Centre for youth employment, with a specific focus on marginalised young people. We are an independent, not-for-profit organisation established in 2019 with an endowment from the Dormant Assets Scheme. We find and generate high-quality evidence to better understand the youth unemployment and inactivity challenge, and to learn what solutions work to address this. We work to put this evidence into action with policymakers, employers and funders who have the means to make direct, impactful and transformational systems change for young people.

Part B - Impact of the pandemic on young people's employment prospects

2. The effect of the pandemic on young people's employment and training was substantial and wide-ranging. The effects were visible across various education, training and employment opportunities and had a detrimental impact on young people's readiness to work as well as the number of good-quality jobs available to them. What's more, young people seem to have fared considerably worse than older age groups, while particular groups of young people also experienced the effects of the pandemic to a greater extent than others. The evidence of the impact of the pandemic presented below is categorised into three sections: (i) employment and training; (ii) mental health; and (iii) youth services.

(i) Employment and training

3. First and foremost, the effects of the pandemic were evident in the youth employment statistics. The percentage of 16 to 24-year-olds who were unemployed rose from 12.4 per cent in January-March 2020 to a peak of 15.3 per cent in August-October that year (YFF/01 - INQ000650383). Research published by YFF in February 2021 found that young people had been hit particularly hard by the labour market fallout from the pandemic, accounting for nearly half of the total fall in employment despite only representing one in nine of those in work (YFF/02 - INQ000650384).
4. This deterioration in young people's prospects was closely linked to the specific sectoral and occupational effects of the pandemic, with youth employment falling strongly in those jobs and industries that had been hit hardest by social distancing restrictions –

driven by bar and restaurant closures, and by impacts on care services, leisure and construction (YFF/02 - INQ000650384). These are precisely the sectors that offer large numbers of entry-level jobs to young and inexperienced workers.

5. The youth unemployment rate as well as the rate of young people aged 16 to 24 being classed as Not in Education, Employment or Training (NEET) both began decreasing from their peaks in 2021, some of which can be attributed to more young people choosing to remain in full-time education to avoid the effects of the pandemic on the labour market. For example, the number of young people aged 16 to 24 in full-time education rose by 190,000 to 3.276 million from January-March 2020 to July-September 2020, having previously fallen by 59,000 over the same six-month period in 2019 (YFF/03 - INQ000650386). This pattern of more young people remaining in education is typical in an economic downturn, as evidenced by the financial crisis of 2007/08 and other recessions over the last 60 years (YFF/04 - INQ000650387).
6. Apprenticeship opportunities for young people showed similar trends to youth employment. In the academic year 2018/19, 213,700 young people aged 16 to 24 started an apprenticeship, but this fell to 171,560 in the academic year 2019/20 (which included the period from March to August 2020) and fell again to 159,760 in 2020/21, before recovering slightly to 183,850 starts in 2021/22 (YFF/05 - INQ000650388).
7. Within these overall trends, though, there were significant variations between groups of young people in terms of the impact of the pandemic. For example, our aforementioned YFF research in 2021 found that employment fell most for young people at 'transition' points in their late teens and early twenties, while remaining broadly stable for those closer to their mid-twenties (YFF/02 - INQ000650384). Similarly, the number of 16 to 18-year-olds starting an apprenticeship in 2020/21 was 33 per cent lower than in 2018/19, whereas the number of 19 to 24-year-olds starting an apprenticeship in 2020/21 only fell by 18 per cent over the same period (YFF/05 - INQ000650388). Another concerning sign in this research was that there was a sharp fall in the numbers of young people able to combine work and study, which "in the longer-term will mean fewer young people gaining early work experience and workplace skills" – thus storing up future problems for these individuals as they seek to enter the labour market (YFF/02 - INQ000650384).
8. On the subject of work experience, a survey of HR managers published by the Sutton Trust in June 2020 found that 61 per cent of graduate employers had cancelled some or all of their work experience placements and internships, and only about a third of firms continued all their usual placements either in person or online (YFF/06 - INQ000650390).

Moreover, research by Ofsted, published in 2022, noted that “many pupils in Year 11 and Year 13 have missed out on opportunities for work experience” because of the pandemic, with employers’ reluctance to facilitate placements being one of the barriers that schools faced. Some schools had identified alternative ways to deliver work placements, such as ‘virtual’ opportunities and offering work experience within the school or trust (YFF/07 - INQ000650391).

9. Work experience was not the only aspect of young people’s educational experiences that was disrupted by the pandemic. In May 2022, the Education Endowment Foundation – the What Works centre for education – reported that the pandemic had “negatively impacted the attainment of all pupils, particularly those from disadvantaged backgrounds”, and that there was “evidence that the attainment gap between disadvantaged students and their classmates has grown (YFF/08 - INQ000650392).”
10. The employment prospects of young people during the pandemic were also potentially affected by the increase in those on a zero-hours contract in their main job – a more precarious form of employment. The percentage of young people on a zero-hours contract rose from 9.7 per cent in January-March 2020 to a peak of 10.8 per cent in April-June 2020 before falling back again to 9.9 per cent in October-December 2020 (YFF/09 - INQ000650393).
11. In terms of the pandemic’s effect on the employment prospects of different ethnic groups, our 2021 research found that falls in employment during the early stages of the pandemic had widened the employment rate gap from 22 percentage points to 26 points for Black people and to 25 points for Asian people. In addition, the fall in employment rates was four times greater for young Black people than for young white people, while the fall for young Asian people has been nearly three times greater, which was particularly concerning as Black and Asian young people were less likely to be in work before the pandemic began (YFF/02 - INQ000650384).
12. In the early stages of the pandemic, particularly the lockdowns in early 2020, the Government was quick to recognise the potential damage to young people’s employment prospects, particularly because of the severe impact that the financial crisis of 2007-2008 had on young people. The Institute of Employment Studies predicted in June 2020 that youth unemployment “could be on its way towards 25% in the coming months, or one million. This would be a higher rate than was reached in the aftermath of the 2008/9 recession” (YFF/10 - INQ000650394).

13. In light of such predictions, the Government put in place a substantial package of support for young people. This was both necessary and welcome. First and foremost, the furlough scheme provided a lifeline for many young people during this difficult period. That said, as noted above, young people were more likely than older workers to lose their jobs during the early stages of the pandemic, while other young people were outside the scope of the furlough scheme e.g. they were still in education in the first half of 2020 and would be attempting to join the labour market in the months ahead.
14. Beyond the furlough scheme, the Government introduced several specific measures aimed at creating or sustaining employment and training opportunities for young people – many of which were presented through their 'Plans For Jobs' in July 2020. The most prominent of these was the £2 billion 'Kickstart' programme, which was aimed at 16 to 24-year-olds on Universal Credit (UC) at risk of long-term unemployment. It provided 25 hours a week of subsidised employment for six months with public and private sector employers. In total, Kickstart provided 163,000 placements from September 2020 to March 2022.
15. The Government's quantitative evaluation of Kickstart, published in October 2024, found that it reduced the time that participants spent on benefits and increased the time they spent in employment. The evaluation estimated that "for every 100 people who participated in Kickstart, an additional 11 of those are in unsubsidised employment at two years compared to a similar group of people who did not participate in Kickstart", and "an additional three people are not on UC at the two year point compared to a similar group of non-participants." Crucially, there was "no evidence to suggest that this impact diminishes" over time and Kickstart appeared "to have a greater impact for those who have less success in the wider labour market, creating a levelling up effect." Moreover, the Kickstart scheme was open to university graduates as well as non-graduates, yet the evaluation found a 17 percentage point increase in the proportion of participants with low / no qualifications who were in work two years later compared to an increase of just 3 percentage points for participants who had at least an undergraduate degree. In terms of its impact on government finances, at five years Kickstart had made a return of £3.15 for every pound spent (YFF/11 - INQ000650395).
16. The Plan For Jobs also included 'incentive payments' for employers who recruited apprentices. From 1st August 2020 to 31st March 2021 employers were eligible for £2,000 for new apprentices aged 16 to 24, or £1,500 for apprentices aged 25 and over.

From March 2021, employers were then eligible for £3,000 for any apprentice hired between 1st April and 30th September 2021. As of 13th June 2022, Department for Education statistics showed the number of incentive payment claims submitted by employers totalled 195,590, with 77 per cent made for apprentices aged 16 to 24. In addition, 83 per cent of claims were for apprenticeships at Level 2 (equivalent to GCSEs) and Level 3 (equivalent to A-levels) (YFF/12 - INQ000650396).¹ This relative emphasis on younger apprentices was welcome; as YFF's 'Youth Employment Toolkit' (which brings together the best available international evidence) shows, "apprenticeships could have a high positive impact on youth employment outcomes" (YFF/13 - INQ000650397).

17. Alongside these more expensive interventions, the Government also put additional funding into smaller initiatives. For example, the Department for Work and Pensions (DWP) devised a 'Youth Offer', which was initially for 18 to 24-year-olds claiming UC and in the 'Intensive Work Search Regime' and was later extended to 16 to 17-year-olds from December 2021. The Youth Offer had three strands: a Youth Employment Programme; Youth Hubs; and Youth Employability Coaches (YECs).

18. 'Youth Hubs' are co-delivered by DWP and local partners to help young people access the employment support, careers advice and training they need to enter employment. DWP's evaluation of the Youth Offer, published in 2024, found that 67 per cent of participants agreed that "the support they had received was tailored to their needs and circumstances", and "Youth Hub customers were most likely to have found the support tailored in this way." What's more, young people "were most likely to have found support useful in helping them feel more confident about looking for work", with Youth Hub customers being most likely to agree. Youth Hubs were also "praised for their personalised support and welcoming environments" (YFF/14 - INQ000650398).

19. YFF's analysis of existing Youth Hubs in 2020 has previously found evidence in support of this co-located model that brings together a range of services for young people under one roof, and proposed a set of principles for building and expanding a high-quality Youth Hub service in future (YFF/15 - INQ000650399). One of the most important benefits of the Youth Hubs model is that it can be tailored to the needs of a particular area rather than being a one-size-fits-all scheme – something that other initiatives aimed at young people can struggle to deliver.

20. An independent research report funded by YFF in 2024 also highlighted how young people "were consistently positive about [Youth Hubs], saying that they enjoy using the community spaces the Hubs are based in rather than Jobcentres, that they are able to

build strong trusting relationships with staff and that they get high-quality practical support to move into employment” (YFF/16 - INQ000650400). There was still low awareness among young people of Youth Hubs, particularly as only around 100 existed by this point. Even so, the evidence suggests that the Government was right to invest in and grow Youth Hubs during the pandemic.

21. The DWP’s evaluation of the Youth Offer found that other elements besides the Youth Hubs were not as successful but still helped some young people. For example, “YECs were found to be highly experienced in working with vulnerable, young customers such as care leavers” and young people “appreciated their relationship with their Work Coaches”, but time and capacity constraints in Jobcentre offices meant that this did not always translate into an effective service in terms of improving employment and training prospects (YFF/14 - INQ000650398).

(ii) Mental health

22. In May 2022, YFF published the results of our qualitative study into the effect of the pandemic on young people’s mental health (YFF/17 - INQ000650401). Our study found that young people “have experienced significant hardships during the COVID-19 pandemic, particularly in respect of disruption to their education, their transitions to the labour market and their employment.” Five of the main findings from our research (labelled A-E) are described in the paragraphs below.

23. A: The pandemic and lockdown(s) impacted heavily on young people’s day-to-day lives and their relationships with family, friends and partners. Some had improved relationships and fostered new hobbies. Others reported increased pressure and household strain, often connected to a lack of space, and they missed friends and girlfriends/boyfriends. Some felt they were floundering; filling and structuring time in endless ‘Netflix Days’ was a challenge.

24. B: Education had been severely disrupted. People worried that their education and qualifications would not be good enough. Uncertainty over the future and the sense they were missing important educational and other milestones and cultural rites of passage (‘leaving dos’, graduation ceremonies, gap years, 18th birthday parties) fed this anxiety.

25. C: Young people have faced some of the toughest labour market effects of the pandemic. Our participants described losing jobs and losing income and sometimes not being eligible for government support (such as the furlough scheme); being able to ‘fall

back' on family support was important. Regardless of whether they were in work or in education, young people expressed worry and insecurity about their future prospects. The 'COVID recession' was unusually harsh for young people because their employment and education were simultaneously disrupted.

26. D: Very often, young people expressed a sense of emotional and psychological 'ill-being'; this was the most common single theme to emerge from the survey, and is now a widely reported outcome of the pandemic. It was tied to the pressures they felt being 'stuck in' and 'cut off' at home, to the disruptions to their education and employment and to their sense of uncertainty about the future.
27. E: The research pointed to class inequalities in young people's experiences. The quality of educational support was an example. Due to their different levels of material and other resources, some families were more able to support young people than others. Commonly reported examples related to computer and Wi-Fi access and space to work or for privacy. Access to gardens and outside space is an under-reported example of youth inequality brought to light by the pandemic.
28. As can be seen from the findings above, young people's employment prospects were disrupted by their mental health in numerous ways. The increased strain on their personal and family lives, the significant disruption to their educational experiences and the enormous uncertainty surrounding their transition from education into employment were all contributing factors to the decline in many young people's mental health during the pandemic.
29. This is supported by more recent research by YFF in 2024 on the factors that explain why some young people become 'marginalised' i.e. are unable to fully participate in social, economic, cultural, or political life. This research highlighted the risk of "a vicious cycle of poor mental health and unemployment (where poor mental health can lead to unemployment, and unemployment can further worsen mental health, creating a negative feedback loop)" as well as the risk that young people can become marginalised by "negative school experiences and challenging life circumstances" (YFF/04 - INQ000650387).

(iii) Youth services

30. The pandemic caused significant disruption to the provision of youth services, which meant that young people – particularly those from the least privileged backgrounds – lost

access to vital support during this time. This compounded the aforementioned concerns over reduced employment and training opportunities as well as deteriorating mental health among many individuals. For example, the loss of youth centres was likely to exacerbate the widespread feelings of loneliness and isolation as well as reduce vulnerable young people's access to a 'safe space' with trusted adults. In addition, access to employment-related services such as careers advice was also curtailed, making it harder for young people to get the advice and guidance they needed to find good-quality jobs and make a successful transition into the workplace.

31. A survey of 235 organisations by UK Youth in March 2020, as the first lockdown began, illustrated how rapidly the provision of youth services was affected. 88 per cent of organisations said they were likely or very likely to reduce service provision to young people, 31 per cent said that staff redundancies were likely and 17 per cent said permanent closure was likely (YFF/18 - [INQ000185070](#)).
32. An evaluation of the YFF's grant-funded 'Inspiring Futures' programme, published in 2023, confirmed that there had been a decline in the provision of youth services and that "Covid-19 made [voluntary and community service] organisations vulnerable." Our stakeholders described "how the disruptive impacts of COVID-19, lockdowns and restrictions, and economic uncertainty threatened the survival of services", and they also flagged that "this was particularly true for community-led or smaller organisations" that are more likely to cater to groups who face the poorest employment prospects (YFF/19 - [INQ000650404](#)).

Part C - Lessons learned

33. The previous section illustrated the breadth and depth of the challenges that young people faced during the pandemic and the impact that this had on their employment prospects. There is a long tail of effects that the pandemic created, some of which we are yet to fully understand in terms of the impact and scale. It is our view that some of the worst-case scenarios for youth unemployment did not materialise, thanks to the furlough scheme and the range of initiatives that the Government put in place through its Plan For Jobs – particularly Kickstart – as well as some young people choosing to remain in education for longer. However, despite the absence of a lasting surge in youth unemployment from 2020 to 2022, the labour market statistics paint a complicated and

dynamic picture that masks concerns about economic inactivity, the quality of jobs available and the inequalities between young people, as well as about the longer-term trend of declining social mobility for this generation. In addition, there is growing evidence that the effects of the pandemic are still being felt by young people in several ways.

34. One of the biggest concerns in the aftermath of the pandemic relates to the 'scarring' effect of spending time unemployed as a young person. An evidence review by Public Health England in 2014 described why being out of work at a young age makes someone significantly less likely to be employed in a good career later in life as well as having a direct effect on their health and wellbeing (YFF/20 - INQ000650405). For example, spending time unemployed under the age of 23 is associated with lower life satisfaction, health status, job satisfaction and wages more than twenty years later. Furthermore, people who are NEET for longer than six months before the age of 21 are more likely to be unemployed, low paid, have no training, a criminal record, and suffer from poor health and depression. Even when those who were NEET move into work, they are likely to earn less, with one study estimating the effect of early unemployment to be an 8-15 per cent reduction in wages by the age of 42. In other words, it is reasonable to assume that the effects of the pandemic are still very much detectable in the present day.
35. These scarring effects may help explain why the trend in young people who are NEET since the pandemic has been steadily upwards, albeit with some fluctuations. Analysis by YFF of the latest ONS data (up to January – March 2025) shows that 12.5 per cent young people aged 16 to 24 are NEET (equivalent to 923,000 young people) – near its highest level for a decade. This figure is 2.2 percentage points higher than in June 2022 and 3 percentage points higher than in June 2021. Around one in four (25.9 per cent) unemployed young people not in education or training have now been looking for work for over a year (YFF/21 - INQ000650406).
36. Since NEET levels started to rise in 2021, both unemployment and economic inactivity have contributed to the increase. The rise in economic inactivity is mostly due to ill health. In 2025, nearly half (48.4 per cent) of young people who are NEET reported having a disability, compared to around one in five (22.2 per cent) in 2011. Consequently, young people with disabilities are becoming increasingly overrepresented in the NEET population. Despite these trends covering a long time period, there is good reason to believe that the pandemic has compounded the problem. For example, the proportion of

young people with a disability citing mental health as their main health problem has risen from 52.9 per cent in 2019 to 67.9 per cent in 2025, even though the comparable figure remained broadly flat from 2016 to 2019 (YFF/21 - INQ000650406). The evidence therefore suggests that mental health problems have become increasingly prevalent among young people since the start of the pandemic, and this could be contributing to the rising numbers of young people who are NEET.

37. The inevitable fall in work experience opportunities caused by lockdowns and school/college closures is also likely to have hampered the employment prospects of many young people in two ways. First, the absence of work experience opportunities means that young people will have missed out on a crucial opportunity to build their workplace ('soft') skills such as teamworking and communication. Second, the nature of work experience has changed, such as the shift towards online/virtual placements rather than in-person opportunities. While this may reflect wider changes in the labour market to some extent, it means that some young people will never set foot in the workplace before they try to start their chosen career or occupation. Bearing in mind that young people from disadvantaged backgrounds are already less likely than their more privileged peers to have multiple work experience placements (YFF/22 - INQ000650407), the combined effects of these shifts are unlikely to be positive.
38. The changing nature of work since the pandemic has had other consequences for young people. Research by the Institute for Employment Studies, funded in part by YFF, has shown that vital 'stepping stone' mid-skill jobs, which used to help young people progress in the early stages of their career, are in decline (YFF/23 - INQ000650408). Although this trend started before the pandemic, the disruption related to the pandemic has intensified the increased polarisation in the youth labour market between high- and low-skill jobs, which has led to fewer 'stepping stone' jobs and more young people in insecure and part-time work. The same research showed that the changes are occurring despite the fact that young people still "overwhelmingly want what previous generations wanted from work: secure, full-time jobs with decent pay (at the real living wage) near where they live".
39. The pandemic's long-term impact on educational attainment is another persistent problem. The National Reference Test (NRT), conducted by the exam regulator Ofqual monitors changes in the performance standards in GCSE English language and maths in England at the end of Key stage 4 (age 16). Compared to 2020, the proportion of pupils reaching a Grade 4 standard in March 2024 (the latest data available) – which is

equivalent to a 'pass' in their GCSEs— is now substantially lower in both English (down 3.2 percentage points) and maths (down 3.7 percentage points) (YFF/24 - INQ000650409). This means that young people are entering the labour market with poorer attainment in these core subjects.

40. Compounding this lower attainment for all pupils is the growth in the 'disadvantage gap index' created by the Department for Education, which summarises the relative attainment gap (based on the average grades achieved in English and maths GCSEs) between disadvantaged pupils and all other pupils. In 2018/19 – the last full academic year before the pandemic – the index was 3.70, but in 2023/24 it had risen to 3.92 – its highest level since 2010/11 (YFF/25 - INQ000650410). This is a serious cause for concern because research by the National Centre for Social Research in 2023, funded by the YFF, identified low academic attainment as one of the most significant risk factors for a young person becoming NEET (YFF/26 - INQ000650411).
41. Not only has educational attainment deteriorated since the pandemic, but school absences have become a widespread problem. The overall absence rate has jumped from 4.7 per cent in 2018/19 to 7.1 per cent in 2023/24 (YFF/27 - INQ000650412). In addition, the percentage of pupils who are 'persistently absent' (who missed 10 per cent or more of possible sessions) has increased from 10.9 per cent to 20 per cent over this period, while the percentage of 'severely absent' pupils (who missed 50 per cent or more of possible sessions) has risen from 0.8 per cent to 2.3 per cent.
42. Research by Impetus in 2023 concluded that there has been “a profound breakdown in parental attitudes to the idea of full-time school attendance in the years since the Coronavirus pandemic”, not least because “parents no longer believe it is their responsibility to ensure their children are in school every day” (YFF/28 - INQ000650413). One of the major driving forces behind poorer attendance in families from lower and no-income groups was the cost-of-living crisis, which pushed more families into poverty and made attendance at school more difficult. This is a particular worry because a new study published in May 2025 suggested that the growth in the attainment gap between poorer 16-year-olds and their better-off peers between 2019 and 2023 could be “entirely explained” by higher absence rates among disadvantaged pupils (YFF/29 - INQ000650414).
43. The continued prevalence of mental health issues among young people is also affecting their educational progress and attainment in the aftermath of the pandemic. The

research in 2023 by the National Centre for Social Research (described above) found that, alongside low attainment, poor mental health was another significant risk factor for becoming NEET (YFF/26 - INQ000650411). Moreover, the research by Impetus on school absences found that the 'mental health crisis' among young people was "a huge, compounding issue around attendance" (YFF/28 - INQ000650413).

What should happen in the short-term to improve young people's employment prospects?

44. Although the impact of the pandemic on many young people has been deep and broad, this government and future administrations now have a range of evidence-based tools at their disposal to make sure that young people are given the best possible chance to successfully transition into a good-quality job. The starting point of any deliberations should be to set an ambitious goal for what can be achieved. For example, calculations by the Youth Employment Group (YEG) in 2023 suggested that reducing the number of young people who are NEET in the UK to the same levels as the Netherlands could generate £69 billion in additional GDP (YFF/30 - INQ000650416).
45. Benchmarking the UK's performance against other countries in terms of reducing youth unemployment and increasing young people's employment prospects can help identify gaps and opportunities for improvement, ensuring that future responses to economic shocks are inclusive, resilient and evidence-based. For example, other developed nations implemented targeted youth policies in response to the pandemic that offer valuable lessons for the UK. France launched the "*1 jeune, 1 solution*" initiative, combining job subsidies, training, and mentoring to support youth employment. Germany expanded its dual vocational training system, which integrates classroom learning with practical work experience, helping young people transition smoothly into the labour market. Finland institutionalised youth participation in policymaking and maintained a comprehensive 'Youth Guarantee' to ensure that all young people under 25 received support to access employment, education, or training. Australia scaled up youth mental health services and introduced the JobTrainer programme to provide free or low-cost training in high-demand sectors (YFF/31 - INQ000650417).
46. Such examples highlight the importance of integrated youth-specific strategies that combine employment support, education access, mental health services and civic engagement. The UK should now take a similarly expansive and ambitious approach.

Consequently, YFF advises that the Government should set a new goal: **the UK should be the best country in the OECD for young people's participation in education, employment or training by 2050, with significant gaps in outcomes closed for the most marginalised groups of young people.**

47. With a clear and ambitious goal in place, the next step should be designing and implementing a package of support for young people that can deliver this goal. First and foremost, the Government should pursue a new and expanded 'Youth Guarantee' to respond to the persistent NEET challenge and the long tail of effects from the pandemic. The Government recently introduced a 'Youth Guarantee' in their 'Get Britain Working' White Paper in November 2024, which was described as follows: "Every 18-to-21-year old in England will have access to an apprenticeship, quality training and education opportunities or help to find a job under a new 'Youth Guarantee'." This was accompanied by £45 million for eight new 'trailblazer' projects in specific areas of England, to identify those most at risk of falling out of education or employment and match them to opportunities for education, training or work (YFF/32 - INQ000650418).

48. While this 'Youth Guarantee' is a positive step, which YFF has welcomed, the scale, stubbornness and likely further growth of the employment challenge requires more ambitious policy focus and investment. This is increasingly important as the Government undertakes wider reforms across the welfare system and reforms to employment rights, because coordination across the policy agenda is vital to ensure young people are protected from the risk of there being fewer opportunities offered by employers. To this end, in 2023, the YEG proposed a bolder vision of a 'Youth Guarantee': **within four months of leaving employment or education, all young people aged under 25 will receive support to access employment, training, or education opportunities** (YFF/33 - INQ000650419). We believe that a wider age range (16 to 24, not 18 to 21), greater geographical coverage (beyond the eight trailblazer areas in England, and UK-wide) and a more ambitious aspiration for the availability of support are the best ways to start moving towards the new goal set out above. An expanded age range was also one of the main proposals from the Learning and Work Institute in their recent 'vision' for a Youth Guarantee (YFF/34 - INQ000650420).

49. An effective Youth Guarantee would operate as a national offer that is contextualised locally to young people's needs, with Combined (Strategic) Authorities being a sensible vehicle for coordinating local provision. Research by YFF has found examples of Combined Authorities taking the lead in tackling specific challenges facing young people

in their local areas such as breaking down barriers to participating in apprenticeships (YFF/35 - INQ000650382). The Guarantee should then integrate various strands of policy and delivery such as skills, employment, labour market, education and youth policy. To deliver and subsequently expand the full scope of opportunities incorporated into the Youth Guarantee as envisaged by the YEG, progress will need to be made in a number of policy areas. These are described in the paragraphs below.

50. **Apprenticeships:** the number of young people starting an apprenticeship has fallen sharply from 213,700 in 2018/19 to 175,060 in 2023/24, which is almost entirely accounted for by the collapse in Level 2 apprenticeships that are aimed at new entrants and younger recruits (YFF/36 - INQ000650421). A more ambitious Youth Guarantee will therefore need to rebalance the system towards young people through a new 'Apprenticeship Guarantee' for young people aged up to 24, which would ensure a Level 2 or Level 3 apprenticeship is available for every qualified candidate (YFF/37 - INQ000650422). There are several ways that this could be achieved. Some of the available options include: (1) setting a minimum percentage of apprenticeships in levy-paying employers that must be for young people; (2) introducing age-based restrictions or caps on apprenticeship funding at some or all levels of training; (3) restricting or capping the use of apprenticeships to train existing staff rather than taking on new recruits. These measures could also be combined with grants or subsidies for employers who recruit apprentices – especially SMEs, which often struggle with the administrative burdens created by apprenticeships and may lack the necessary management/supervisory capacity to support apprentices during their training.

51. **Better transition support:** improving the quality and quantity of support for young people aiming to move into employment may require some new investment or repurposing existing expenditure. Options to improve this support include better 'early identification' systems for young people at greatest risk of becoming NEET, more intensive and personalised careers advice and guidance for the most at-risk young people and greater investment in the coordination and brokerage of local education-employer partnerships (based on the existing 'Careers Hubs' infrastructure) to boost employer engagement and work experience opportunities for young people most at risk of being NEET. All these interventions could be targeted towards particular geographical areas or cohorts of young people who face the greatest barriers to finding a good-quality job.

52. **Early intervention:** when it comes to preventing young people from becoming NEET, there is good evidence that investing in ‘early intervention’ schemes should form part of the solution. The Youth Hubs programme has already highlighted the importance of ‘trusted adults’ as a way to help young people progress towards employment. YFF is also testing the efficacy of early intervention through our ‘Building Futures’ programme that aims to build the evidence base on how mentoring through trusted adults can be used most effectively to reduce young people’s likelihood of being NEET at age 18 and also to increase their wellbeing.
53. **A new wage subsidy scheme modelled on Kickstart:** the evidence base that YFF has compiled in our Youth Employment Toolkit (YFF/38 - INQ000650423) suggests that wage subsidy schemes have a positive impact on employment outcomes for disadvantaged young people – particularly those with few qualifications. The costs of wage subsidies are typically higher than for other interventions but, as noted earlier, the benefits from participating in Kickstart outweighed the costs in the long run. Given that wage subsidies have a strong evidence base and have the greatest impact on employment outcomes for young people with low / no qualifications, a more targeted version of Kickstart – aimed at vulnerable or disadvantaged 16 to 24-year-olds – should form part of a new more ambitious Youth Guarantee. This new wage subsidy programme could also be focused on specific industry sectors / in-demand jobs if the Government wished to do so.
54. **Expanded support for mental health:** young people’s mental health has deteriorated over the past two decades, and young people today report the highest rates of common mental disorders such as anxiety and depression – reversing previous figures from two decades ago where young people had the lowest incidence (YFF/39 - INQ000650424). Over half of the increase in youth economic inactivity in the past three years is due to ill health, with mental health being the most common condition driving this trend. To understand the root causes of these changes, YFF commissioned the University of Manchester in July 2024 to conduct a comprehensive research project exploring the factors behind the increase in poor mental health among 14 to 24-year-olds in England. The research assesses the strength of evidence behind different theories that seek to explain the deterioration in young people’s mental health, broken into three categories: (i) *increasing risk factors* (i.e. changes in young people’s lives are driving worsening mental health e.g. social media, economic uncertainty); (ii) *declining resilience* (i.e. young people may be struggling more with common challenges e.g. academic pressure, family breakdown); (iii) *measurement inflation* (i.e. increased awareness and reduced stigma may mean more young people are reporting mental health issues rather than

experiencing a true rise). Findings show that the increase of young people with a mental health problem is genuine, and not a result of increased symptom recognition, overdiagnosis, or reduced resilience. It also showed that the decline in youth mental health is most strongly connected to worsening sleep quality, financial insecurity, reduced access to non-clinical services for children and young people and rising social media use (YFF/40 – INQ000587995). The research confirmed that COVID-19 had significant impacts on young people's mental health, but these were largely short-term and much of the evidence analysed does not account for the rising rates of poor mental health before the pandemic (YFF/40 - INQ000587995). The findings from this research can help inform policy and intervention strategies aimed at reversing these concerning trends, which can provide a solid foundation for future government investment.

55. Improved data collection: Local authorities are required under 'Raising the Participation Age' legislation to track activity data for 16 and 17-year-olds (and 18-24-year-olds with an Education, Health and Care Plan) in their area and record this information in the National Client Caseload Information System (NCCIS) for the Department for Education, which allows government to monitor an individual's NEET status. We believe there is a compelling case for government to invest approximately £15-20 million to expand this tracking up to age 21 across England. This data could also be combined with other datasets (e.g. HMRC tax records) to capture more young people in work or at university. Tees Valley Combined Authority are currently proposing extending tracking to age 18-19 as part of their 'Youth Guarantee Trailblazer' proposal for 2025-26, which could provide some initial learning points or a basis to work from.

56. Clear success criteria: the ultimate goal of a national Youth Guarantee is that it should lead to more young people in good jobs, not just any jobs. There are already markers of 'job quality' being incorporated into the ONS's new Transformed Labour Force Survey, which could be used to track the percentage of younger workers in good jobs. This would encourage government to develop preventative policies to stop young people from falling out of the system as well as providing more guidance and support to those already in work (who are often ignored by the current approach). Better data collection could also draw attention to the number of young people who are not engaged with local statutory and other support services, which is a crucial issue given how many young people who are NEET are not claiming UC or engaging with JCP.

What should happen in the long-term to protect young people's employment prospects in the event of another pandemic?

57. Although it is hard to predict what the next economic shock will look like, YFF believes there are three steps that current and future governments could take to put themselves and young people in a stronger position to deal with many scenarios. These steps are outlined in the paragraphs below.

58. Develop a permanent ‘youth activation’ policy to be ready to scale up in response to a future shock: the measures in the previous section on delivering an effective and ambitious Youth Guarantee would be hugely beneficial to young people both now and in future. Some government initiatives, such as Kickstart, were originally implemented as a response to the pandemic, yet the evidence in our Youth Employment Toolkit shows that they can provide vital opportunities for the most vulnerable and disadvantaged young people regardless of the wider economic and social circumstances. It was therefore disappointing that the previous government chose to shut down Kickstart, the apprenticeship incentive payment for employers and other pandemic-associated programmes as soon as possible rather than converting them into a permanent (if scaled-back) feature of the youth employment landscape. One of the big challenges government faced with Kickstart was setting up the programme to deliver effectively at speed; the adoption of an ‘agile’ approach that relied on refining the details while in operation created problems with engaging employers and managing the scheme (YFF/41 - INQ000650425). It would be advisable, for example, to therefore have a set of colleges and training providers delivering a permanent, year-round Kickstart-style scheme to small numbers of young people even when economic conditions are relatively benign. This would allow for a much smoother and competent rollout of a similar and expanded programme at pace in the event of an economic shock such as the pandemic.

59. Prioritise reducing disparities between groups of young people and focus support on the most vulnerable groups during periods of economic disruption: as noted earlier, the pandemic’s effects were not felt evenly by all young people, with those groups who were already disadvantaged before the pandemic often experiencing the worst effects. If and when the next economic shock arrives, it is therefore essential that government reacts accordingly and directs support to those young people who are furthest behind their peers in terms of education, employment and training outcomes. For example, the evaluation of Kickstart showed how its effects on employment outcomes were almost six times greater for young people with low / no qualifications compared with those who already had a university degree (YFF/11 - INQ000650395). What’s more, there were ethnic disparities in employment rates before the pandemic but some of these

disparities became more pronounced as the economic disruption took hold – giving future governments another potential steer as to where subsequent weaknesses may lie in terms of labour market outcomes. This is in line with our Youth Employment Toolkit, which shows that attempts to focus standard forms of support on more marginalised young people is generally more cost-effective because the impact on employment outcomes is larger (YFF/39 - INQ000650424). In terms of focusing support on the most vulnerable groups, it is also important to remember that this applies to the provision of mental health services, careers advice and other related services as much as employment and training programmes.

60. The long-term impact of school closures: the evidence shows that closing schools (and colleges) has a disproportionate impact on lower-attaining and more disadvantaged students. The COVID Social Mobility and Opportunities Study (COSMO) project is a longitudinal cohort study that is following a representative sample of young people across England who were in Year 11 in the academic year 2020/21 as they progress through their education and into the labour market (YFF/42 - INQ000650428). The study has already flagged several concerning findings in terms of the impact of lockdowns and remote learning on the attainment and progress of less privileged families as well as the wider effects of the pandemic on mental health and wellbeing. As the evidence on such matters accumulates over time from COSMO and other sources, this should feed into a clearer understanding of the impact of school closures and an assessment of whether a different approach would be feasible to protect vulnerable children and young people from the worst academic and social effects of being unable to attend school. This should in turn help ensure that the Youth Guarantee is able to tackle the most urgent needs among young people when the next economic shock emerges, and if necessary the Youth Guarantee can then evolve in terms of its design, content and flexibility to adjust to changing circumstances.

Statement of truth

I believe that the facts stated in this witness statement are true. I understand that proceedings may be brought against anyone who makes, or causes to be made, a false statement in a document verified by a statement of truth without an honest belief in its truth.

SIGNED

Personal Data

NAME Barry Fletcher

TITLE Chief Executive Officer

DATE 31st July 2025
