

NEW INSIGHTS INTO IMPROVING OUTCOMES FOR AT-RISK YOUTH

THE NEWCASTLE EXPERIENCE



In partnership with

Newcastle
City Council

 Impetus
Private Equity Foundation

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1. EXECUTIVE SUMMARY

How can we better protect the most vulnerable young people from falling out of education and employment? This was the question that Newcastle City Council asked a year ago. The data analysis that followed forms the basis of this report, and makes clear that children whose family-based experiences drive them into extensive contact with Children's Social Care are far and away the youth most likely to become NEET (Not in Education, Employment or Training) by age 19. The analysis offers distinctive new insights in three ways:

- It is based on an unusually rich, robust, and large set of data on young people.
- It uses an approach to assessing risk factors that we think is more compelling, predictive and actionable than traditional risk assessments.
- Most importantly, it quantifies with remarkable clarity both the depth and the breadth of poor outcomes for certain groups of vulnerable youth. It should both strengthen our resolve, and guide our efforts, to do better for them.

Newcastle, Social Finance and Impetus-PEF are pleased to share this approach to analysing the population of young people who become NEET, evidence for smarter targeting of NEET-prevention interventions, and recommendations for how government, Local Authorities and front-line providers can be more successful in preventing poor outcomes for young people.



Young people NEET in Newcastle: Figuring out who to focus on for targeted prevention

In 2015, Newcastle City Council was concerned about life chances for their vulnerable young people. Partners in the city understood that the majority of young people were transitioning well from childhood to adulthood, but they were troubled by those who were stumbling on the path from school to employment or continued education, and successful lives. A share of young adults were falling out of the system – becoming NEET¹ – and often grappling with crime, poverty, addiction and other challenges.

Local NEET rates had been falling in recent years, so Newcastle believed that those still NEET were the most vulnerable – requiring the most help. Newcastle's leaders have great ambitions for all of the city's young people, but they recognised that realising these ambitions required a more detailed and evidence-based understanding of who was most likely to become NEET.

Nationally, young people who become NEET are likely to experience a range of other negative personal outcomes, triggering both personal and wider economic costs: over £65,000 each in direct lifetime costs to public finances and £120,600 in wider lifetime costs to the economy and wider community.² NEET rates for 16–24 year olds across the country have come down in recent years, but the remaining group represent a substantial draw on public finances and a serious diminution of the UK's economic and human potential.

¹ Not in Education, Employment or Training

² The University of York estimated the average individual life-time public finance cost of NEET at £56,300. Using the Bank of England's inflation calculator to bring this figure to 2015 prices gives an estimated cost of £65,116. The report estimated total resource costs at £104,300 in 2010, which the Bank of England calculates at £120,633. (*Estimating the life-time cost of NEET: 16–18 year olds not in education, employment or training*, Executive Summary, University of York 2010.)

And the UK (16–24 year-olds) NEET rate – 12.7% in 2015³ – remains four times higher than the best performing OECD countries.

In recent years Newcastle has made increasing use of data and analysis to inform commissioning and service design decisions. In 2015, commissioners asked Social Finance to work with them to better understand their local NEET challenge, making use of a wealth of local data. Together we focused on who to target, when and how. We know that tailored, integrated, adaptive services are usually the most effective – but they also are expensive. So Newcastle wanted to train its resources on those most likely headed for a range of negative outcomes.

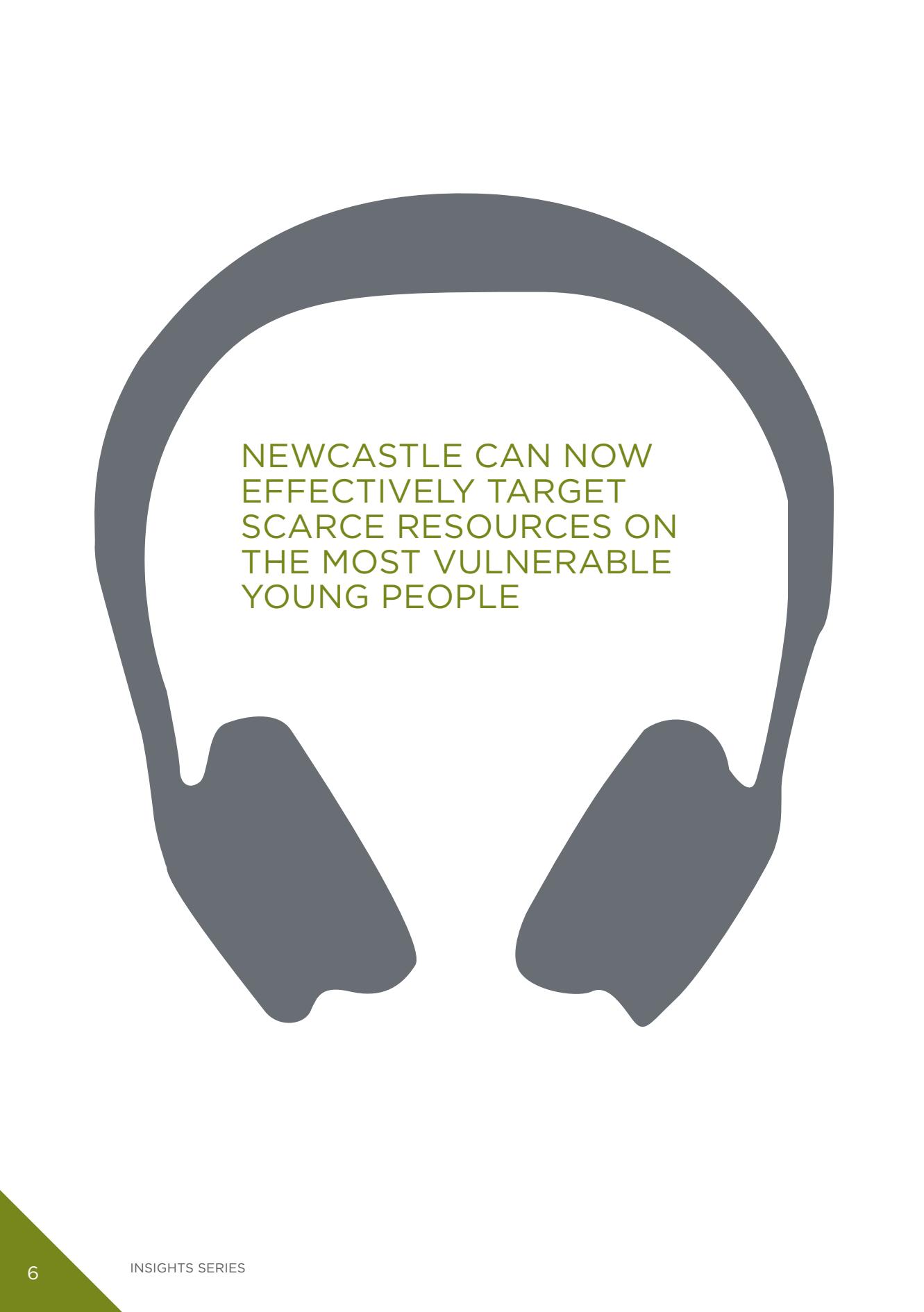
We pulled together and analysed the entire population of the city's 17–19 year olds, drawing on historic and current data from Children's Social Care, education, employment, housing and homelessness, youth offending, mental health, crime and deprivation. In this report, Social Finance and Newcastle City Council, along with Impetus-PEF, a venture philanthropy leader committed to transforming the lives of economically disadvantaged 11–24 year olds, present the findings.

Key Findings and Implications

1. A small proportion of young people have contact with Children's Social Care, but these individuals account for the majority of NEETs as young adults

The majority (67%) of people likely to become NEET in Newcastle aged 17–19 are found among the 25% of children overall who have had extensive involvement with Children's Social Care (see Chart 3). The three groups at highest risk of becoming NEET are children

³ DfE NEET Statistics Quarterly Brief, 2013–2015 (figures stated are an average of the four quarters within the year)



NEWCASTLE CAN NOW
EFFECTIVELY TARGET
SCARCE RESOURCES ON
THE MOST VULNERABLE
YOUNG PEOPLE

who have been Looked After by the Local Authority,⁴ who have had a Child in Need or Child Protection Plan designation, or who have had six or more interactions with Children's Social Care. Overall, youth who have had involvement with Children's Social Care spend more than three times as long NEET as those without, and children who have been Looked After spend more than ten times as long NEET (see Chart 4).

The most crucial implication of this analysis is that Newcastle can now clearly identify – based on better evidence than ever before – which of the city's school pupils are likely to become sustained NEET as young adults. It can now effectively target scarce resources on the most vulnerable young people, and as the majority of children who come into contact with Children's Social Care do so at a relatively young age, the most at-risk individuals can be identified early on in their lives.

For these children, engagement with Children's Social Care is not itself the risk, but rather, the underlying family problems that triggers engagement with Children's Social Care. This suggests that NEET prevention interventions should support families' functioning and resilience.

2. It's not just Looked After Children and Care Leavers – other young people with substantial Children's Social Care engagement are also very likely to become NEET

Central and local government leaders rightly give attention to the 69,500⁵ children in England who are Looked After by Local Authorities. These young people face considerable barriers throughout their lives, and many struggle to transition successfully

⁴ Looked After Children as defined in the Children Act 1989.

⁵ There were 69,540 children who were Looked After at 31 March 2015. DfE SFR 34/2015

to adulthood. The Newcastle analysis, however, indicates that outcomes for children who are on the radar of Children's Social Care but not Looked After by the Local Authority are almost as poor.

To significantly increase rates of education and employment among young adults, it therefore won't work to only focus on the 1% of young people who are officially Looked After. We need also to think about better and earlier support for the 441,000⁶ children who have Child in Need or Child Protection plans – and those with frequent Children's Social Care contact more generally.

3. These same groups exhibit a range of other negative and costly outcomes in early adulthood besides NEET, and preventing NEET is likely to have other positive effects.

Young people who fall out of education and employment are dramatically more likely to present as homeless, claim housing benefit, become involved with police and become pregnant at a young age. We cannot say whether becoming NEET causes other negative events or whether other negative outcomes lead to an individual becoming NEET. However, we do know that engagement with Children's Social Care is an indicator of NEET risk as well as a range of other negative outcomes. This interrelatedness means that intervening to reduce NEET risk is likely to have significant benefit in other areas of young people's lives. In this context, a NEET-prevention intervention can be seen as a broader "Life Chances" intervention.

⁶ There were 391,000 Children in Need and 49,700 children on Child Protection Plans at 31 March 2015, DfE SFR 41/2015.

4. Within these high risk groups, individuals who also exhibit challenging behaviour or exhibit special educational needs are even more at risk, but those who achieve academically are likely to be on the right track.

For the most vulnerable young people – those on the Children’s Services caseload – having poor early educational experiences, special educational needs, truancy issues, youth offending involvement, attending a Pupil Referral Unit, or being eligible for Free School Meals all point to even higher risk of becoming NEET. Recognising the presence of these factors offers opportunities for even tighter targeting of support.

But notably, for youth with serious risk factors, getting good GCSEs⁷ is a strong indicator that they will avoid becoming NEET – and missing out on good GCSEs further increases the odds of becoming NEET. This indicator of educational attainment – and the resilience and grit it may imply – looks to be more important for vulnerable young people than for the general population.

Post-16 destinations are another indicator of young people at risk: across all groups, young people who stay on in school through sixth form are least likely to become NEET. This is a route taken by two thirds of those young people with no risk factors, but by only 23% of those in the three highest risk groups.⁸ Conversely, across all groups, those who enter employment are most likely to become NEET (see Chart 7); this is a route taken by 23% of those in the top three highest risk groups but only 12% of those with no risk factors. For those who have already been NEET, training and/or employment appears to be a more secure route out of NEET status than re-entering education (see Chart 8).

⁷ Defined as 5 A*-C including English and Maths

⁸ Those who have either spent time Looked After, on a Child Protection or Child in Need plan, and those with other Children’s Social Care Involvement.

5. NEET prevention efforts can't just focus on improving educational attainment: they must focus much more sharply on young people's and families' resilience and healthy functioning.

The most significant school age drivers of becoming NEET relate to circumstances in the home which put young people at risk – as shown by contact from Children's Social Care. This means NEET-prevention interventions must address family relationships – by addressing family dynamics directly and/or by helping the young person develop coping and resilience approaches for navigating them.

That said, interventions should address the drivers of GCSE/academic attainment too. Although poor educational attainment is not a strong predictor of NEET-ness overall, among higher risk groups, achieving good GCSEs does signal lower NEET rates (Chart 6), perhaps because the skills and characteristics required to achieve good GCSEs equip young people well for the longer transition to adulthood. Interventions for high risk youth should account for this, as well as the potential impact on GCSEs of behavioural factors, such as truancy and offending.

Newcastle's Next Steps

The work described in this report is already influencing Newcastle's commissioners. The council, with partners, are embarking on an ambitious system redesign to improve the life chances of the most vulnerable.

They are now able to identify and more confidently target the most vulnerable groups much earlier. The ambition is to intervene before the effects of family dysfunction have taken root: in essence laying the ground work for successful transition in later years. The offer to these young people will rightly be ambitious and

will include: appropriate therapy; individual resilience; aspiration; support to achieve in education; and critically will be based on a long term relationship with an appropriate mentor. The council believes that this prospective targeting is a better use of scarce resources and will, over time, reduce the need for specific transition support.

Commissioners recognise that there will continue to be demand for specific transition support, but that it should start earlier and be more holistic. Creating unnecessary handoffs dilutes accountability and creates complexity at a time that we know is incredibly challenging for young people. The ambition is to create a simple and practical offer underpinned by an appropriate mentor that enables young adults to develop the foundations for stability in adulthood, including, but not limited to, sustaining education, employment and/or training.

Whilst there is a compelling case to think differently about transitions, universal services also have a key role to play. Partners in Newcastle are committed to building the capacity of universal services to support the new model of transitions.

Recommendations

The key findings and implications from this research should be valuable to local commissioners around the country, central government leaders and leaders of charities and social enterprises who work with vulnerable youth. Our recommendations are as follows:

Local Authorities

Identify those most likely to become NEET: Local Authorities can identify the youth with the highest probability of experiencing multiple poor life outcomes by either using the risk hierarchy

developed here, or by repeating the Newcastle analysis using local data.

Understand what support young people receive and whether it meets their needs: Newcastle is now transforming services based on its increased understanding of young people's needs. Local Authorities should ensure that the services available locally can meet the most pressing needs of their most at-risk young people at the right time – before they lead to long term poor outcomes, and as such ensuring best use of resources.

Recognise that the most vulnerable young people experience a range of risk factors for multiple poor outcomes and plan services accordingly: The most vulnerable young people experience a range of risk factors as children. Services should be designed to identify a variety of risk indicators –including those relating to their wider family – and provide early intervention.

Consider co-commissioning to respond to wider needs: Local Authorities and Clinical Commissioning Groups should work together to explore opportunities to jointly commission services to include a therapeutic element for young people and/or their families.

Central Government

Put young people with substantial Children's Social Care engagement at the centre of government's Life Chances strategy: Making further progress on the NEET challenge – the early nexus of educational failure and unemployment – must be central to the government's new Life Chances strategy. Given the poor life outcomes for those young people whose home lives bring them into contact with Children's Social Care, these groups should be top of the priority list for Life Chances programmes. We hope to see Cabinet Office allocate much of the new £80m Life Chances Fund for

Social Impact Bonds for projects focused on improving outcomes – including education and employment – for the highly vulnerable youth cohorts identified here.

Bridge the divide between NEET and Children's Social Care interventions: Government should bring together departments' data to track long term outcomes of all those who have been connected with Children's Social Care, and include this as a reported measure for Local Authorities. Central departmental initiatives should incentivise holistic, systemic models which treat young people in the round rather than targeting one or other of their needs. The Department for Education's second Innovation Programme could take this opportunity to promote projects that focus on the wider Children's Social Care caseload and address their wider needs including education alongside their family's therapeutic or support needs. The Department for Communities and Local Government's Troubled Families programme could use this analysis to target and design interventions.

Social Sector Providers and Funders

Thousands of charities and social enterprises in the UK focus on helping disadvantaged youth transition to adulthood. At risk youth are also a priority for private foundations, individual philanthropists and the growing sector of social and impact investors.

Take on further research to understand the causal dynamics of why vulnerable young people struggle in later life: This report offers striking supporting evidence for professionals' intuition that they know which young people will struggle later in life and who we should target first for supportive services, but it doesn't tell us what it is about the challenges they face that are particularly damaging. We would encourage further research into the causal links between challenges in childhood and poor outcomes later in life.

Develop evidence-based criteria for serving the young people who most need help: Our findings suggest that social sector organisations looking to support vulnerable young people generally or NEETs specifically could target their work effectively towards children who have been on a Child in Need or Child Protection Plan (or even those with other forms of social care involvement), in addition to those who are/have been Looked After.

Develop programmes which look at and address a range of risks: This report suggests that programmes helping vulnerable young people avoid becoming NEET may benefit from incorporating a more explicit focus on supporting their family's functioning, and the young people's response to it.

Use data on young people's progress to improve effectiveness: We would encourage measuring long term outcomes such as sustained employment, secure housing and avoiding offending alongside measuring shorter-term positive outcomes which can act as indicators along the way. These could include educational attainment, improved school attendance and better behaviour in the school and/or community. Data can help us improve services and learn more about what works for vulnerable young people.



2. NEETS IN NEWCASTLE: THE SEARCH FOR A BETTER APPROACH

Who NEETs are and why the NEET problem matters

In 2015, Newcastle City Council wanted to know how to best support the most vulnerable young people in its city. In recent years, the number of 16–18 year olds classed as NEET – Not in Education, Employment or Training⁹ – had fallen from 870 in 2012 to 490 in 2016.¹⁰ However, a group of the most vulnerable young people stubbornly remained. These individuals were failing to make the transition from childhood to adulthood, becoming disengaged from employment and education at a critical point in their lives. Many of these young adults were struggling profoundly. Having dropped out of school and unable to find or keep jobs, they were often grappling with crime, poverty, addiction and other challenges, and had no clear plan for how they were going to get their lives back on track.

Past research has indicated an array of negative personal outcomes associated with being NEET. Those who have been NEET as young adults are more likely to:

- be unemployed and welfare dependent later in life¹¹

⁹ Government defines NEETs as those who are 16–24 years of age who are not engaged in education, employment or training. The main focus of this research is on youth ages 17–19, the cohort whom Newcastle wanted most to understand.

⁸ DfE 2012 Local Authority NEET figures, and Newcastle 2016 NEET figures.

¹¹ *Youth Unemployment: the crisis we cannot afford*, The ACEVO Commission on Youth Unemployment (2012)

- be poorly paid, and less well paid in the future¹²
- experience negative health outcomes;¹³ and
- become involved with the criminal justice system¹⁴

Beyond the personal toll, young people who are NEET also carry significant costs to central and local governments. It is estimated that each young person aged 16–24 who is NEET costs the exchequer £4,637 every year,¹⁵ more than £65,000 over their lifetime in direct costs to public finances, and £120,600 in wider costs to the economy and to communities.¹⁶ When we consider the cost of unemployment in terms of benefits and lost revenue to Government, NEETs cost around £14bn per year¹⁷ – more than three times the entire spend on further education in 2014.¹⁸ Beyond lost taxes, costs from additional public services connected to other

¹² NEETs earn roughly 17% less than their peers by the age of 30 and the wage scarring lasts well into their 40s. (*Ending the NEET crisis for good*, Impetus-PEF, 2014)

¹³ NEET young people are 50% more likely to have a prescription for depression and anxiety, and 1.6–2.5 times more likely to experience poor physical health (Consequences, risk factors and geography of young people not in education, employment or training (NEET) – research findings, Scottish Government, 2015). More than one in ten young people who had been unemployed said that unemployment drove them to drugs or alcohol (The Prince's Trust YouGov Youth Index, 2010)

¹⁴ Young men who are NEET are five times more likely to have a criminal record. *Reducing the number of people NEET*, Institute of Health Equity (IHE) (2014)

¹⁵ Unit Cost Database, Cabinet Office (2015)

¹⁶ The University of York estimated the average individual life-time public finance cost of NEET at £56,300 in 2010. Using the Bank of England's inflation calculator to bring this figure to 2015 prices gives an estimated cost of £65,116. The report estimated total resource costs at £104,300 in 2010, which the Bank of England calculates at £120,633. Figures from *Estimating the life-time cost of NEET: 16–18 year olds not in education, employment or training*, Executive Summary, University of York 2010.

¹⁷ *Estimating the life-time cost of NEET: 16–18 year olds not in education, employment or training*, Executive Summary, University of York 2010, uprated to 2015 prices using the Bank of England's inflation calculator.

¹⁸ Association of Colleges estimated DfE's further education budget at £3.8bn for 2015 onwards. (The Department for Education budget after 2015, Association of Colleges, May 2014)

CHART 1: COSTS ASSOCIATED WITH NEETS

	ESTIMATED COST
Annual public sector cost of each 16–24 NEET	£4,637
Lifetime public sector cost of each 16–24 NEET	£65,116
Lifetime wider cost to economy and communities of each 16–24 NEET	£120,600
Annual cost of NEETs to economy	£14bn
Annual cost of NEET related outcomes to economy	£25bn

NEET-related outcomes – offending, addiction, poor health, young pregnancy – are estimated at up to £25bn each year.¹⁹

As in Newcastle, NEET rates have fallen across England over recent years. Across England, there were 761,000 young people NEET aged 16–24 in 2015, down from 940,000 in 2013.²⁰ This improvement likely reflects sustained central and local government effort to support NEETs better, a growing economy enabling more youths to find jobs, and government's Raising the Participation Age reforms, making it mandatory for children in Year 11 from 2014 to stay in education, training or employment until age 18 (up from age 16 previously).

But despite this downward trend, the UK still has a huge and stubborn NEET problem. As the Social Mobility and Child Poverty Commission noted in its December 2015 Annual Report, the best performing OECD countries have NEET rates of 3% or less for their

¹⁹ *Estimating the life-time cost of NEET: 16–18 year olds not in education, employment or training*, Executive Summary, University of York 2010, uprated to 2015 prices using the Bank of England's inflation calculator.

²⁰ DfE NEET Statistics Quarterly Brief, 2013–2015 (figures stated are average of the four quarters within the year)

16–18²¹ population – less than half the current UK rate of 7.9%.²² Clearly there is more we can do, and Newcastle City Council knew this. They wanted to do more to support the right young people, but recognised that doing so required a more detailed and evidence-based understanding of who was most likely to become NEET.

Getting traction on the problem: the importance of careful targeting

At Social Finance, our vision for effective public services is that they measurably improve outcomes for vulnerable beneficiaries by bringing together rigorous data, early intervention, adaptive delivery of services and flexible financing. We look at four sets of key questions:

- **Priority beneficiaries:** Who should we be trying to serve and why? What do we know about this target population's characteristics and experiences?
- **Priority outcomes:** Which intermediate and long-term outcomes do we want to achieve and why? How can they be measured?
- **Financing/business case:** What is the cost-benefit business case for intervention? What is the best allocation of available resources?
- **Effective interventions:** What interventions are shown by research to work? And what does operational experience tell us about how to deliver better outcomes for this group?

Local leaders in Newcastle shared this vision and asked Social Finance to work with them to better understand their local NEET

²¹ Social Mobility and Child Poverty Commission, State of the Nation 2015: Social Mobility and Child Poverty in Great Britain, December 2015

²² DfE NEET Statistics Quarterly Brief, 2013–2015 (figures stated are average of the four quarters within the year)

challenge. Together we focused on priority beneficiaries: which part of the population should we focus on first to reduce local NEET rates? Which of the innumerable risk characteristics should we pay most attention to? We know that programmes designed to address one of a person's many needs rarely work. Tailored, integrated, adaptive services are usually the answer – but they are expensive. So the first-order task for government is targeting – identifying which people are most likely headed for a range of negative outcomes and focusing scarce public resources on them.

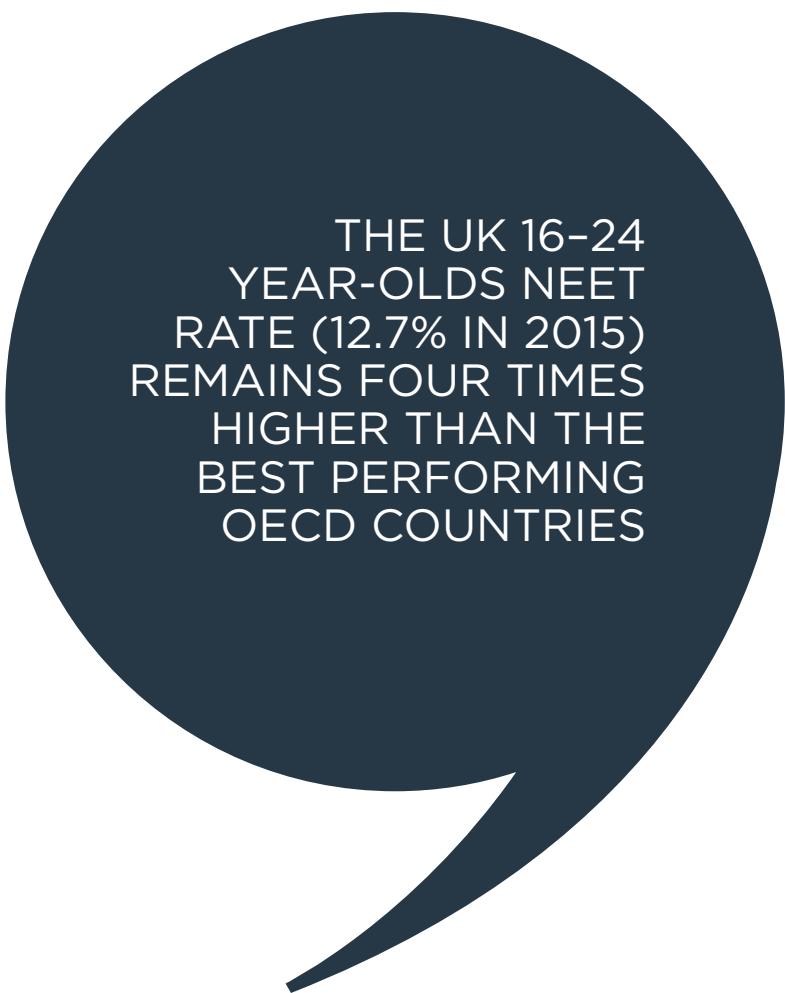
Previous research offered some guidance. A Department for Education longitudinal study of roughly 13,000 youth nationally offered valuable data. Its 2011 report found that 19 year olds who were NEET were also more likely to be teen parents, came from low income backgrounds, had poor academic attainment (GCSEs), had disabilities, and were excluded from school.²³

But Newcastle wanted a more actionable roadmap. It wanted to know if local data, from multiple sources on multiple aspects of young peoples' lives, could shed brighter light into NEET risk factors. And it wanted to know if it was possible not just to predict who was going to become NEET, but who was going to be NEET for a long period of time – the “persistently NEET” rather than just the “briefly NEET.” Finally, it wanted to know if there were objective, discernible factors that could tip them off early to who was likely become NEET – rather than attitudinal or self-reported categories that are often hard to gather data for.

To enable this, we undertook extensive analysis of the entire population of city's 17–19 year olds in 2015. This research, the components and methodology for which is described in Appendix A, has generated some fascinating findings. In the pages that follow, Social Finance and Newcastle City Council, along with Impetus-

²³ Department for Education, *Longitudinal Study of Young People in England*, July 2011

PEF, are pleased to share Newcastle's story in hopes that it may have valuable lessons for other local commissioners, central government officials and charities who work with at risk youth.



THE UK 16-24
YEAR-OLDS NEET
RATE (12.7% IN 2015)
REMAINS FOUR TIMES
HIGHER THAN THE
BEST PERFORMING
OECD COUNTRIES

3. FINDING OUT WHO TO TARGET: MINING THE DATA

KEY FINDINGS

- A small proportion of young people have contact with Children's Social Care, but these individuals account for the majority of NEETs as young adults. Only 25% of Newcastle's 17-19 year olds had significant contact with Children's Social Care – but these individuals accounted for 67% of NEETs in April 2015.
- Youth who have had involvement with Children's Social Care spend more than three times as long NEET as those without. In particular, children who have been Looked After spend more than ten times as long NEET on average as those with no significant risk factors.
- It's not just care leavers: Young people who have been on a Child Protection or Child in Need plan, or who had repeated contact with Children's Social Care during their childhood, also experience far higher NEET rates than individuals with no risk factors. A high proportion of young people known to Children's Social Care appear to be at risk of negative outcomes during their transition to adulthood.

Analysing risk factors: the traditional approach

Typically, those wanting to understand NEET risk factors look at the population of NEETs and ask which various demographic or experiential characteristics are most common amongst the group. This traditional method tends to focus attention on poor GCSE attainment as the key predictor and intervention point for NEETs,

because, overwhelmingly, NEETs tend not to have achieved this important educational milestone. Indeed, in Newcastle, 79% of NEETs aged 17–19 had failed to achieve five good GCSEs by 16.

But this way of thinking about risk factors has limitations because the data also indicated that of all young people who achieved poor GCSEs, only 14% were NEET in April 2015. In this sense, knowing that someone lacked good GCSEs at 16, or was identified earlier as being unlikely to achieve these results, would not necessarily give Newcastle officials confidence to assume that such a youth would go on to become NEET.

Our approach: Focus on risk factors with the strongest predictive power

We took a different approach. We began our analysis by comparing the characteristics of Newcastle's 17–19 NEETs in April 2015 with the characteristics of all 17–19 youth at that time. We looked at whether a young adult had poor educational attainment, was eligible for free school meals, had a truancy or offending record, or had been Looked After or otherwise in the Children's Social Care system – factors that would be clearly identifiable at school age – to identify opportunities for well-targeted early intervention. Our dataset included a total of 7,778 young adults. Of these, 552 (7%) were NEET in April 2015.

In exploring not only how common different risk factors were within the NEET population, but also how common each factor was in the population as a whole, we were able to see which characteristics stood out as being far more prevalent among young NEETs than in the general population. We developed, in essence, a “risk ratio.” We were able to rank a wide range of risk factors by the proportion of individuals with each category who went on to be NEET in April 2015, and therefore gauge the predictive power of each risk factor in identifying NEET risk.

Compared to Newcastle's 17-19 population as a whole, its young NEETs were approximately:

- **5 times as likely to have been Looked After (10% of NEETs vs 2% of general population);**
- **4 times as likely to have attended a Pupil Referral Unit (13% vs 3%);**
- **3 times as likely to have been placed on a Child in Need or Child Protection plan (34% vs 11%)**
- **3 times as likely to have had some Children's Social Care involvement (67% vs 25%)**
- **3 times as likely to have been involved in youth offending (30% vs 9%)**
- **3 times as likely to have had truancy issues at school (53% vs 18%)**
- **2 times as likely to have had Special Educational Needs (43% vs 21%)**
- **2 times as likely to have been eligible for Free School Meals (55% vs 27%)**

We used this analysis to divide the population into six separate (mutually exclusive) groups. In doing this, we were keen to focus on the factors that were most likely to be underlying drivers of poor outcomes, rather than consequences, and those which would enable a high proportion of NEETs to be identified among a relatively small proportion of the population. Children's Social Care engagement (including Looked After Children, those with Child in Need or Child Protection plans, and those with 6+ engagements with Children's Social Care) stood out as a key indicator; from its wider work, Newcastle was aware that most young people who engage with Children's Social Care do so initially at a relatively young age; and as shown above, 67% of NEETs can be found

within the 25% of the young people with Children's Social Care involvement. There is also a clear hierarchy of risk within the cohort of individuals involved with Children's Social Care, with those who have been in care, or on a Care Plan, facing the highest level of risk. We therefore placed Children's Social Care engagement at the centre of our segmentation methodology.

Groups 1-3: Children's Social Care involvement

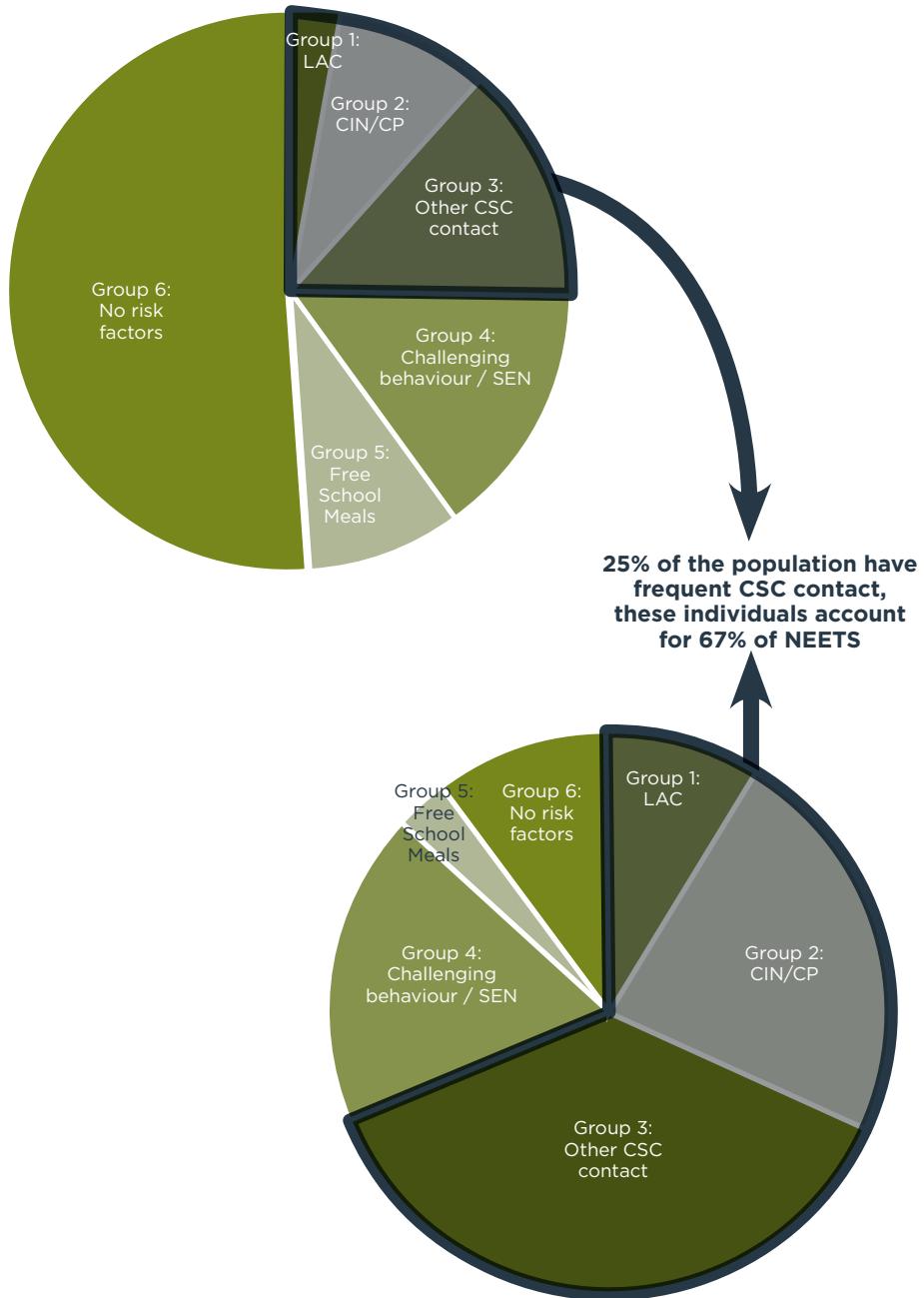
Three of the top six risk factors relate to the extent of an individual's involvement with Children's Social Care, seen as an indicator that a young person has experienced a challenging home life. We interpret the involvement of Children's Social Care as a proxy for poor family functioning. From this we identified three groups of the population at highest risk of becoming NEET:

- **Group 1:** Young adults who had been a Looked After Child (c.2% of total population);
- **Group 2:** Young adults who had been on a Child in Need or Child Protection plan (*but had not been Looked After*) (c.8% of total population);
- **Group 3:** Young adults who had involvement with Children's Social Care (*but had not been on a Child in Need or Child Protection Plan, and who had not been Looked After*) (c.15% of total population).

Group 4: Challenging behaviour or Special Educational Needs (SEN)

After taking out factors relating to Children's Social Care involvement, the remaining top risk factors were pupil referral unit attendance, youth offending involvement and truancy. We decided to group these factors together, along with Special Educational Needs, such that any individuals with any of these risk factors, but no Children's Social Care involvement, would be allocated into **Group 4** (c.16% of total population).

CHART 3: COMPARISON OF THE PROPORTION OF TOTAL POPULATION IN EACH GROUP AND PROPORTION OF NEETS IN EACH GROUP IN APRIL 2015*



* Note that the top pie chart represents the April 2015 dataset; the proportion of individuals in each group is slightly different in the longitudinal dataset used for subsequent analysis.

Group 5: Free School Meals

Free school meal eligibility is the final risk factor associated with at least a doubling of an individual's likelihood of becoming NEET. As such, any young adults who had been eligible for free school meals but who had none of the risk factors already captured would be allocated into **Group 5**. Free Schools Meal eligibility is treated here as a proxy for low income households (c.8% of total population).

Group 6: No risk factors

All remaining young adults (that is, those with none of the identified risk factors already captured in the segments above) were allocated into **Group 6**, loosely termed “no risk factors” (c.51% of total population).

Briefly NEET vs Persistently NEET

After this first cut, we had a good picture of which groups of youth were most likely to have been NEET at a single point in time – in April 2015. But we also wanted to test whether individuals in higher risk groups spend *more time* NEET overall.

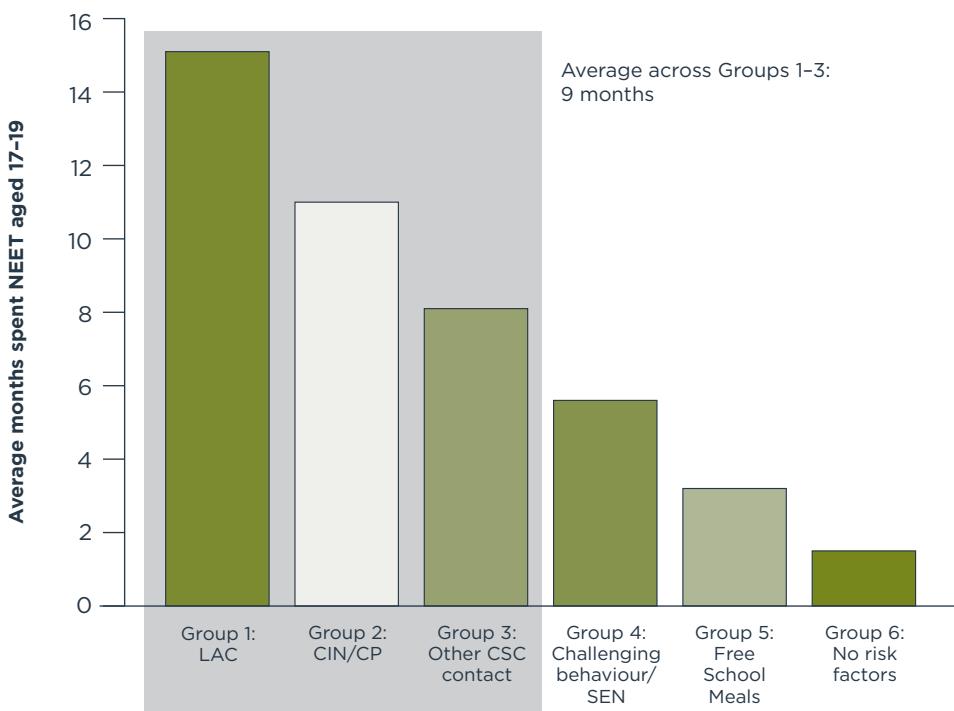
The findings strongly indicate that they do.

As outlined in Chart 4, we found that:

- Those in the **highest risk group** (those who have been Looked After) spent **more than ten times as long NEET** as those with no significant risk factors (average of 15 months NEET vs 1.5 months NEET aged 17–19).²⁴

²⁴ Figures based on percentage of known time spent NEET aged 17–19 . Data is not available each month for every individuals in the dataset, but on average data is present for 30 out of individuals' 36 months aged 17–19, and data is present for at least 24 months for all individuals in the dataset.

CHART 4: AVERAGE NUBER OF MONTHS INDIVIDUALS IN EACH GROUP SPEND NEET AGED 17-19



- Those who had attracted the attention of **Children's Social Care** (groups 1, 2 and 3 combined) **spent on average 9 months NEET aged 17-19**, compared to only 3 months for their peers with no Children's Social Care involvement (groups 4, 5 and 6).
- Those in **group 3** (Children's Social Care involvement but no Plan) **spent on average around 2.5 months longer NEET** than those in group 4 (no Children's Social Care involvement but with challenging behaviour or SEN).
- And those in group 5 (free school meals but no other risk factors) **spent more than twice as long NEET** as those in group 6 (no risk factors).

Overall, we found that 30% of Newcastle's 17–19 population spent at least two months NEET, and these individuals accounted for 96% of all NEET months within our dataset.

It is striking that those young people who have been on a Care plan (Group 2) appear to be nearly as at risk of becoming NEET as those children who have been Looked After (Group 1). The same is true to a lesser extent for individuals in Group 3, those who have attracted the attention of Children's Social Care but not been subject to a Plan. This suggests that – at least in terms of NEET risk – all those known to Children's Social Care should be considered 'high risk' in terms of future outcomes. Within this group, the intensity and longevity of an individuals' involvement with Children's Social Care could be used to identify even more tightly those most at risk.

Finally, we analysed the length of individuals' longest individual NEET spell. This highlighted that individuals in higher risk segments typically experience much more intense and long-lasting periods NEET. Looking just at those individuals who spent at least two months NEET, those in the three highest risk groups' longest NEET spell was 11 months on average, compared to 9 months for those in Group 4, 8 months for Group 5 and 7 months for Group 6.²⁵

In summary, we find across these analyses that being in one of the high risk groups correlates not only with a greater likelihood of being NEET at any given point in time, but with being NEET for long spells.

²⁵ Note that these figures only include time spent NEET aged 17–19. Some individuals' longest NEET spell would have run over their 17th or 20th birthday so its full length would not be captured, meaning that in reality the average length of individuals' longest NEET spells is likely to be slightly longer than that shown here.



4. AVOIDING NEET: WHAT HURTS AND WHAT HELPS?

KEY FINDINGS

- Poor GCSEs alone are a relatively weak predictor of which children will spend the most time NEET – the majority of individuals with poor GCSEs will not spend significant periods of time NEET.
- But when looked at as a potential protective indicator, GCSEs become much more powerful. For children experiencing serious risk factors, achieving good GCSEs suggests they are much less likely to become NEET.
- Young people who are in the most vulnerable groups (groups 1–3) who also exhibit other difficulties around their behaviour – through truancy, youth offending or PRU involvement – are twice as likely to become NEET.
- Post-16 choices: within each group young people who go to sixth form are less likely to become NEET than those in further education – and those in employment are most likely to become NEET by 19.
- The vast majority of NEETs who make a successful transition out do so by moving into employment or training. Leaving education appears to be something of a one-way door, with relatively few young people who are NEET making a successful transition back into education.

Having confirmed which individuals were most at risk of spending time NEET, we explored whether there were additional markers which indicated a further heightening or reduction in NEET risk *within each group*. We refer to these as ‘compounding indicators’

(those which increase NEET risk within each of the groups) or ‘protective indicators’ (those which reduce NEET risk within each of the groups).

What we find is intuitively familiar: young people who come from backgrounds that are challenging or concerning enough to draw interest from Children’s Social Care are likely to experience poor outcomes later in life, both in terms of their education and employment prospects but also wider outcomes (examined in Chapter 5). What is new about this work is its basis in an unusually rich, robust and substantial dataset, its approach to risk indicators which enables better identification of small groups of young people most likely to become NEET, and a quantitative backing for professionals’ intuition that certain young people experience a whole range of difficulties as young adults and beyond. This research should provide a stronger evidence base on which to act, and a compelling argument for taking proactive action to support at-risk youth now.

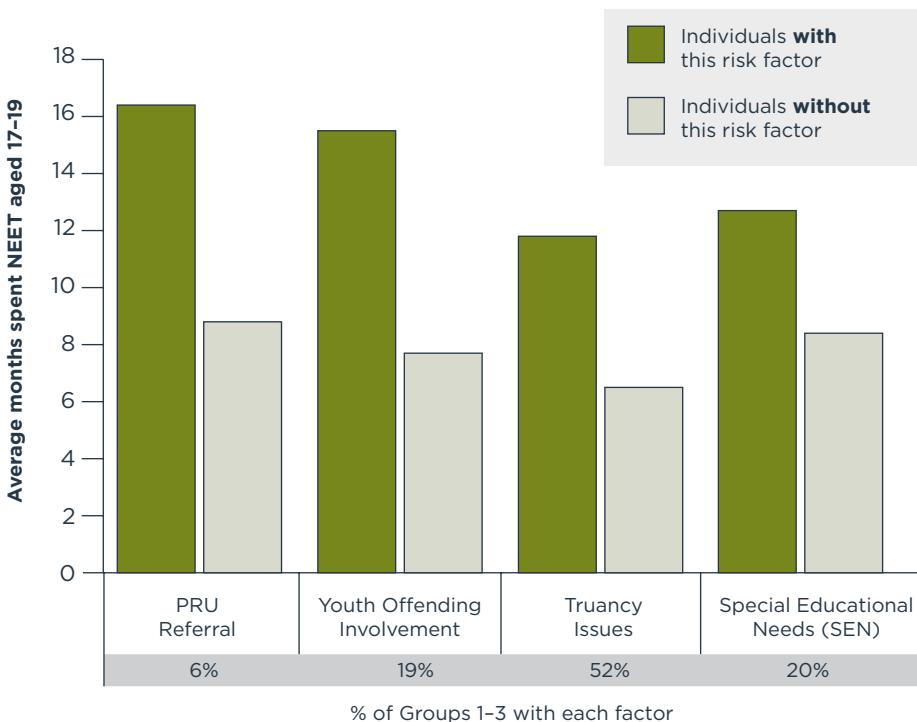
What Hurts: Compounding indicators

Poor early educational experience

Among young people in the three highest risk groups, those who had poor academic attainment at Key Stage 2²⁶ (aged 11) fared considerably worse than their peers who had good Key Stage 2 attainment. High risk youth with good Key Stage 2 results spent on average 7 months NEET aged 17–19, compared to 13 months for those with poor Key Stage 2 results – striking differences at such a young age.

²⁶ Children are given standardised tests in English and Maths at the end of Key Stage 2 (which is at the end of Year 6). Under the levels system that operated until 2015, poor Key Stage 2 attainment was defined as not achieving at least Level 4 in both English and Maths.

CHART 5: FOR INDIVIDUALS IN GROUPS 1-3, AVERAGE NUMBER OF MONTHS SPENT NEET FOR THOSE WITH/WITHOUT ADDITIONAL RISK FACTORS



Behavioural issues and SEN

Vulnerable young people who are exhibiting challenging and/or anti-social behaviours at school or in the community are even *more* at risk of falling out of education and/or employment on the way to adulthood. Among individuals in the three highest risk groups, having had truancy issues, youth offending involvement or having attended a Pupil Referral Unit, all result in a doubling in the amount of time an individual is likely to spend NEET aged 17-19 from roughly 7 to 14 months on average (see Chart 5). This may indicate that for these young people, the challenges they face at home which led them to Children's Social Care are also impacting their ability to thrive in school and in other settings.

The impact of Special Educational Needs can also be seen in Chart 5: individuals recorded as SEN spend on average four months' more time NEET aged 17–19 than their peers without SEN.

Free school meal eligibility

Free school meal eligibility is also a strong compounding indicator for the top three risk groups. Individuals within these groups who were eligible for free school meals spend on average 11 months NEET aged 17–19, compared to only 7 months for those not eligible for free school meals; this is a lesser increase than that associated with behavioural factors, but significant nonetheless, suggesting that poverty is an additional strain on children who are already vulnerable.

What Helps: Protective indicators

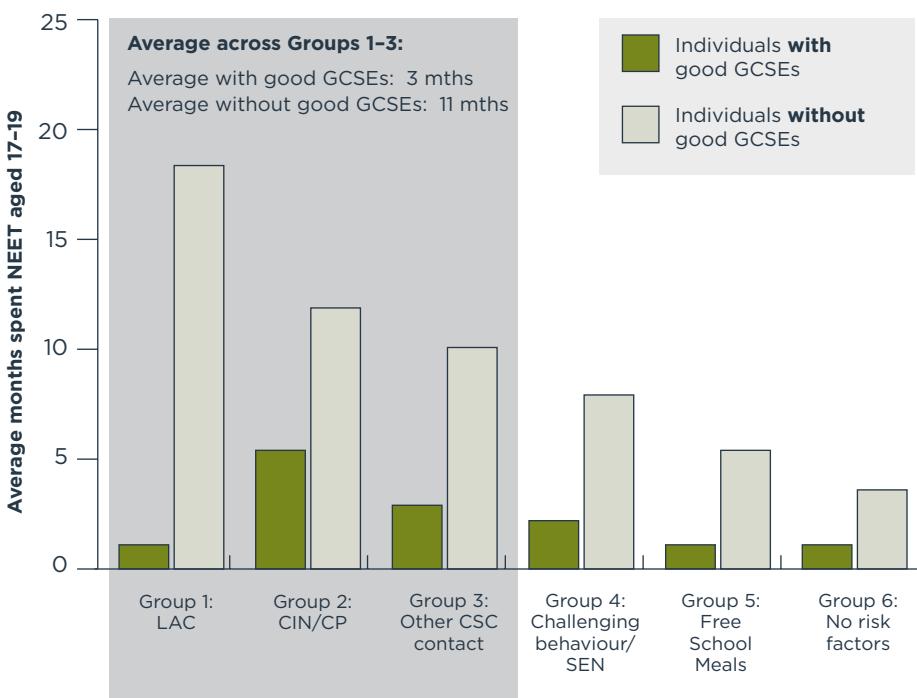
GCSE achievement as a powerful protective indicator

Relatively few children in the highest risk groups achieve good GCSEs,²⁷ but for those who do, this appears to be a very strong indicator of future success – substantially reducing the amount of time individuals spend NEET. Youth in groups 1–3 who achieved good GCSEs typically spent just 3 months NEET aged 17–19 NEET. By comparison, those with poor GCSEs spent more than three times as long without education or employment (11 months – see Chart 6).

This trend is even stronger in groups 4 and 5. In group 4 those who did not achieve good GCSEs spent nearly four times as long NEET as those with good GCSEs (7.9 months vs 2.2 months). In group 5, the difference is five-fold – individuals without good GCSEs spent 5.4 months NEET compared to only 1.1 months for those with good GCSEs. This also indicates that young people who are eligible for

²⁷ 5 A*-Cs including English and Maths

CHART 6: IMPACT OF GCSEs ON AMOUNT OF TIME INDIVIDUALS ARE LIKELY TO SPEND NEET



free school meals, but who have no other risk factors and get good GCSEs are no more likely to become NEET than their peers who are not eligible for free school meals.

We cannot make any claims from this research about causation – that is, about whether getting good GCSEs directly helps youth avoid becoming NEET, or whether it reflects other underlying skills or characteristics (such as resilience) that drive both good GCSEs and an ability to successfully transition to adulthood. This deserves further research. But what we do know is that for individuals already at high risk as a result of other factors, achieving good GCSEs is the single strongest protective indicator, associated with reduced NEET risk of more than 70%.

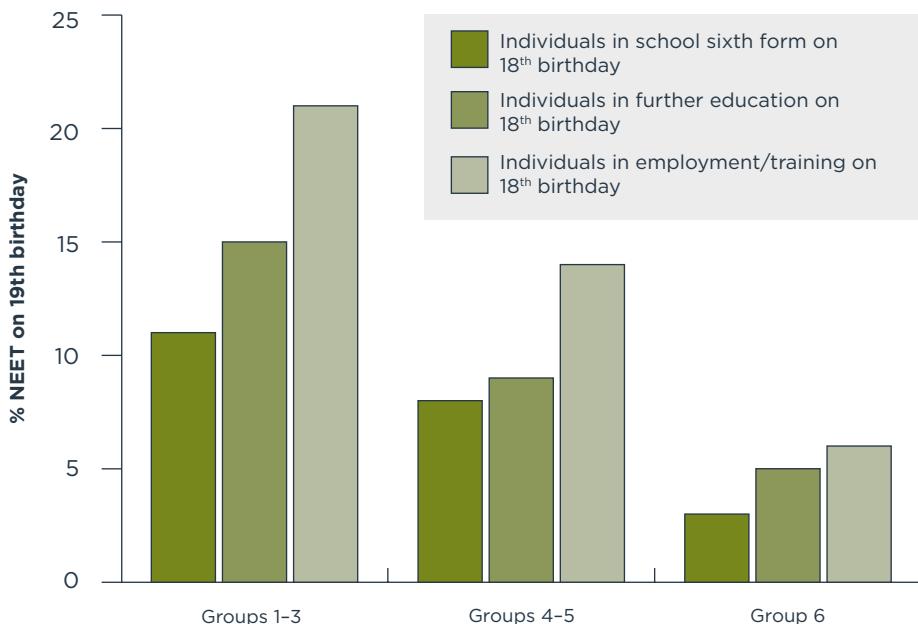
Staying in education

Across all groups, but especially those most at risk, sixth form students are less likely to become NEET than further education students – and further education attendees are less likely to become NEET than their employed peers.

Young people at risk of becoming NEET are crossing a crucial transition point in their lives: from compulsory, school based education to a destination of their choice – sixth form and then possibly higher education, further education, training and/or employment. Our analysis suggests that an individual's destination post-16 can tell us about their risk of becoming NEET.

Across all groups, individuals who enter employment / training are about twice as likely to subsequently become NEET as those who continue in school into sixth form. Those in further education are

CHART 7: LIKELIHOOD OF INDIVIDUALS BECOMING NEET AFTER DIFFERENT POST-16 EXPERIENCES



also at heightened risk, with a higher proportion going on to become NEET than those who remain in sixth form.

The importance of this trend is exacerbated as far fewer young people in the higher risk groups remain in sixth form, and a much higher proportion enter employment, which is shown to be the riskiest experience across all groups. Two thirds of those with no risk factors (group 6) continue in sixth form compared to only a quarter of those in groups 1–3, while 23% of those in groups 1–3 enter employment, compared to only 12% in group 6.

The heightened level of risk associated with further education is also notable. Across all groups, individuals in further education are more likely than their peers in sixth form to become NEET one year on.

We don't know whether it is the education institutions themselves that are protective or whether the young people choosing sixth form are more likely to make successful transitions anyway, but what this does point to is an increased vulnerability among those in further education, and an opportunity for targeted support.

A few potential risk factors are noticeable for their *lack* of difference between the NEET and general population; that is, how unimportant they are in increasing the likelihood of an individual becoming NEET.

Having English as an additional language has virtually no impact on the likelihood of an individual being NEET. Having a non-white British ethnicity has a protective impact – only 9% of Newcastle's 17–19 NEET population were non-white British compared to 20% of the general population.

Building on what works: learning from successful NEET exits

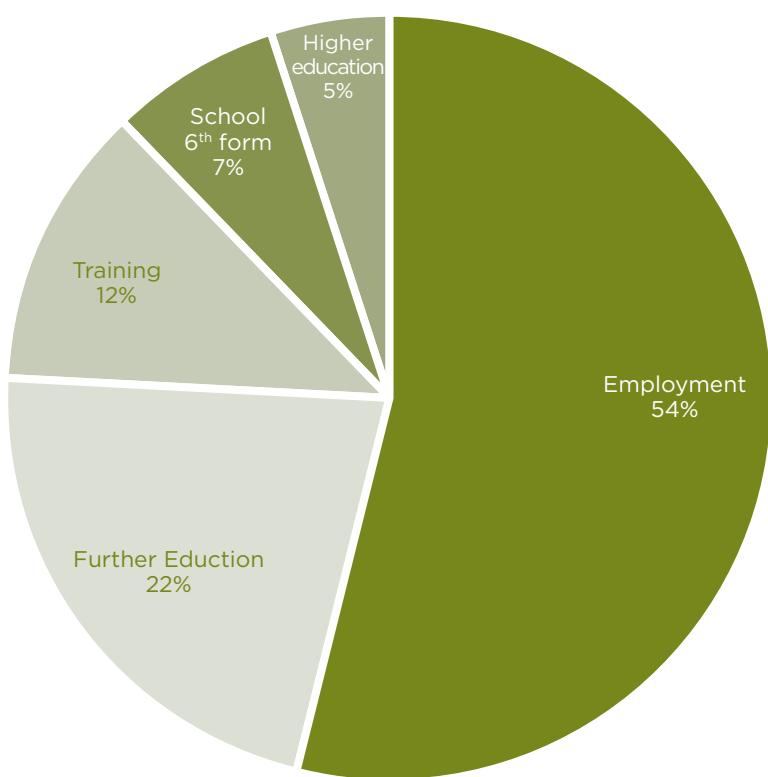
Among the NEET population, there is a cohort of individuals who make a successful NEET exit: moving into and sustaining education, employment or training. We analysed these individuals' journeys to see what we could learn about routes out of NEET. We looked at young people who had become NEET by their 18th birthdays and traced their journeys from this point on.

Employment as key destination for successful NEET exits

To understand how NEET young people moved into education, employment or training we looked at individuals who spent at least two months' NEET aged 17–19, and then made a successful transition out for at least 6 months. As shown in Chart 7, more than half of successful NEET exits were into employment (54%), with the remainder split amongst further education (22%), training (12%), school sixth form (7%) and higher education (5%).

This is a fascinating finding when seen alongside our earlier analysis highlighting the better outcomes achieved by those at-risk young people who remain in sixth form post-16. Although sixth form appears to be the lowest risk option for young people overall, this subsequent analysis suggests that attempts to encourage young people who are already NEET to re-enter education are unlikely to succeed, with most preferring to seek employment.

CHART 8: DESTINATION FROM SUCCESSFUL NEET EXITS





5. LONGER TERM OUTCOMES FOR VULNERABLE YOUTHS

KEY FINDINGS

- As well as spending much more time NEET, young people in the higher risk groups are far more likely to experience a range of additional negative outcomes. These include presenting as homeless, claiming housing benefit at a young age, becoming pregnant at a young age and being arrested.
- Young people who have been on a Child Protection or Child in Need Plan, and to a lesser extent those with contact with Children's Social Care but no Plan, – the wider Children's Social Care caseload – face nearly as much risk as looked after children.
- Spending time NEET significantly increases the risk of an individual experiencing other negative outcomes.

Newcastle City Council was keen to understand the extent to which those young people most at risk of becoming NEET were also at heightened risk of other negative outcomes, as well as the impact of being NEET on this risk.

As most individuals in our sample were only aged 21-22 at the time of analysis, it was not possible to look many years into their futures, but by integrating further data on four key areas we gained valuable insight into early adulthood life chances for at risk young people.

CHART 9: PROPORTION OF INDIVIDUALS IN EACH SEGMENT WHO EXPERIENCED NEGATIVE OUTCOMES

	Group 1	Group 2	Group 3	Group 4	Group 5	Group 6	Overall
Claimed housing benefit aged 18/19	57%	29%	15%	7%	3%	1%	8%
Presented as homeless	48%	27%	10%	3%	2%	0	5%
Arrested / received ASBO	17%	15%	15%	6%	4%	2%	6%
Young parent / carer	21%	19%	10%	0	0	0	3%

The four areas analysed were:

- housing benefit claims
- homelessness presentations
- arrests and anti-social behaviour
- young pregnancies

Housing benefit claimants

The likelihood of an individual claiming housing benefit aged 18 or 19 is far greater in the higher risk groups, especially among young people who have been Looked After (see Chart 8). This of course makes sense, as a high proportion of housing benefit goes to the unemployed. While only 1% of young people in group 6 ('no risk factors') had claimed housing benefit, this figure rises through each risk group, with 15% of group 3 (Children's Social Care contact), 29% of Group 2 (Children's Social Care plan), and 57% of Group 1 (previously Looked After) having claimed housing benefit aged 18 or 19.

In total, the top three most at risk groups (all those with Children's Social Care involvement) account for only a quarter of the population, but two thirds of all housing benefit claimants aged 18/19.

Homelessness presentations

Homelessness presentations are even more tightly concentrated among the higher risk groups. 48% of those in Group 1 (previously Looked After) had presented as homeless to Newcastle City Council at least once, as had 27% of those in Group 2 and 10% in Group 3. Interestingly, there is relatively little difference in homeless presentations between the lowest three risk groups, compared to other indicators; all of the less risky three groups had rates of homelessness presentation of less than 5%.

Taking all homeless presentations together, three quarters were accounted for by the 24% of the population found in the top three segments.

Arrests and anti-social behaviour

Young people in higher risk groups are also more likely to be involved in arrests and anti-social behaviour: 15% of those in the top three groups had been arrested or received an anti-social behaviour order, compared to 2% for Group 6 ('no risk factors'), 4% for Group 5 (eligible for free school meals) and 6% for Group 4 ('challenging behaviour or SEN').

Overall, just over half of all incidents of arrest and anti-social behaviour were accounted for by the top three groups. However, one in five were accounted for by individuals in the two lowest risk segments – a much higher proportion than the other outcomes analysed here. So offending behaviour is much more common among individuals in the higher risk groups, but the strength of the correlation is weaker than for other indicators. This suggests that the key drivers of offending are similar to those for NEET, but not identical.

Young pregnancy

One in five young people who had been Looked After or placed on a care Plan (Groups 1 and 2) were recorded as either pregnant or a

parent/carer in our data. This compares to virtually no young people in the other groups. It is likely that there are some young people in the lower risk groups who have had children but haven't had contact with any services, so are not appearing in our data set. Nonetheless the proportion of young parents in the top two segments is very high, and the missing data effect seems unlikely to change this.

Digging deeper into the data, we find that more than half of children born to parents in the three highest risk groups are themselves already known to Children's Social Care. Although some of these will be automatic registrations, this is unlikely to account for the majority of cases, with most registered as a result of new concerns.

Impact of having been NEET on longer term outcomes

Across all four of these longer-term indicators and in all six of the groups, outcomes are worse for individuals who have spent at least two months NEET. For many outcomes this difference is severe – across all segments combined, individuals who have spent at least two months NEET are over ten times more likely to have claimed housing benefit aged 18/19, nine times more likely to be a young parent, seven times more likely to present as homeless, and three times more likely to be arrested or receive an anti-social behaviour order.

So spending time NEET appears to be associated with a significant increase in the likelihood of an individual experiencing a wide range of negative outcomes. These outcomes are typically very costly for the public purse, making a strong case for the agencies who carry these costs to co-commission preventative interventions.



6. CONCLUSION: IMPLICATIONS AND RECOMMENDATIONS

Newcastle is not alone in its ambition to address its NEET problem nor in what the broad contours of that problem look like.²⁸ It is unique in having been able to take a rigorous and deep dive into a rich set of linked data to better understand its NEET population. Newcastle's story therefore offers a wealth of insights for those who want to improve the prospects of the country's most vulnerable youth. We highlight here the most important implications from this analysis, the actions they suggest for other Local Authorities, central government, and charities and social enterprises focused on at-risk youth, and what Newcastle is doing on the back of this work.

Implications

1. We know who to target to reduce the chance of becoming NEET – and other negative life outcomes

Perhaps the most crucial implication of this analysis is that Newcastle can now identify much more reliably, at school age, the majority of individuals who are likely to become NEET. Local public

²⁸ The contours of the NEET population in Newcastle generally reflect what we know about NEETs nationally. A 2011 Department for Education longitudinal study of 19 year olds found that, nationally, 69% of those who had a child by 19 were NEET, 34% of those who qualified for free school meals were NEET, and 24% of those who had not achieved five A*-C GCSEs were NEET. In Newcastle, we see very similar patterns in 2013 data: 75% of those who had a child by 19 were NEET, 32% of those eligible for free school meal were NEET at 19, and 23% of those who had not achieved five good GCSEs were NEET. These are not same year data, but it is difficult to think patterns would change wildly over a couple years. It would, nonetheless, be valuable to replicate the analysis undertaken here to test whether patterns found in Newcastle are indeed borne out in other places.

services can be fundamentally reformed through careful targeting, ensuring increasingly scarce resources are used as effectively as possible.

The majority (67%) of people likely to become NEET in Newcastle aged 17–19 are found among the 25% of children overall who have had extensive involvement with Children's Social Care. These are children who have been Looked After, who have had a Child in Need or Child Protection Plan designation, or who otherwise have had six or more interactions with Children's Social Care. This is not to say other groups aren't also at risk: those who demonstrate challenging behaviours (truancy, offending, PRU enrolment) or who have Special Educational Needs are at heightened risk of becoming NEET too, as are those who come from low-income backgrounds. But those whose backgrounds are sufficiently challenging to bring substantial Children's Social Care engagement have the highest probability of becoming NEET.

The data confirms that intervening to reduce NEET risk is likely to have significant benefit in other areas of young people's lives. Those who are more likely to become NEET are also more likely to claim housing benefit, present as homeless, become involved with police and become pregnant at a young age. Policymakers know that sustained engagement with Children's Social Care is not just an indicator of NEET risk; it is also an indicator of risk relating to a range of other negative outcomes.

This analysis allows us to quantify how much: individuals who have spent at least two months NEET are over ten times more likely to have claimed housing benefit aged 18/19, nine times more likely to be a young parent, seven times more likely to present as homeless, and three times more likely to be arrested or receive an anti-social behaviour order. We do not know whether becoming NEET causes other negative events or whether other negative outcomes lead to an individual becoming NEET. However, we do know that engagement

with Children's Social Care is an indicator of NEET risk as well as a range of other negative outcomes. In this context, a NEET-prevention intervention can be seen as a broader "Life Chances" intervention. In addition, the coincidence of poor outcomes suggests that investing to prevent a wider range of poor outcomes – including NEET – could reap greater savings.

One further point of critical importance: **Local Authorities can identify these most vulnerable young people early**. Newcastle City Council knows that the majority of children who come into contact with Children's Social Care do so for the first time at a relatively young age, making Children's Social Care contact an early indicator for children at disproportionately high risk of poorer outcomes in later life.

2. It's not just Looked After Children and care leavers – we should support a broader cohort of individuals who are known to Children's Social Care

Central and local government leaders rightly give great attention to the 69,500 children who are Looked After in England. These children are the most vulnerable, facing the highest barriers to success in their later lives and often failing to overcome all the issues they face. The Department for Education is launching a new strategy and "covenant" for Care Leavers this summer, which is a clear commitment to improving outcomes for these extremely vulnerable children as they transition out of care and into adulthood.

The Newcastle analysis, however, indicates that outcomes for children who have attracted the attention of Children's Social Care – but not been Looked After – are almost as bad. For example, young adults who had been Looked After spent on average 15 months NEET aged 17–19 while those with CIN/CP plans typically spent 11 months NEET and those with other Children's Social Care contact, 8 months. These spells are not as long as young people who had been Looked

After as children, but are dramatically more than the six weeks NEET for those with no significant risk factors.

For those on the Children's Services caseload, having poor early educational experiences, special educational needs, truancy issues, youth offending involvement, attending a Pupil Referral Unit, or being eligible for Free School Meals all point to even higher risk of becoming NEET, and recognising the presence of these factors offers opportunities for even tighter targeting of support.

Finally, 17% of young adults who had been Looked After had been arrested or had an Anti Social Behaviour Order, and 15% of those with CIN/CP plans or other Children's Social Care contact also had arrest/ASB records – far more than the 2% of those with no significant risk factors. These young people –in the most risky groups and exhibiting challenging behaviour – could be seen as acting out difficulties in coping with the challenges they face at home and elsewhere. They may therefore warrant particular attention in terms of targeting interventions.

If we want to increase rates of education and employment – and tackle related challenges around homelessness, offending, and teen pregnancy – it simply won't work to only focus on those who are Looked After. We need also to think about better and earlier support for the 441,000 children who have Child in Need or Child Protection plans – and those with repeated contact from Children's Social Care more generally.

3. We have a better picture of which pre-16 outcomes and post-16 pathways would help at risk youth.

First, for youth with serious risk factors, getting good GCSEs is a strong indicator that they will avoid becoming NEET. Youth in the three highest risk categories (previously Looked After, previously on CIN/CP Plan, previously had other Children's Social Care

engagement) who manage to get good GCSEs typically spend around 70% less time NEET aged 17–19 than their peers without good GCSEs (3 months NEET compared to 11 months NEET). However, young people without risk indicators with poor GCSEs typically spend only 4 months NEET, compared to 11 months on average for their peers in the three highest risk groups without good GCSEs. **Getting good GCSEs – and the resilience and grit that may imply – appears to be one of the best indicators of future success for an at-risk teen, and more important for vulnerable young people than for the general population.**

Second, different post-16 destinations also indicate varying levels of NEET risk. Upon completing compulsory education at 16, all young people face a pivotal crossroads moment in their lives as they select their next destination: sixth form and then possibly higher education, further education, or training or employment. **Across all groups, but especially those most at risk, sixth form students are least likely to become NEET, followed by those in further education, while those in post-16 employment are at the highest risk of becoming NEET.²⁹**

Clearly we want to encourage and support those who want to enter sixth form, and better understand their characteristics so that we might support the development of these in other at risk youths. However, we also know that further education will be the destination of choice for many young people, and that this is currently associated with a heightened level of NEET risk. A positive implication of this is that **we know where to look for and how to access many of the youth most likely to become NEET**. But given the high NEET rates seen here, there is a clear need to bolster support, and more work is

²⁹ We don't know necessarily whether sixth forms are doing something that FE institutions are not that better protects a vulnerable young person from becoming NEET, or whether young people entering FE institutions are more likely to become NEET anyway. There would be value in carrying out further research into the different experiences of young people in sixth form vs FE, as well as into FE institutions whose at risk young people ultimately experience lower NEET rates than others.

needed to understand the kinds of support that will make the most difference.

For those who have already been NEET, training and/or employment appears to be a more secure route out of NEET status than education. Given this, there would be considerable value in identifying what forms of support and intervention provide the most effective assistance to young people to transitioning successfully into the world of work.

4. NEET prevention efforts can't just focus on improving educational attainment: they must focus much more sharply on family relationships.

If we know who to target and why, and we know something about what helps and hurts, what does this mean for redesigning local services to help the most vulnerable young people?

First, NEET prevention interventions must address poor family relationships and resilience, and the consequences of dysfunctionality. Given that the most significant school age indicators of becoming NEET relate to the young person's experience in, and reaction to, a family without strong relationships, NEET-prevention interventions need to strengthen those family relationships and the young person's resilience.

Our sense is that few interventions aiming to prevent young people spending time NEET, or to enter EET, look to the young person's wider family experience. They clearly must in one way or another: either by addressing family dynamics directly and/or by helping the young person develop coping and resilience approaches for navigating those difficult dynamics. And they should address what kind of consistent, supportive relationships can be nurtured for these young people. The significance of Children's Social Care involvement – and taking it as an indicator of poor family functioning at home –

suggests that a lack of strong relationships is a key risk factor for young people. Separate but complementary interviews with NEETs in Newcastle commissioned by the council and undertaken by Force 7 (a research agency) support this hypothesis. They found a lack of strong relationships at home greatly increases NEET risk, while having a consistent and strong relationship with a Social Worker or other supportive adult can be of significant benefit.

In a very basic sense, we need to think about family-function interventions as future NEET-prevention interventions, and NEET-prevention interventions as having a family function component as well. And, given the very real probability that for many youth challenging behaviour (truancy, offending, PRU referral) is likely a manifestation of, or a reaction to, underlying family dysfunction, such family-focused interventions may bring wider benefits in these areas too.

Second, interventions should address GCSE/academic attainment too. Although poor educational attainment is not a strong predictor of NEET-ness overall, among higher risk groups, achieving good GCSEs is associated with a reduced risk of becoming NEET, perhaps because the skills and characteristics required to achieve good GCSEs equip young people well for the longer transition to adulthood. Achieving GCSEs represents an important “protective indicator” that should be included in intervention design for pre-16 youth, alongside services related to family functioning.

Our analysis suggests different intervention points that are most suitable for different cohorts. For those young people pre-16, interventions could target two groups in particular:

1. Young people on Children’s Social Care caseloads that require additional help (Looked After children, children on a Child Protection or Child in Need Plan)

2. Young people at school who have a history of Children's Social Care involvement, even if brief, as well as behavioural issues.

For young people post-16, we again see two groups in particular who could benefit from additional support:

1. Vulnerable young people coming to the end of compulsory education whose preferred destination is employment, or those who have recently entered employment/training (because we know employment results in higher NEET rates than sixth form or further education);
2. Young people in further education who have a history of Children's Social Care involvement and behavioural issues (because we know that they are twice as likely to become NEET as those in sixth form).

Recommendations

The key findings and implications from this research should be valuable to local commissioners around the country, central government leaders, and leaders of charities and social enterprises who work with vulnerable youth. Our recommendations are as follows:

Local Authorities

Identify those most likely to become NEET in your area: Local Authorities are responsible for monitoring and supporting NEETs, but many have struggled to target and support at risk young people effectively. With devolution transferring more responsibility onto Local Authorities, they can take the opportunity to be strategic about how to target their resources. Local Authorities should identify the youth with the highest probability of experiencing multiple poor life outcomes. Given we believe that the NEET picture in Newcastle fits national trends, Local Authorities could take this report's risk

hierarchy – that those young people who have come to the attention of Children’s Social Care are most at risk – to target their own services. But some Local Authorities might consider that local factors might produce somewhat different patterns of risk; rural or coastal areas, or those with very different service infrastructures might want to test their own data before relying on the findings for Newcastle.

Work out what support the most vulnerable young people are getting, and whether it meets their needs: Knowing who to focus on is informing Newcastle’s efforts to transform services, improve outcomes and reduce the cost of failure. Local Authorities should ensure that the services available locally can meet the most pressing needs of their most at-risk young people at the right time – before they lead to long-term poor outcomes, ensuring best use of resources. Conversely, this means not allocating finite resources to those who may not actually need them. For example, very few young people who did not achieve good GCSEs but who have no other risk factors go on to become NEET; expending scarce resources on them doesn’t make sense in this climate of drastically reduced local budgets.

Recognise that the most vulnerable young people experience a range of risk factors for a range of poor outcomes, and plan services accordingly: Our findings show that the most vulnerable young people – those most likely to become NEET and have other poor outcomes – experience a range of risk factors while they are still of school age. Local Authorities could benefit from recognising that vulnerability may present itself in a variety of ways and settings, making an argument for considering the role that wider settings and services can play in identifying those young people at risk of making an unsuccessful transition later in life. Schools, in particular, could play an enhanced role in identifying vulnerable young people earlier.

Our data suggests that young people at risk of NEET could benefit hugely from interventions which seek to support wider family

relationships and improve young people and families' resilience. Local Authorities could look to include in their commissioning services which look to these wider factors to complement schools-based/academic support.

Consider co-commissioning to respond to wider needs: We know that young people who come to the attention of Children's Social Care are likely to have experienced significant hardship and/or trauma in their formative years. We know too that many of these young people experience difficulties with their mental health. Local Authorities and Clinical Commissioning Groups should work together to explore opportunities to jointly commission services to include a therapeutic element for young people and/or their families.

Central Government

This research should inform broad ongoing policy related to education, youth unemployment, Children's Social Care and homelessness – and should be directly relevant to particular cross-Whitehall initiatives such as Government's Life Chances strategy, the Cabinet's Earn and Learn Implementation Task Force, the Social Justice Cabinet Committee, and the Social Mobility Commission. These are focused on improving the attainment and employment prospects of disadvantaged young people, and as such, this research could help guide further planning and implementation. A few particular recommendations:

Put young people with substantial Children's Social Care engagement at the centre of government's Life Chances strategy: Recently, this government made an ambitious commitment to maximising the Life Chances of all UK citizens, especially those with the toughest prospects, by taking on five root causes of poverty and hardship: unemployment; educational failure; family breakdown; addiction; and debt. The government is currently developing the

Life Chances strategy for release and implementation later this year. Making further progress on the NEET challenge – the early nexus of educational failure and unemployment – must be central to the Life Chances strategy. Given the challenges faced by young people who warrant interest from Children’s Social Care these groups should be top of the priority list for Life Chances programmes. In particular, we hope to see much of a new £80m Life Chances Fund for Social Impact Bonds run by Cabinet Office be allocated for projects focused on improving outcomes for the highly vulnerable youth cohorts examined here.

Bridge the divide between NEET and Children’s Social Care interventions: Our findings illustrate that factors in a young person’s life – be it their educational attainment, family background, behavioural issues or other needs – are interrelated. Government should bring together departments’ data to track long-term outcomes (including employment) of all those who have been connected with Children’s Social Care, and include this as a reported measure for Local Authorities. In addition, central departmental initiatives should seek to produce holistic, multi-pronged models which treat young people as a whole rather than targeting one or other of their needs. The Department for Education’s second Innovation Programme in Social Care could take this opportunity to promote those projects which, while focusing on those young people most in need – those on the Children’s Social Care caseload – addresses their wider needs including their education, alongside their family’s therapeutic or support needs. The Department for Communities and Local Government’s Troubled Families Programme could use this analysis to target and design interventions.

Social Sector Organisations / Charities

Thousands of charities and social enterprises in the UK focus their work on helping disadvantaged youth get on the path to education, employment, and productive lives. At risk youth are also a top

tier focus for private foundations, individual philanthropists, and for the growing sector of social and impact investors who seek opportunities to invest in programmes that generate both financial returns and social benefit. A few recommendations for charities whose missions are devoted to vulnerable youth:

Take on further research to understand the causal dynamics of why vulnerable young people struggle later in life: Our research gives new weight to professionals' intuition: teachers and youth workers often say they know which young people will struggle later in life. This report offers supporting evidence for their intuition, but it doesn't tell us why those young people will be so disadvantaged, and what it is about the challenges they face that are particularly damaging. We would encourage further research which seeks to draw out the causal links between challenging early years and difficult family backgrounds on poor outcomes (like becoming NEET) later in life.

Develop evidence-based criteria for serving the young people who most need your help: Most charities have criteria that guide who they work with, but often these criteria are relatively loose. An in-depth understanding of the importance of the risk factors that young people face and what they imply for young people's future outcomes can provide a base for targeting those who are most vulnerable based on evidence of predicted need. We believe that providers should consider prioritising not only Looked After Children (which many organisations do) but also those who have been identified as CiN/CPP or who may have had other frequent engagement with Children's Social Care. Social sector providers and Local Authorities might build stronger links so that they can share data and together identify and target those most at risk.

Develop programmes which look at and address the most important risks faced by young people: Through better understanding of the young people they work with, providers will

be able to develop programmes which better serve their needs and so promote better outcomes. Our findings in this report suggest that, to help the most vulnerable avoid becoming NEET, charities should look to incorporate work with the young person's family, supporting their improved relationships and helping the young person cope with adversity and challenge at home. In particular, given what we know about the importance of stable relationships, we would encourage interventions that offer stable and supportive relationships – e.g. through identifying positive individuals already in a young person's life, or by bringing in a worker or volunteer – to offer that person as someone to turn to as young people transition from childhood to adulthood.

Use data about young people's progress to assess and improve services: While the ultimate goal may be making a successful transition to adulthood – and avoiding NEET – there are outcomes along the way, such as educational attainment, school attendance and truancy, and behaviour in the community, which are important to young people as they grow older and which are valuable markers of progress. Monitoring these nearer term indicators provides an opportunity to measure a programme's impact in the short term, and shines a light on young people who may be struggling on their way to adulthood. By measuring needs and outcomes in this way we should learn more about young people's experiences and what works in terms of support, allowing providers and commissioners to refine the service offer and make better use of resources over time.

Newcastle's Next Steps

The work described in this report is already influencing Newcastle's commissioners. The council, with partners, are embarking on an ambitious system redesign to improve the life chances of the most vulnerable. They are doing so in a highly fluid broader public service reform context, one marked by: devolution, which allows Newcastle to better shape local provision to meet local needs, but

also means transition for many local agencies as they change how they do business; significant budget reductions; rollout of Universal Credit and welfare reforms that greatly impact vulnerable families; and shifting relationships with schools as the government seeks to expand the academy programme.

As a result of the analysis, they are now able to identify and more confidently target the most vulnerable groups much earlier. The ambition is to intervene before the effects of family dysfunction have taken root: in essence laying the ground work for successful transition in later years. The offer to these young people will rightly be ambitious and will include: appropriate therapy; individual resilience; aspiration; support to achieve in education; and critically will be based on a long term relationship with an appropriate mentor. The council believes that this prospective targeting is a better use of scarce resources and will, over time, reduce the need for specific transition support.

Commissioners recognise that there will continue to be demand for specific transition support but that it should start earlier and be more holistic. Creating unnecessary handoffs dilutes accountability and creates complexity at a time that we know is incredibly challenging for young people. The ambition is to create a simple and practical offer underpinned by an appropriate mentor that enables young adults to develop the foundations for stability in adulthood including but not limited to sustaining education, employment and/or training.

Whilst there is a compelling case to think differently about transitions, universal services also have a key role to play. Partners in Newcastle are committed to building the capacity of universal services to support the new model of transitions.

As described in this report, the strengthened use of data and analysis has been fundamental to thinking differently about the life chances of vulnerable young people. However, its impact is being felt more widely. The council recognises the value and rigour of this type of analysis and is committed to putting it at the heart of how it designs other public service reform propositions in the future.

APPENDICES

APPENDIX A: APPROACH AND METHODOLOGY

Key principles

Our analysis was underpinned by four key principles:

A. Robust analysis which makes best use of available data

Nationally NEET is defined as individuals aged 16–24. However, in order to make best use of available data, and in order to reflect Newcastle City Council's key areas of interest, we decided to focus primarily on young adults aged 17–19.

B. Density approach to evaluation of risk factors

We explored not only the prevalence of different risk factors within the NEET population, but also compared this to the prevalence of each factor in the population as a whole. This comparison enables an assessment of the *predictive power* of each factor in determining NEET risk – that is, the proportion of individuals with each factor who go on to become NEET – which in turn opens the door to more effective targeting of NEET prevention interventions.

A. Focus on those who are persistently NEET, not just briefly NEET

Longitudinal data enabled us to identify the differing amounts of time individuals spent NEET, as well as looking at who was NEET at a given point in time. We were able to identify that 30% of the population spent at least two months NEET, and in total these individuals account for 96% of all months spent NEET within our

dataset. The remaining 4% of NEET months are accounted for by the 15% of the population who each only spent one month NEET.

B. Focus on risk factors identifiable at school age

A key aim of the project was to improve Newcastle's ability to deliver well-targeted early intervention services to prevent young adults from becoming NEET. With this in mind we focused our analysis on risk factors which would be identifiable at school age, particularly those which would be evident in advance of young people taking GCSEs.

Methodology

Analysis was conducted in four phases:

i Data Integration – *building the dataset*

The insights emerging through this project have been facilitated by the development of a unique dataset on young adults in Newcastle. The dataset integrates data from several departments of Newcastle City Council (Children's Social Care, Adult Social Care, Active Inclusion, Youth Offending, education data, Connexions (EET data)), NTW Trust (mental health data), Northumbria CRC (probation data), YHN (anti-social behaviour data), crime data and deprivation data.

ii Snapshot EET Analysis – *identification of 'at risk' segments of the population*

We began by examining the EET status of all 17–19 year olds in Newcastle in April 2015 (c. 7,800 individuals). By comparing the characteristics of young adults who were NEET with the characteristics of the young adult population as a whole, we were able to identify factors which were disproportionately prevalent among the NEET population, and therefore have the strongest

predictive power for determining which individuals are most likely to become NEET – see ‘Density Approach’ above. From this, we proposed a methodology by which the population could be divided into six segments, based on the likelihood of individuals within each segment becoming NEET, using only factors which would be identifiable at school age.

iii Longitudinal EET Analysis – testing proposed ‘at risk’ segments and further journey analysis

The proposed segmentation methodology was then tested using longitudinal data – monthly data on young adults’ EET status. This enabled an assessment of whether the segments of Newcastle’s population which were more likely to be NEET in April 2015 also spent more time NEET overall. After excluding young adults with insufficient data, a sample of c.5,100 young adults remained – equivalent to c.80–90% of the total population of that age.

Longitudinal Analysis: Data Source and Sampling Methodology

The longitudinal dataset contains monthly data on the EET status of Newcastle’s young adult population. This data is produced by Newcastle Connexions Service, who seek to contact young people by phone, post, email or face to face each month until their 25th birthday, in order to find out their EET status.

In this study we were interested primarily in young people aged 17–19. We therefore identified those young people for whom we had EET data for at least 24 of their 36 months aged 17–19. This was a total of 5,118 individuals.

Before commencing analysis of this sample we compared its characteristics (in terms of risk factors) to the 7,778 young people in the April 2015 snapshot analysis, in order to ensure it remained representative of the whole population. The sample was found to

be broadly representative, and we estimate these 5,118 individuals represent c.80-90% of all people born in Newcastle in 1994 and 1995.

iv Longer-Term Outcomes Analysis – *exploring vulnerable youths' longer-term life chances*

Newcastle City Council was also keen to understand more about the other longer-term outcomes (besides NEET) associated with its vulnerable youths, and the links between these and NEET risk. To facilitate this, additional data was added to the dataset on arrests, housing benefit claims, young pregnancies and homeless presentations.

APPENDIX B: ADDITIONAL DATA DETAIL

The charts included here are intended to provide additional detail on some of the key findings from the analysis.

NB: For Charts A1-A5

- Group 1: Previously Looked after
- Group 2: Children's Services plan
- Group 3: Children's Services involvement
- Group 4: Challenging behaviour or SEN
- Group 5: Eligible for Free School Meals
- Group 6: No risk factors

Chart A1: Key points

As highlighted in Section 4, attending a Pupil Referral Unit, being involved with Youth Offending, having Truancy issues at school and having Special Educational Needs are all associated with individuals in the higher risk groups spending significantly more time NEET aged 17-19. Indeed, having any one or more of those factors more than doubles the amount of time individuals in the higher risk groups are likely to spend NEET aged 17-19. Across all segments, individuals who were eligible for free school meals spend considerably more time NEET than those not eligible for free school meals. As noted previously, relatively few individuals in the higher risk groups achieve good GCSEs, but those that do spend much less time NEET, suggesting that this is a strong protective factor against NEET risk. Across all segments, individuals with a non-White British ethnicity or English as an additional language spend less time NEET than those who are White British or speak English as their first language.

Chart A1: Average proportion of time individuals in each segment spend NEET aged 17-19, with presence/absence of other risk factors

		Group 1	Group 2	Group 3	Group 4	Group 5	Group 6
OVERALL % TIME SPENT NEET:		42%	30%	23%	15%	9%	4%
Attended Pupil Referral Unit	Yes	63%	46%	42%	35%	n.a.	n.a.
	No	39%	29%	22%	15%		
Involved with Youth Offending	Yes	62%	49%	37%	26%	n.a.	n.a.
	No	33%	25%	19%	14%		
Truancy Issues	Yes	56%	38%	29%	16%	n.a.	n.a.
	No	27%	22%	16%	15%		
Special Educational Needs	Yes	56%	40%	31%	20%	n.a.	n.a.
	No	39%	27%	21%	14%		
Any of the Above	Yes	57%	37%	29%	n.a.	n.a.	n.a.
	No	17%	16%	11%			
Free School Meals	Yes	52%	34%	29%	21%	n.a.	n.a.
	No	37%	26%	17%	13%		
Poor GCSEs	Yes	51%	33%	28%	22%	15%	6%
	No	3%	15%	8%	6%	3%	3%
Poor Key Stage 2 Attainment	Yes	57%	39%	31%	22%	15%	10%
	No	16%	27%	17%	10%	5%	3%
In YHN Property	Yes	41%	30%	26%	18%	10%	7%
	No	42%	31%	19%	13%	8%	3%
Ethnicity White British	Yes	46%	32%	23%	16%	10%	5%
	No	28%	24%	18%	13%	5%	3%
English as Additional Language	Yes	35%	28%	14%	12%	4%	3%
	No	45%	31%	24%	16%	11%	4%
Household Mental Health Issues	Yes	42%	24%	25%	19%	8%	6%
	No	41%	43%	20%	13%	9%	4%

Chart A2: Proportion of individuals in each segment NEET on 19th birthday after being in different occupations on 18th birthday

Occupation on 18 th birthday		Group 1	Group 2	Group 3	Group 4	Group 5	Group 6	OVERALL
School Sixth Form	% individuals in segment in this occupation on 18 th birthday	20% (n=12)	26% (n=76)	24% (n=179)	33% (n=421)	49% (n=146)	66% (n=1237)	45% (n=2071)
	Of these, % NEET on 19 th birthday	8%	11%	11%	9%	5%	3%	5%
Further Education	% individuals in segment in this occupation on 18 th birthday	8% (n=5)	23% (n=67)	28% (n=214)	30% (n=381)	26% (n=79)	18% (n=344)	24% (n=1090)
	Of these, % NEET on 19 th birthday	0%	16%	15%	9%	6%	5%	9%
Employment / Training	% individuals in segment in this occupation on 18 th birthday	24% (n=14)	22% (n=65)	27% (n=202)	21% (n=263)	15% (n=45)	12% (n=232)	18% (n=821)
	Of these, % NEET on 19 th birthday	50%	28%	16%	16%	4%	6%	14%
NEET	% individuals in segment in this occupation on 18 th birthday	47% (n=28)	29% (n=85)	21% (n=162)	16% (n=208)	10% (n=31)	4% (n=74)	13% (n=588)
	Of these, % NEET on 19 th birthday	71%	62%	64%	49%	52%	22%	53%

Chart A2: Key points:

Individuals who are NEET on their 18th birthday are by far the most likely to be NEET on their 19th birthday (53% overall), and this trend is seen especially strongly in the higher risk groups; of those who were NEET on their 18th birthday, 71% of those in the highest risk group were also NEET on their 19th birthday, compared to only 22% for those in the lowest risk group. In terms of NEET avoidance, employment/training is higher risk than further education (14% vs 9%), and further education is higher risk than school sixth form (9% vs 5%). These differences are generally more pronounced in the higher risk segments than the lower risk segments.

Chart A3: Average proportion of time individuals in each segment spend in different institutions aged 17-19

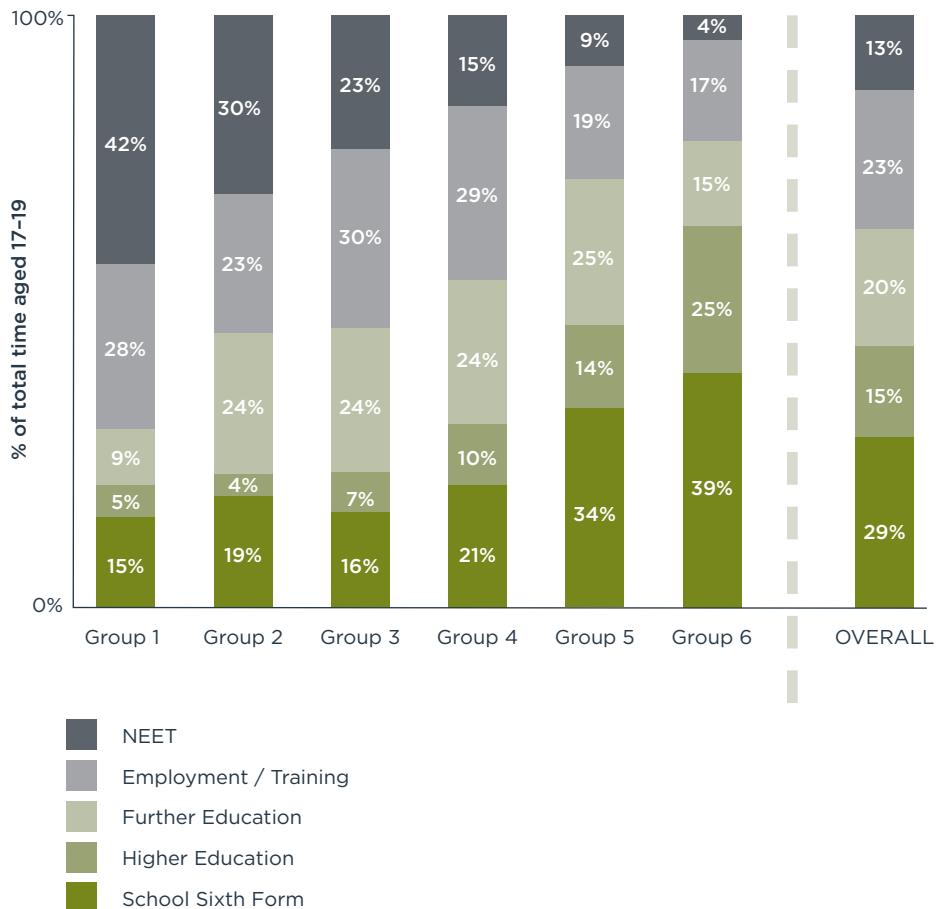


Chart A3: Key points:

As highlighted in Section 3, individuals in the higher risk groups spend, on average, far more time NEET than their peers in the lower risk groups. Interestingly, there is relatively little difference between the groups in the average amount of time spent in employment/training and further education, although this is slightly higher in the higher risk groups. Instead, the key difference is seen in the proportion of time spent in sixth form and Higher Education; those in the lowest risk group spend roughly two times as long in sixth form and five times as long in Higher Education as their peers in the three highest risk segments.

Chart A4: Post-NEET destinations for individuals who spend at least 2 months NEET followed by 6+ months not NEET

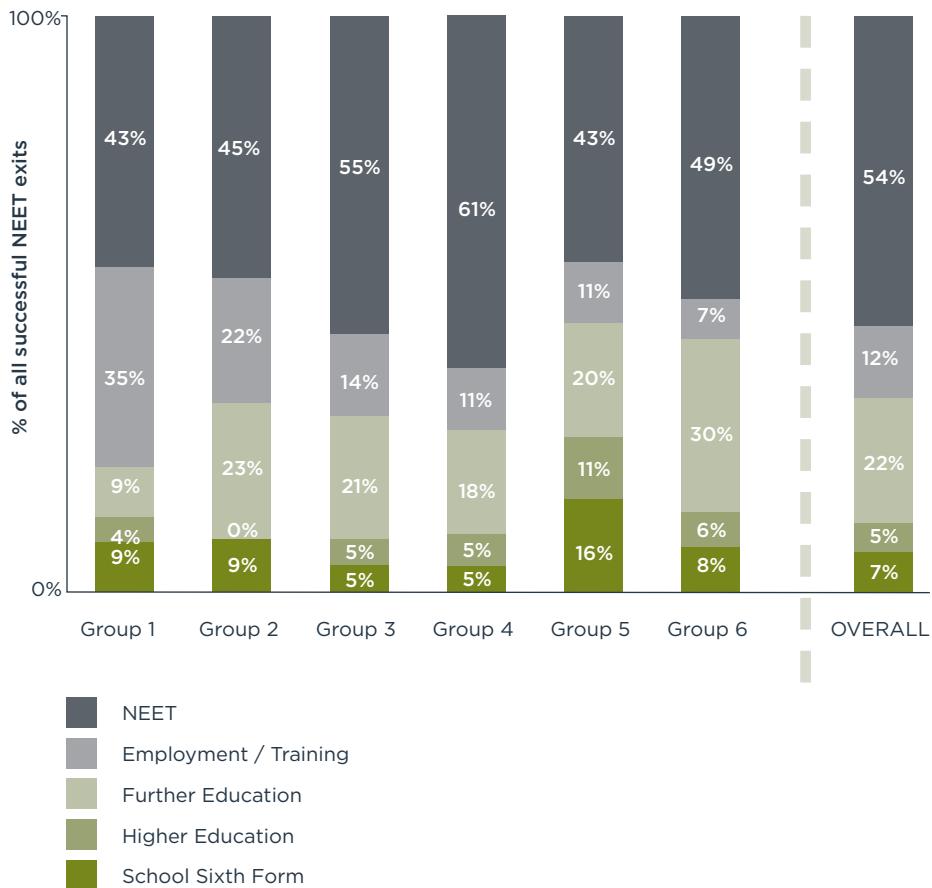


Chart A4: Key points:

As highlighted in Section 4, across all groups, the highest proportion of successful NEET exits were into employment. When combined with exits into training, this accounts for more than half of all successful NEET exits across each of the six groups. Successful exits into school sixth form or Higher Education are slightly more common in the lower risk groups; accounting for only 9-12% of successful NEET exits in groups 1-4, but 27% of those in group 5 and 14% in group 6.

Chart A5: Proportion of individuals in each segment who experienced negative outcomes, split by individuals who did / did not spend at least 2 months NEET aged 17-19

Individuals with / without 2 months NEET	Group 1	Group 2	Group 3	Group 4	Group 5	Group 6	OVERALL	
Claimed housing benefit aged 18/19	With NEET	65%	43%	27%	14%	8%	3%	21%
	Without NEET	25%	9%	5%	2%	1%	0%	2%
Presented as homeless	With NEET	53%	40%	16%	6%	4%	2%	14%
	Without NEET	33%	8%	5%	1%	2%	0%	2%
Arrested / Received ASBO	With NEET	20%	21%	20%	9%	5%	5%	13%
	Without NEET	7%	7%	10%	4%	3%	2%	4%
Young parent / carer	With NEET	27%	29%	16%	1%	0%	0%	9%
	Without NEET	0%	5%	4%	0%	0%	0%	1%

Chart A5: Key points:

As described in Section 5, individuals who have spent at least two months NEET are ten times more likely to have claimed housing benefit aged 18/18, nine times as likely to become a young parents / carer, seven times as likely to have presented as homeless, and three times as likely to have been arrested or received an anti-social behaviour order. These differences can be seen across the different groups, with outcomes for both those who have and have not spent time NEET being severely worse for the higher risk groups.

APPENDIX C: GLOSSARY OF TERMS

Anti-Social Behaviour Order (ASBO)	Anti-Social Behaviour Orders are civil orders to protect the public from behaviour that causes or is likely to cause harassment, alarm or distress.
Child in Need (CiN)	As defined in the Children Act 1989, a child is in need if they are unlikely to reach, or maintain, a satisfactory level of health or development, or their health or development will be significantly impaired, without the provision of services, or the child is disabled.
Child Protection Plan (CPP)	Children referred to Children's Social Care who are suffering, or likely to suffer, significant harm will draw up a Child Protection Plan.
Children's Social Care	Provision of social work, personal care, protection or social support services to children in need or at risk.
Clinical Commissioning Group (CCG)	NHS organisations set up by the Health and Social Care Act 2012 to organise the delivery of NHS services in England. They commission most of the hospital and community NHS services in the local areas for which they are responsible.

Connexions	Connexions is a careers information, advice, guidance and support service for young people aged 13-19 (or up to 25 for young people with a disability).
EET	Education, employment and training; used to describe young people who are not NEET.
Free School Meals	Children who are in school who are entitled to/whose parents are entitled to certain benefits are entitled to Free School Meals.
Key Stage 2	Key Stage 2 is the four years of schooling from Years 3-6, when children are aged between 7-11.
Looked After Child (LAC)	As defined in the Children Act 1989, a child is looked after by a Local Authority if a court has granted a care order to place a child in care, or a council's children's services department has care for a child for more than 24 hours.
NEET	Not in Education, Employment or Training, used to refer to young people (usually 16-24)
Special Educational Needs (SEN)	A child or young person has special educational needs (SEN) if he or she has learning difficulties or disabilities that make it harder for him or her to learn than most other children and young people of about the same age
Pupil Referral Unit (PRU)	A Pupil Referral Unit is an establishment specifically to provide education for children who are excluded, sick, or otherwise unable to attend a mainstream or special school.

THE PARTNERS

Social Finance

Social Finance is a not for profit organisation that partners with the government, the social sector and the financial community to find better ways of tackling social problems in the UK and beyond. Since its formation in 2007, Social Finance has mobilised over £100 million of investment and helped to design a series of programmes, including the Social Impact Bond model, to improve outcomes for individuals with complex needs. It has sister organisations in the US and Israel and a network of partners across the world.

In the UK, our work includes support for 2,000 short sentence offenders released from Peterborough Prison, 380 children on the edge of care in Essex, 4,500 young people at risk of dropping out of school, and 1,400 homeless youth and rough sleepers. Internationally, Social Finance is working with the Global Fund, World Bank, Grand Challenges Canada, the Inter-American Development Bank, USAID, DfID and others to address challenges in low and middle income countries.

www.socialfinance.org.uk

Social Finance Insights series

Social Finance:

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- manages delivery of programs to maximise impact; and
- seeks to share lessons widely and support our partners to change lives.

As part of efforts to share lessons, Social Finance is publishing a new series of policy reports sharing Insights into Improving Outcomes for specific high-need populations. The reports will draw on Social Finance's data analysis and design expertise. This report is the first in that series, which we hope will support and encourage those seeking to redesign public services through outcomes based commissioning.

www.socialfinance.org.uk/resources

Newcastle City Council

Newcastle City Council is the Local Authority for Newcastle upon Tyne. The city has a growing population and the council, and partners, are ambitious for the city and the people that live and work in it. The council has four clear priorities to focus efforts and resources to make a positive difference to the city:

- A working city – creating good quality jobs and helping local people develop the skills to do them
- Decent neighbourhoods – working with local communities to look after each other and the environment
- Tackling inequalities – tackling discrimination and inequalities which prevent people from fulfilling their true potential
- A fit for purpose council – a council which leads the city by enabling and empowering others to achieve.

Newcastle has a track record of radical service reform that improves outcomes and helps to balance the books. The innovative use of data and analysis underpins the approach to reform.

www.newcastle.gov.uk

Impetus-PEF

Impetus – The Private Equity Foundation transforms the lives of young people from disadvantaged backgrounds by ensuring they get the support they need to succeed in education and employment. It does this by partnering with the most promising charities and social enterprises which serve young people, and providing them with a combination of sustained management support and long-term core funding. This support helps them become highly effective organisations that transform lives; then helps them expand. Impetus-PEF currently works with more than 20 charity partners, which in turn reach over 80,000 young people from disadvantaged backgrounds.

Impetus-PEF believes a data-led approach dramatically improves both the design and delivery of services and is pleased to be supporting the publication of this work.

www.impetus-pef.org.uk

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