

Young People and Work Report: Call for evidence

TUC response



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Executive summary

We welcome the opportunity to submit to this call for evidence and the government's commitment to tackle the growing number of young people who are NEET.

The youth NEET crisis has been years in the making and is now being exacerbated by slow economic growth. Turning round the drivers will take time, but we need urgent action now - for the generation who have already been let down and the children who are already coming next.

Our submission shows that rising rates are a result of structural failures in the labour market – including persistent regional economic inequalities – and cuts to education, health and social security systems. Young people want to work – but they have been let down by past government failures. Today's NEET young people face a combination of weak labour market demand, poor quality jobs, disrupted education pathways, including a lack of apprenticeship opportunities and inadequate public services such as mental health and youth services – undermined by over a decade of sustained underinvestment.

We need both immediate support for the pandemic generation, and a comprehensive cross-government plan to turn around wider drivers of the NEET crisis. A successful response must focus on creating quality, paid work and apprenticeship opportunities, alongside sustained investment in skills, education, health and social security.

What is stopping more young people from participating in employment, education or training?

- **Weak labour demand for entry level work.** Vacancies have fallen sharply, particularly in roles suitable for young people, while unemployment has risen faster for 18–24-year-olds than for older workers. Young people are being increasingly displaced by more experienced workers in a tightening labour market. More quality jobs for young people, particularly in regions with high NEET rates are needed.
- **Regional and local labour market inequalities.** The UK labour market remains characterised by significant regional and local labour market inequalities. Young people living in areas of high deprivation and lower employment rates are far more likely than others to be NEET.
- **Poor quality and insecure work.** Young people are disproportionately concentrated in low paid, insecure work. Our analysis demonstrates that sectors where young people are overwhelmingly represented have the highest flows into economic inactivity. These sectors are often those associated with lower pay and job insecurity, which are both contributing factors to economic inactivity and the growth in poor mental health.

- **Disruption to education and skills pathways.** Disruption to education and employment during the pandemic has meant many young people feel less job ready. In addition, there has been a significant decline in apprenticeship start and completion rates. Those who drop out of apprenticeships often cite poor quality training or financial pressures. Not having Level 2 qualifications is a common risk factor amongst NEET young people and therefore improving access to skills is vital. This is compounded by a one-size-fits all approach to curriculum, assessment and qualifications that must be addressed so that systems better support and recognise educational progress for all learners.
- **Rising ill health.** A growing share of NEET young people are disabled, and this has been attributed to a growth in mental ill-health. Cuts to mental health and youth services and the detrimental impact of insecure work and the cost of living have been found to be some of the primary drivers of this, rather than suggestions of lower levels of resilience amongst young people. In addition, TUC research shows that too many disabled people do not get access to reasonable adjustments to help them stay in employment.
- **Inequalities and discrimination.** Disabled young people, young carers, and some ethnic minority groups are more likely to be NEET. Discrimination, inaccessible transport, lack of flexible working and harassment in the workplace are all barriers to accessing quality work for young people with protected characteristics.

Finally, our view is that the minimum wage has a vital role in supporting the living standards of young workers and is not a significant determinant of employment outcomes as young people navigate the transition through education, training and the labour market, despite suggestions claiming so. There is also no evidence that claiming social security is driving NEET rates.

What would make the biggest difference to support more young people to participate?

Given the scale and nature of the problem, we welcome the announcements the government has made to tackle this issue in the Youth Guarantee and in apprenticeship reform. We urge them to be bold in their efforts to ensure young people's futures and in turn drive economic growth.

The TUC recommends the government:

- **expands the jobs guarantee for young people.** Evidence from the Future Jobs Fund shows that real experience of decent, paid work is the best way to turn the tide on rising rates of worklessness. We believe places need to be expanded beyond 55,000 and paid opportunities should be prioritised over unpaid work experience placements. There should also be selection criteria measures to ensure employers are providing quality experiences. Whilst job guarantee schemes need initial upfront investment, they result in a return on investment for the government. Overall, given

the number of NEET young people not on Universal Credit, eligibility for both work experience and jobs guarantee placements should be expanded.

- **ensures young people’s opportunities are a cross-government priority, with policy levers across government focused on young people’s job creation.** The government’s industrial strategy, the new infrastructure pipeline and wider ongoing government procurement all provide opportunities to place a strategic priority on training and employment opportunities for young people. Government should use both its convening and spending power to ensure that a national priority is given to creating opportunities for young people in the regions and local areas with the highest NEET rates.
- **ensures quality experiences of work.** Given the evidence that poor quality jobs can drive economic inactivity, the government should ensure full and rapid implementation of the Employment Rights Act and the government’s Make Work Pay agenda, in particular measures that will support job security. In addition, it should introduce legislative changes to improve the accessibility of work including improving access to reasonable adjustments, improving Access to Work and ensuring sufficient funding for the Equality and Human Rights Commission and Health and Safety Executive.
- **reforms apprenticeships.** Reversing the decline in apprenticeship opportunities for young people requires improving quality, expanding provision and ensuring apprentices are financially supported to complete their training. The industrial strategy provides an opportunity to create sustainable, quality apprenticeships. Funding for infrastructure projects should come with requirements for apprenticeship delivery; a certain percentage of apprenticeships should be ringfenced for 18–24-year-olds and apprenticeships should also be targeted at people without a Level 2 qualification.
- **reforms funding for education.** Both further and higher education are facing a financial crisis which is jeopardising the ability to deliver apprenticeships and upskill the workforce. The government must work with unions on a sustainable tertiary education workforce strategy, take steps to stabilise higher education through intervention and funding reform and address the systemic pressures affecting colleges and universities so they have the capacity needed to deliver apprenticeships and wider learning opportunities.

Sustained investment in schools, including SEND support and action to address recruitment and retention, is also needed to ensure inclusive schooling, stronger wellbeing services, and wider vocational options to keep young people engaged. Finally, we welcome the reforms to careers education announced by the government and urge them to implement the three key recommendations of the Labour Skills Advisory Council on the National Careers Service outlined in our response below. Reinstating Educational Maintenance Allowance in England will also improve attendance rates for learners aged 16-19. Alongside this, it is important to retain choice and fairness for learners by avoiding premature

defunding of trusted and high-quality courses, particularly applied general and vocational qualifications.

- **reforms funding for health.** Given the high rates of young disabled people who are NEET, fully-funded comprehensive rehabilitative services as part of NHS care – encompassing mental health, physiotherapy, orthopaedic and occupational therapy – is a fundamental step in supporting young disabled workers and individuals with ill health to return to and stay in employment. The government should work with NHS unions to deliver this.
- **ensures quality work experience.** Left unchecked, the work experience element of youth unemployment policies could result in the exploitation of young people and job replacement. High quality work experience should be time limited, include a substantial element of structured learning and have trade union involvement to ensure that young people are not exploited and do not end up undertaking work for free. The government should ensure financial support to cover travel and other costs. Given high rates of sexual harassment amongst young women, particularly in sectors selected for the Youth Guarantee, the government should ensure that participating employers are meeting requirements under equality legislation including the Worker Protection Act.
- **ensures a supportive social security system.** Cutting benefits for a small number of high needs young people is not the answer to the complex, structural and long-run challenges of rising NEET rates. The Youth Guarantee should not be funded by removing benefits for young people, and the policy of cutting access to the health element for young people should not proceed.

Introduction

The TUC brings together more than 5.5 million working people who belong to our 47 member unions. We support trade unions to grow and thrive, and we stand up for everyone who works for a living. Every day, we campaign for more and better jobs, and a more equal, more prosperous country.

The TUC welcomes the opportunity to make a submission to this call for evidence. Trade unions have a long tradition of campaigning to bring down worklessness and ensure more quality jobs for young people, including involvement in the design of the successful Future Jobs Fund under the previous Labour government and in supporting apprentices and vocational training. It is no coincidence that many of the apprenticeship programmes with the greatest demand are those where unions have negotiated a high-quality apprenticeship offer that is open to all.¹

We strongly welcome the government's commitment to tackle the number of young people who are NEET and to prioritise good employment for young people as set out in its Employment Rights Act 2025 and Make Work Pay agenda. It is vital that these measures are implemented in full and at speed. This is because quality jobs are essential to provide meaningful opportunities for the nearly one million young people who are out of work, education and training. Young people want to participate but are paying a high price for years of underinvestment and lack of support by the previous Conservative government. They have been at the sharp end of austerity with cuts to education, youth and health services, sacrificed formative years of education and work during the Covid-19 pandemic, faced increases in the cost-of-living and joined the workforce under poor working conditions, as access to apprenticeships were reduced and union rights slashed.

A successful government response will focus on providing paid quality work opportunities and apprentices for young people that will set them on a pathway to long term labour market participation, as well as investment in health, education and careers services.

The TUC has adopted the social model of disability. The social model of disability focuses on the ways in which society is organised, and the social and institutional barriers which restrict disabled people's opportunities. The social model sees the person first and argues that the barriers they face, in combination with their impairments, are what disables them. Barriers can make it impossible or very difficult to access jobs, buildings or services. Removing the barriers is the best way to include millions of disabled people in our society. In this response, we have considered the challenges faced by disabled young people through this lens.

¹ [Byrne: Some apprenticeships more difficult than Oxford - ITV News](#)

The TUC has consulted with affiliates and stakeholders in developing its response to this consultation. The TUC is also represented on Skills England, the Industrial Strategy Advisory Council and the Labour Market Advisory Board. Our response is also informed by contributions made and evidence heard through our role on the groups.

1. What is stopping more young people from participating in employment, education or training?

1.1 Trends in NEET population

The growth in the number of NEET young people has largely been driven by young people who are economically inactive. The latest NEET data shows of the 880,000 18–24-year-olds are NEET; 340,000 are unemployed (39 per cent) and 540,000 (61 per cent) are economically inactive.

However, while NEET young people are more likely to be inactive, young people are also more likely to be unemployed than the general population. There are currently over half a million 18–24-year-olds who are looking for work and unable to find it and the unemployment rate for young people has increased rapidly since the end of 2022, one of the factors driving the rising NEET rate. In September to November 2025, the unemployment rate for 18–24-year-olds was 13.7 per cent compared to 5.1 per cent for all those unemployed.

Therefore, it is both economic inactivity and unemployment that need to be the focus of interventions to bring NEET numbers down.

The following trends can be identified when looking at NEET young people:

- **Disparities between regions.** Young people from certain regions far more likely to be NEET than others. NEET rates are particularly high in the Northeast at 20.1 per cent. It is highly likely that rates within regions will vary as significantly as rates between regions and within the regions with the highest rate of NEET young people, some local areas will have even higher rates.

Region	Proportion of 18–24-year-olds who are NEET
North East	20.1
Yorkshire and The Humber	19.1
East Midlands	18.7
North West	16.1
London	15.4

West Midlands	14.1
East of England	13.3
South West	12.7
South East	12.3

Source – TUC analysis of ONS micro data (Average of q4 2024, q1 2025, q2 2025 & q1 2025)

- **Experience of poor-quality work.** Analysis by Timewise², commissioned by the TUC, found that whilst flows into economic inactivity are higher for older workers, over a quarter (27 per cent) of workers who are economically inactive due to sickness are 16–39-year-olds.³ The analysis finds that the three sectors with the highest volumes of workers moving into economic inactivity due to ill-health are also the sectors where young people are most likely to work (wholesale and retail, food and accommodation and health and social care).

Similarly, elementary occupations, caring, leisure and other service occupations and sales and customer service occupations are disproportionately likely to be done by young people and all feature in the top four occupations ranked by the volume of workers flowing into economic inactivity due to ill-health. These three occupational categories make up 49 per cent of all young people's employment. Nearly half (46 per cent) of economically inactive people whose last job was in an elementary occupation are aged under 40.

These sectors are often associated with lower pay and job insecurity, which wider evidence suggests are both contributing factors to economic inactivity generally and the growth in poor mental health and economic inactivity amongst young people.⁴ Overall, this suggests that measures to improve job quality in the sectors where most young people work will be important in supporting labour market participation among young people, in addition to targeted employment support, creation of stronger pathways into good jobs and health support.

- **Educational attainment.** Young people with below Level 2 qualifications are more likely to become NEET.⁵ TUC analysis shows that 30.9 per cent of 24-year-olds do not have Level 2 English and Maths qualification. This is higher for those on free

² Timewise. (2026). Work that works for the next generation: The role of job quality in tackling youth inactivity. Unpublished.

³ Due to small cohort sizes in economic inactivity in sectors, it is not possible to report on narrower age bands.

⁴ See section 1.3 of response

⁵ Gadsby, B. (2019). Establishing the Employment Gap: Research Briefing 1 [PDF]. Impetus in partnership with the National Institute of Economic and Social Research (NIESR). <http://impetus-org.files.svdcdn.com/production/assets/publications/Report/Youth-Jobs-Gap-Establishing-the-Employment-Gap-report.pdf?dm=1556009627>. Impetus. (2019, April). Youth Jobs Gap: Establishing the Employment Gap. <https://www.impetus.org.uk/policy/youth-jobs-gap>

school meals, at 54.5 per cent.⁶ Those without Level 2 qualifications are also more likely to end up in low paid precarious work and stay there, with limited progression opportunities impacting lifetime earnings.⁷ Young people who experience high rates of school absence, which has been persistently high since the Covid-19 pandemic, are less likely to achieve a Level 2 at school.⁸

- **Disabled young people.** Disabled young people are far more likely to be NEET with almost three in ten (28.6 per cent) disabled young people aged 16-24 being NEET compared to 7.1 per cent of non-disabled young people.⁹ Separate evidence shows that the proportion of NEET young people who are disabled has been rising since 2010 and is largely being driven by mental ill-health.¹⁰

Failure of employers to put in place reasonable adjustments may lead to a disabled person's health deteriorating and preventing them from remaining or entering into employment. TUC research¹¹ shows that only a third of disabled workers who requested reasonable adjustments had their request agreed to in full. 44 per cent reported their employer had agreed to part of their request and 11 per cent said their employer did not agree to any of their reasonable adjustments. In addition, 82 per cent of disabled workers are waiting between 4 months and a year for adjustments to be put in place. Finally, a third of disabled workers have had disability related leave counted as sick leave, potentially forcing them down punitive HR processes, which can result in exiting work.

- **Gender and NEET rates.** Whilst young men are more likely to be NEET than young women (16.1 per cent compared to 14.1 per cent for 18-24 olds), both are rising. Previous TUC analysis found that young women are more likely to be economically inactive and young men more likely to be unemployed¹² and the difference in economic inactivity between young men and women was driven by women being

⁶ Department for Education. (2025, April 24). *Level 2 and 3 attainment age 16 to 25, academic year 2023/24*. <https://explore-education-statistics.service.gov.uk/find-statistics/level-2-and-3-attainment-by-young-people-aged-19/2023-24>

⁷ Department for Education. (2024, September 24). *Skills England: Driving growth and widening opportunities*. GOV.UK. <https://www.gov.uk/government/publications/skills-england-report-driving-growth-and-widening-opportunities>

⁸ Impetus. (2019, April). *Youth Jobs Gap: Establishing the employment gap*. <https://www.impetus.org.uk/policy/youth-jobs-gap>.

⁹ Trades Union Congress. (2025). *An ambitious plan for young people | TUC* <https://www.tuc.org.uk/sites/default/files/2025-09/anambitiousplanforyoungpeople.pdf>

¹⁰ Youth Futures Foundation. (2025, November). *Youth Employment Outlook 2025* [PDF]. Retrieved from: <https://youthfuturesfoundation.org/publication/youth-employment-2025-outlook/>

¹¹ Trades Union Congress. (2025, May 12). *Disabled workers' access to reasonable adjustment*. <https://www.tuc.org.uk/research-analysis/reports/disabled-workers-access-reasonable-adjustment>

¹² Trades Union Congress. (2025). *An ambitious plan for young people | TUC* <https://www.tuc.org.uk/sites/default/files/2025-09/anambitiousplanforyoungpeople.pdf>

much more likely to be economically inactive due to caring responsibilities.¹³ In 2023, 12,133 women aged 16-19 were economically inactive because of caring responsibilities and 228,245 women in their 20s were, 5.6 per cent of that age group.¹⁴

- **Ethnicity and NEET rates.** 2025 data shows amongst 16–24-year-olds overall young white people are more likely to be NEET than young BME people; 12.1 per cent compared to 9.8 per cent.¹⁵ However, this topline figure hides variations between ethnic groups. Data analysis by Impetus finds that young people from Irish Traveller, Roma, Mixed White and Black Caribbean and Black Caribbean ethnic groups are those most likely to be NEET.¹⁶ Young white people who are not in education, employment or training are more likely to be economically inactive whereas young BME people who are out of education, employment and training are more likely to be unemployed.¹⁷ This tells us that BME young people looking for work have a more difficult time in the labour market than their white peers.
- **Age.** TUC analysis of 2024/5 NEET data found that the number of young people who are economically inactive or unemployed peaks between the ages of 21 and 23 and reached as high as 21.1 per cent of 21-year-olds and 18.7 percent of 23 year olds in Q3 2025.¹⁸ Learning and Work Institute analysis also finds that a larger proportion of NEET young people are economically inactive as they enter their 20s. Whereas those NEET young people under 20 are more likely to be unemployed. This is driven by increases in the percentage of older young people who report that

¹³ Trades Union Congress (TUC). (2023, January 15). *Jobs and pay monitor: young workers*. <https://www.tuc.org.uk/research-analysis/reports/jobs-and-pay-monitor-young-workers>

¹⁴ Trades Union Congress (TUC). (2023, March 8). *Women 7 times more likely than men to be out of work due to caring commitments*. <https://www.tuc.org.uk/news/women-7-times-more-likely-men-be-out-work-due-caring-commitments>

¹⁵ Trades Union Congress. (2025). *An ambitious plan for young people | TUC* <https://www.tuc.org.uk/sites/default/files/2025-09/anambitiousplanforyoungpeople.pdf>

¹⁶ Impetus. (2019, April). *Youth Jobs Gap: Establishing the employment gap*. <https://www.impetus.org.uk/policy/youth-jobs-gap>. Other sources support this: Youth Futures Foundation. *NEET dashboard*. <https://data.youthfuturesfoundation.org/dashboard/neet/>

¹⁷ Learning and Work Institute. (2025, April 4). *Young people who are not in education, employment or training: What does the data tell us?* <https://learningandwork.org.uk/resources/research-and-reports/young-people-who-are-not-in-education-employment-or-training-what-does-the-data-tell-us/> and Youth Futures Foundation. (2025, November). *Youth Employment Outlook 2025* [PDF]. Retrieved from: <https://youthfuturesfoundation.org/publication/youth-employment-2025-outlook/>

¹⁸ Unpublished TUC analysis of raw ONS NEET data (4 quarter average of 2024 q4, 2025 q1, 2025 q2 and 2025 q3)

they are looking after their family or home and in those who have a health condition or disability.¹⁹

- **Experiences of care.** 19-21-year-olds with experiences of the care system were three and a half times more likely than all other young people to be NEET.²⁰
- **Length of time.** Youth Futures Foundation analysis found being NEET in consecutive years is a good indicator of young people being likely to experience sustained periods outside education, employment or training. Looking at data from Annual Population Survey (January–December 2023 to January–December 2024) they estimate that around 431,000 young people (7.1 per cent) were NEET in both years.²¹

Conclusion

The above shows that there are multiple risk factors for being out of employment, education and training, for example geographic factors, experiences of poor-quality work, being disabled and lower educational attainment. Many young people will experience multiple factors with data showing that two thirds of young people who are NEET have experience of three or more risk factors.²² Being NEET is not intrinsic to these groups of young people but failures of labour market, education, skills and health systems to support them - increasingly due to decades of under investment and growth in poor quality, inaccessible opportunities have contributed to their deteriorating prospects, as outlined below.

Annex I provides more evidence to support the points made above on discrimination in the labour market.

1.2 A challenging labour market

1.2.1 Rising number of economically inactive people who want to work

As stated, above unemployment has been rising for all age groups but young people experience higher unemployment overall and have seen a larger rise. The overall

¹⁹ Learning and Work Institute. (2025, April 4). *Young people who are not in education, employment or training: What does the data tell us?* <https://learningandwork.org.uk/resources/research-and-reports/young-people-who-are-not-in-education-employment-or-training-what-does-the-data-tell-us/>

²⁰ Ibid

²¹ Youth Futures Foundation. (2025, November). *Youth Employment Outlook 2025* [PDF]. Retrieved from: <https://youthfuturesfoundation.org/publication/youth-employment-2025-outlook/>

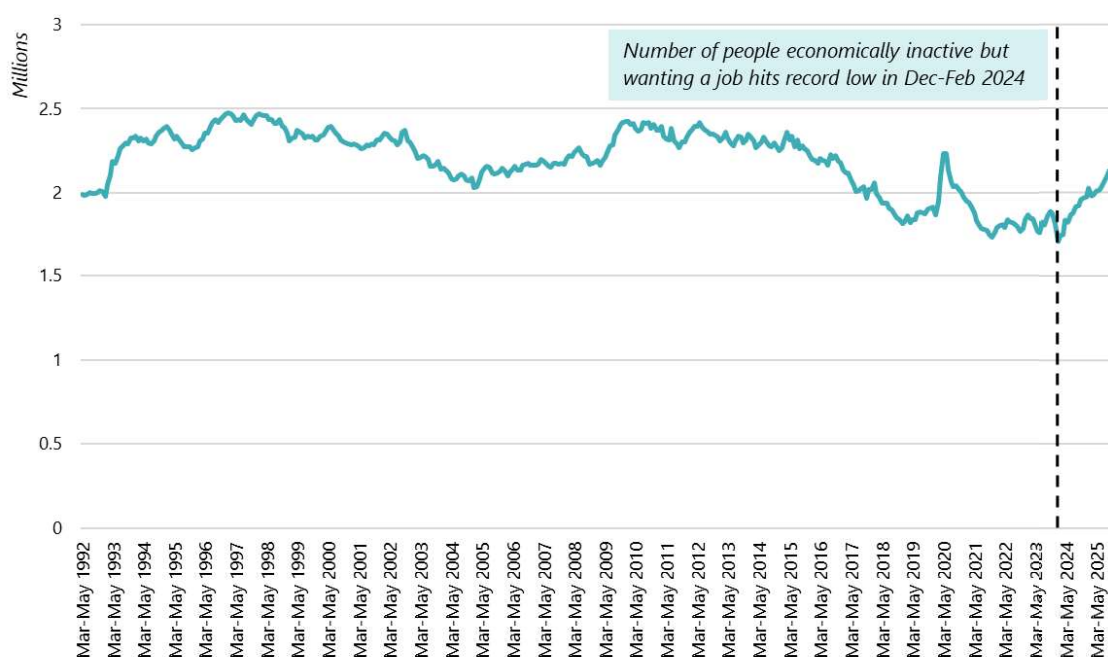
²² National Centre for Social Research. (2023, December). *Risk factors for being NEET among young people.* <https://natcen.ac.uk/publications/risk-factors-being-neet-among-young-people>

unemployment rate has risen from 4 per cent in October 2023 to 5.1 per cent in the latest data. Over the same period for 18–24-year-olds unemployment has risen from 11.4 per cent to 13.7 per cent.

In addition, analysis of ONS labour market data²³ shows that there is a growing share of economically inactive people who want to work – the hidden unemployed.

The number of 16–64-year-olds who are economically inactive and wanting a job hit a record low (1.7m) in Dec-Feb 2024 but has been on the rise since then. This has not been driven by a rise in the overall number of 16–64-year-olds who are economically inactive as inactivity has fallen across the same period.

Total economically inactive but wants a job, aged 16-64



Source: ONS

The rise in the number of people who are economically inactive but want to work has been more pronounced among young workers (16 to 24 years old). There has been a 22 per cent rise in number of people aged 16-24 who are inactive but want a job, over double that of any other age group (although it's grown in each group).

And whilst there has been a rise in the number of young people who are economically inactive over the past two years, the vast majority of this rise (84 per cent) is people who want to work.

The data therefore shows that there are a rising number of economically inactive young people who *want to work*. It is vital that policy recognises this ambition – most NEET young people want a job but can't find one.

²³ Unpublished TUC analysis

1.2.2 Reduced vacancies

During periods of wide labour market weakness, young people's employment prospects are always disproportionately impacted.

ONS data shows that vacancies have fallen from 948,000 in September – November 2023 to 728,000 in September to November 2025. The falling vacancy rate coupled with the increasing unemployment rate has resulted in the number of unemployed people per vacancy rising from 1.4 to 2.5 in the same period.²⁴

Given rising unemployment, young people are currently competing with more experienced workers for fewer jobs. In such a tight labour market, we are seeing graduates with a few years' experience applying for graduate roles and graduates applying for non-graduate entry level roles displacing young people with fewer qualifications.

Young people are also overrepresented in industries that have been particularly impacted by reduced spending due to the cost-of-living crisis such as retail and hospitality.

The Employer Skills Survey shows that employers are currently prioritising more senior roles as there has been a greater reduction in entry level hiring in comparison to managerial roles, for example elementary roles are down by 55 per cent compared to a reduction in 6 per cent for managers, directors and senior officials between 2022 and 2024.²⁵

Conclusion

A declining number of suitable vacancies for young people coupled with rising unemployment is reducing the available opportunities for young people. During periods of lower demand for labour, it is right that government steps in to provide young people with improved opportunities of paid work. We welcome the government's announcement of a jobs guarantee for young people; this will help to create more suitable jobs. However, to meet the scale of the challenge, placements need to be expanded beyond the 55,000 given the decline in vacancies we have seen. Ongoing regional labour market inequalities are also strongly correlated with higher NEET rates. An ambitious cross-government approach to boosting job creation in areas with highest NEET rates could play an important role in starting to turn these trends around.

²⁴ TUC analysis of ONS Vacancy Survey and Labour Force Survey

²⁵ Youth Futures Foundation. (2025, November). *Youth Employment Outlook 2025*.
<https://youthfuturesfoundation.org/publication/youth-employment-2025-outlook/>

1.3 Poor experiences of work

1.3.1 Importance of quality jobs

In addition to declining number of positions for young people, young people are more likely to experience poor quality work. TUC analysis shows that young workers aged 16-24 are almost four times more likely than the wider work force to be employed on a zero-hours contract (13 per cent compared to 3.5 per cent of all workers).²⁶ In November 2025, 508,000 young workers were on zero-hour contracts, an increase by 31,000 from the year before.²⁷ The sectors young people work in have high levels of zero-hour contracts for example accommodation and food services has the highest incidence of zero-hour contracts, and wholesale and retail and health and social care have the third and fourth highest volumes of zero-hour contracts respectively.²⁸ Recent increases in the numbers of people classified as being in 'severely insecure work', with have been concentrated in the wholesale and retail, health and social care, and food and accommodation sectors.²⁹ Ensuring that the rights under the Employment Rights Act 2025 to a guaranteed hours contract, decent notice of shifts and full compensation for cancelled shifts would be an important step in helping these young workers obtain security at work.

Young workers are also likely to be employed in sectors with low pay. Recent analysis by the Living Wage Foundation of employee jobs paid below the real Living Wageⁱ showed that wholesale and retail, hospitality and health and social care account for the highest volumes of low paid jobs overall in 2024.³⁰ All sectors with high proportion of young people working in them.

As outlined above under trends in NEET data, the sectors and occupations with the highest volumes of workers moving into economic inactivity due to ill-health are all sectors and occupations where young people are most likely to work. The sectors cited are often those associated with lower pay and job insecurity, which are both contributing factors to economic inactivity and the growth in poor mental health as the following evidence demonstrates.

- Timewise research found a mismatch between the work disabled people say they want to do and the work they are most likely to move into. The analysis found a

²⁷ Work Foundation. (2025, November 11). *The UK jobs market is losing momentum as unemployment rises to four year high*. <https://www.lancaster.ac.uk/work-foundation/our-work/insecure-work/the-uk-jobs-market-is-losing-momentum-as-unemployment-rises-to-four-year-high>

²⁸ Timewise. (2026). *Work that works for the next generation: The role of job quality in tackling youth inactivity*. Unpublished.

²⁹ Ibid

³⁰ Richardson J. (2023). *Precarious pay and uncertain hours: Insecure work in the UK Labour Market*. Living Wage Foundation.

very small proportion of people make it back into work out of inactivity due to long-term sickness or an impairment in any given year (2.5 per cent). Those who do are most likely to be working in precarious and demanding jobs in frontline low wage service sectors, including retail, health and care, leisure and hospitality, transport and logistics and construction. Of the 2.5 per cent who do find work, for just over half this work lasts for fewer than four months.³¹

- A recent survey found that the jobs that people claiming health and disability benefit feel least able to do are those that involve standing up all or most of the day, working shifts that cannot be changed or commuting or travelling as part of the job. The majority want to work part-time, in flexible roles, with the option of working from home.³² But as the analysis above shows few very can access these types of jobs and few of these jobs are available. Only 3.8 per cent of jobs in a given period on the Department for Work and Pensions Find a Job portal include remote or hybrid working.³³
- Research from the Work Foundation at University of Lancaster found workers without any flexibility are four times more likely to leave work after a health decline, while those with low levels of control over working hours, pace, tasks, order and work manner are 3.7 times more likely to exit.³⁴ Job autonomy and flexibility are two factors that can make work more accessible for those with health conditions for example autonomy over time to work around appointments or take breaks when needed.
- The Young Women's Trust found that 3 in 10 (30 per cent) young women say that a lack of flexibility has made it difficult for them to apply for a job.³⁵
- TUC polling found that 47 per cent of 18-24 and 58 per cent of disabled workers would be unlikely to apply for a job without knowing if the working pattern would fit around their life and responsibilities, for example, childcare, other care, or a

³¹ <https://timewise.co.uk/article/why-healthy-job-design-is-critical-to-tackling-economic-inactivity/>

³² Steen B, Lucas O, Chapman B, Cretch E, Freegard T, Spray Y, Leeder G, Ilic N and Malleveys L. (2025). *Work aspirations and support needs of health and disability customers: Final findings report*. <https://www.gov.uk/government/publications/work-aspirations-and-support-needs-of-health-and-disability-customers-final-findings-report/work-aspirations-and-support-needs-of-health-and-disability-customers-final-findings-report--2>

³³ Work Foundation, Lancaster University. (2025, March 13). *Beyond the office? How remote and hybrid working can help close the disability employment gap*. <https://www.lancaster.ac.uk/work-foundation/publications/beyond-the-office>

³⁴ Work Foundation (2025, 17 June). *A Divided Workforce? Worker views on health and employment in 2025*. <https://www.lancaster.ac.uk/work-foundation/publications/divided-workforce>

³⁵ Young Women's Trust. (2024). *Flexible working. Annual Survey 2024: A world not designed for us*. <https://research.youngwomenstrust.org/annual-survey-2024/a-world-not-designed-for-us/flexible-working/>

health condition. 30 per cent of young workers and 27 per cent of disabled workers had left a job due to lack of flexible working, compared to 19 per cent of all respondents.³⁶

- There is strong evidence that flexibility in hours and location are an important reasonable adjustment for disabled people³⁷³⁸³⁹, but too many people are unable to get it.
- Finally, research by the Department for Business and Trade and University of Cambridge found that improved labour laws have also boosted employment rates and productivity. The analysis was based on the Cambridge Centre for Business Research Labour Regulation Index (CBR-LRI), a dataset on labour laws across the world from the 1970s onwards.⁴⁰

In addition to low pay and insecure hours, young women experience high rates of sexual harassment in the workplace, which can have a hugely detrimental experience on their mental health and job security. TUC polling from 2023 found that two in three women aged between 18 and 34 have experienced sexual harassment, bullying and verbal abuse at work.⁴¹ Research by Unite and Unison, and the EHRC, found very high levels of sexual harassment in hospitality, health and social care and construction. We highlight these results given the chosen sectors in Youth Guarantee. Details of this are outlined in Annex I.

1.3.2 Minimum Wage for young workers

The TUC supports the government's commitment to abolish discriminatory youth rates for all adult workers. It is only fair that young workers are paid the same wage for the same job as those older than them. There have been suggestions that minimum wage rises are affecting hiring of young people. Our view is that the minimum wage has a

³⁶ Unpublished Opinion polling commissioned by TUC, 2-12 January 2026, of 3,000 UK workers. Weighted to be representative of the UK working population (18+), excluding full-time students.

³⁷ Work Foundation, Lancaster University. (2025, March 13). *Beyond the office? How remote and hybrid working can help close the disability employment gap*. <https://www.lancaster.ac.uk/work-foundation/publications/beyond-the-office>

³⁸ King's College London. (2025, March 25). *New report calls on employers and the Government to realise the potential of Flex Plus working for disability inclusion*. <https://www.kcl.ac.uk/news/flex-plus-working-for-disability-inclusion>

³⁹ Trades Union Congress. (2021, October 22). *Disabled workers' access to flexible working as a reasonable adjustment*. <https://www.tuc.org.uk/research-analysis/reports/disabled-workers-access-flexible-working-reasonable-adjustment>

⁴⁰ <https://assets.publishing.service.gov.uk/media/695e23e88832ab3a48513801/assessing-the-legal-and-economic-implications-of-the-employment-rights-act-2025.pdf>

⁴¹ Trades Union Congress (TUC). (2023, May 12). *New TUC poll: Two-thirds of young women have experienced sexual harassment, bullying or verbal abuse at work*. <https://www.tuc.org.uk/news/new-tuc-poll-2-3-young-women-have-experienced-sexual-harassment-bullying-or-verbal-abuse-work>

role in supporting the living standards of young workers but is not playing a significant role in determining employment outcomes as young people navigate the transition through education, training and the labour market.

A substantial body of evidence⁴² from around the world shows that minimum wages effectively raise pay without leading to job losses. Decades of empirical research have demonstrated this with the findings cementing a new economic consensus around minimum wages. This was recognised by the 2021 Nobel Prize in Economics⁴³ which was awarded to Card, Angrist and Imbens for their pioneering empirical research that first showed minimum wages did not lead to job losses in the 1990s. The growing evidence in favour of higher minimum wages is reflected in policy approaches in the UK and internationally with minimum wages growing faster than median wages in the OECD between 2005 and 2021.⁴⁴

Although the impacts on earnings tend to be substantial and the impacts on employment are largely insignificant, the evidence on young workers can be slightly more mixed. Some studies find higher minimum wages encourage labour market participation among young workers while others find that young workers are more exposed to employment effects than older workers. The Low Pay Commission (LPC), which recommends minimum wage rates in the UK, collate this evidence⁴⁵ and ensure it forms the basis of its decision making. We strongly support the role of the LPC in providing expert advice in this area. The LPC model of social partnership and expert decision making has proven itself robust enough to chart a path which protects the pay and employment of the lowest paid workers even under challenging economic circumstances.

Overall, the UK has been taking a cautious approach on youth rates. Until recently the minimum wage for 16-17 and 18–20-year-olds had been *falling* as a proportion of the main rate. This accelerated after the financial crisis and continued until 2023. The rates from April 2026 will be 63 per cent and 85 per cent of the adult rate respectively. Recent increases have been necessary following decline over the preceding two decades. In 2024 the LPC concluded⁴⁶ that “the current gap [between youth and adult rates] is large by both historical and international standards and many employer and

⁴² Arindrajit Dube (2019) *Impacts of minimum wages: review of the international evidence* <https://www.gov.uk/government/publications/impacts-of-minimum-wages-review-of-the-international-evidence>

⁴³ Nobel Prize (2021) *Prize in Economic Sciences* <https://www.nobelprize.org/prizes/economic-sciences/2021/summary/>

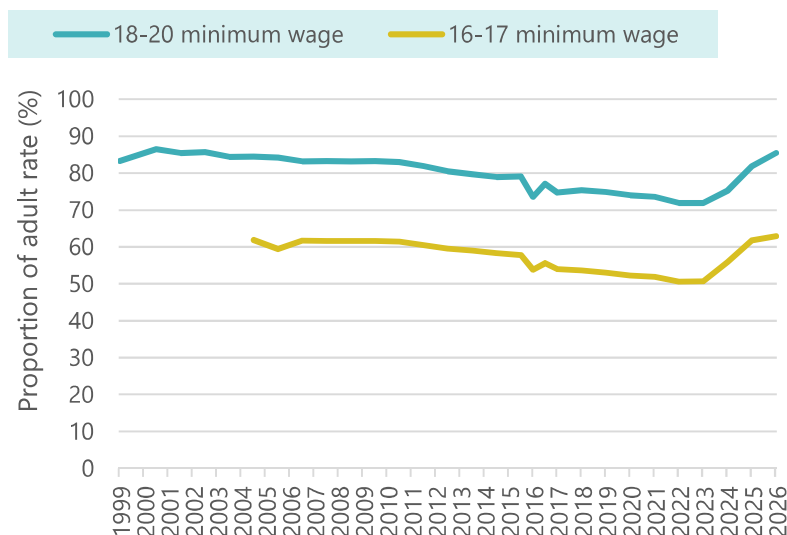
⁴⁴ OECD (Page accessed 16/01/2026) *Employment protection and minimum wages* <https://www.oecd.org/en/topics/sub-issues/employment-protection-and-minimum-wages.html>

⁴⁵ Low Pay Commission (2019) *A review of the youth rates of the National Minimum Wage* https://assets.publishing.service.gov.uk/media/5dc2cf56ed915d394be4986a/A_Review_of_the_Youth_Rates_of_the_National_Minimum_Wage.pdf

⁴⁶ Low Pay Commission (2024) *The National Minimum Wage Beyond 2024* https://assets.publishing.service.gov.uk/media/6603e9009741c5001139dc1a/The_National_Minimum_Wage_Beyond_2024.pdf

worker representatives tell us that it is too large.” On the international point, countries such as France, Germany and New Zealand do not have lower youth rates for adults aged 18 and above.

Minimum wage youth rates as a proportion of the adult rate (%)



There is significant scope to reduce the gap between youth and adult rates and make meaningful progress toward abolishing youth rates in upcoming years. It is important that the youth rates do not become unmoored from the headline rate. The Low Pay Commission’s evidence-based, social partnership model is well-placed to guide this process and ensure that decisions are grounded in robust analysis and agreement between unions, employers and experts.

Our experience as trade unions shows that youth rates are not frequently used by employers. Where unions negotiate, they tend to not be in use at all. This can be seen, for example, in the retail sector by looking at the pay policies of supermarkets. Employers are often not attracted to youth rates because they are bureaucratic and tend to be a small cost for a small number of employees. The real cost pressures on many employers are not in this space.

Finally, recent increases should be considered alongside National Insurance (NI) changes which applied downward pressure on the relative cost of hiring young workers. NI and its associated increases only apply to those aged 21 and over. This means the relative cost of hiring younger workers remains low.⁴⁷ The LPC finds “that while the relatively large increases in youth rates close the gap with the NLW, the gap in total

⁴⁷ Low Pay Commission (2025) *Uprating Report*, page 11. https://assets.publishing.service.gov.uk/media/67e6b6b296745eff958ca027/LPC_2025_Uprating_Report.pdf

employment costs stays roughly the same.” So recent minimum wage rises have not led to a shift in the relative cost of hiring younger workers.

Conclusion

As set out above, there is strong evidence that a lack of secure and stable hours can make it difficult for people to access the labour market and if they do, make it less likely that they remain in work. The minimum wage also has a vital role in supporting the living standards of young workers but is not a significant determinant of employment outcomes as young people navigate the transition through education, training and the labour market.

Poor-quality work, including insecure hours and low pay, is shown to be one of the primary factors driving poor mental health amongst young people – one of the risk factors for becoming NEET.

Overall, this suggests that measures to improve job quality, particularly in the sectors where most young people work, will be important in supporting labour market participation among young people, alongside creating employment and training opportunities and improving health and education provision.

1.4 Education, skills and training

1.4.1 Impact of Covid-19

Young people today have experienced more significant challenges in the education system due to Covid-19 meaning they may feel less job ready than those entering the labour market previously.⁴⁸ Despite efforts by schools to support students and address the disadvantage gap following the pandemic, this was not met with a robust programme of recovery by the previous government. In addition, unions highlighted that the attainment gap between students from disadvantaged backgrounds and their peers grew over the pandemic.⁴⁹

Young people now turning 24 would have entered the labour market at 18 during Covid-19 - this cohort has experienced multiple periods of uncertainty in short succession, with the potential to have long-term scarring effects and means that earlier experiences in the labour market to build up relevant skills have been interrupted.

ONS data demonstrated that under 25s accounted for three in five of the nearly 700,000 jobs lost between February 2020 and February 2021. It seems likely that young

⁴⁸ Institute for Public Policy Research (IPPR). (2025, July 8). *Towards universal opportunity for young people*. <https://www.ippr.org/articles/towards-universal-opportunity-for-young-people>

⁴⁹ National Association of Schoolmasters/Union of Women Teachers (NASUWT). (n.d.). *Written evidence submitted by NASUWT*. UK Parliament. <https://committees.parliament.uk/writtenevidence/118611/html/>

people who found themselves NEET as the pandemic hit are a group whose labour market prospects will have been impacted particularly badly.⁵⁰

1.4.2 Decline in apprenticeship opportunities

Despite policy efforts such as the Apprenticeship Levy, the UK apprenticeship system continues to face significant challenges in uptake, quality, and accessibility—particularly for small and medium-sized enterprises (SMEs).

The Apprenticeship Levy, intended to boost numbers, has fallen short, leading to an overall decline in apprenticeship starts and achievements. A report from UCAS and St Martin's Group in 2024 found that on average for every apprenticeship there were 4.4 young people interested.⁵¹

TUC analysis has found that between 2017/18 and 2023/24 apprenticeship start rates for 19–24-year-olds have reduced by 15 per cent and by 26 per cent for under 19s. This is in comparison to an increase in start rates for those aged 25 and over of 6 per cent.⁵²

In addition, achievement rates for under 19 have reduced by 44 per cent and by 31 per cent for 19–24-year-olds. Those aged 25 and over have also experienced a decline in completion rates of 33 per cent.

In 2023/24, on average 60 per cent of apprentices completed their programme. The Sutton Trust have demonstrated that the UK has a much higher drop-out rate than European countries with a dual system for example Germany and Austria. In addition, our apprenticeship dropout rate is higher than for other education programmes in the UK.⁵³ The Sutton Trust has also highlighted that access to high-quality apprenticeships for those from lower socioeconomic backgrounds can be unequal.⁵⁴

Reasons cited for leaving apprenticeships include poor quality training and financial issues. Previous surveys indicate that 44 per cent of leavers cite insufficient training time and 43 per cent cite poor training quality as reasons for leaving early.⁵⁵ Among

⁵⁰ Office for National Statistics. (2021, March 23). *UK labour market: March 2021*. <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/march2021>

⁵¹ Youth Futures Foundation. (2025, November). *Youth Employment Outlook 2025* [PDF]. Retrieved from: <https://youthfuturesfoundation.org/publication/youth-employment-2025-outlook/>

⁵² Department for Education. (2024). *Apprenticeships, academic year 2023/24*. <https://explore-education-statistics.service.gov.uk/find-statistics/apprenticeships/2023-24>

⁵³ Sutton Trust. (2020). *A world of difference: Social mobility and the classroom*. <https://www.suttontrust.com/our-research/a-world-of-difference/>

⁵⁴ Sutton Trust. (2025). *Apprenticeships are a powerful tool for social mobility*. <https://www.suttontrust.com/news-opinion/all-news-opinion/apprenticeships-are-a-powerful-tool-for-social-mobility/>

⁵⁵ [Apprenticeships, Academic year 2024/25 - Explore education statistics - GOV.UK](https://www.gov.uk/government/statistics/apprenticeships-academic-year-2024-25)

Level 2 apprentices who dropped out, nearly 40 per cent mentioned financial problems as contributing factors.⁵⁶

We also have concerns around eligibility for childcare support for those participating in training. Many young parents in training or apprentices will not qualify for government funded childcare hours as they will not meet the minimum earnings threshold. Young parents also need support towards the cost of childcare, which are currently very high. The current system could act as a disincentive to entering training or an apprenticeship which could be beneficial for longer term progression.

In regard to quality of apprenticeships, over half (54 per cent) of levy-paying employers have admitted to rebranding existing in-house training as apprenticeships.⁵⁷

The TUC also has concerns that apprenticeship pay is unsustainable for many adults, and the apprenticeship system is complicated, disconnected from workplaces and difficult to navigate for learners, providers, schools and employers.

1.4.3 Further Education

TUC have concerns that the recruitment and retention crisis within Further Education jeopardises apprenticeship delivery. As the Prime Minister recently set out, Further Education (FE) has long been treated as the “Cinderella service” of the education system - overlooked and underappreciated - despite its power to raise aspirations and tackle inequality.⁵⁸ The FE sector faces a deepening recruitment and retention crisis which, unless urgently addressed, will be a barrier to delivering key government policy, including plans for all 16–19-year-olds without a grade 4 GCSE in English and/or maths to be offered 100 hours of face-to-face teaching.

Vacancy rates in general FE colleges rose to 5.1% in 2023/24,⁵⁹ and nearly half of FE teachers leave within three years - twice the rate seen in schools.⁶⁰ This is driven by high workloads, stress, and a persistent pay gap, with FE teachers earning around £10,000 less than their secondary school counterparts.⁶¹

⁵⁶ IFF Research. (2023). *Apprenticeship evaluation 2023: Learner and non-completer surveys*.

⁵⁷ Department for Education. (2025, November). *Apprenticeships Academic year 2024/25*. <https://explore-education-statistics.service.gov.uk/find-statistics/apprenticeships/2024-25>

⁵⁸ Labour List. (2025, September). *PM Keir Starmer's Labour Party Conference speech in full*. <https://labourlist.org/2025/09/labour-conference-2025-keir-starmer-speech-in-full/>

⁵⁹ Department for Education. (2025, May). *Further education workforce 2023/24*. <https://explore-education-statistics.service.gov.uk/find-statistics/further-education-workforce/2023-24>

⁶⁰ [Further Education England Joint Trade Unions Claim 2025/26](#)

⁶¹ National Education Union. (2026). *Pay in Further Education*.

<https://neu.org.uk/advice/member-groups/further-education-teachers/pay-further-education>

1.5 Health

As cited above more NEET young people today than in previous cohorts are disabled or have health conditions or impairments. Research commissioned by Youth Futures Foundation by the University of Manchester showed that the rise in mental ill-health amongst young people is a genuine increase in mental distress, challenging public assumptions that this is due to lower levels of resilience. They found poor economic conditions, in particular less availability of secure jobs and the cost of living, and a decline in youth services as two of the top four reasons for rising mental health amongst young people. Access to good work with secure hours and income emerges as a priority for young people.⁶²

There is also growing concern about the impact of insecurity on long term health and employment outcomes. Research from the US for example has shown that volatile and variable work schedules when you are young results in a higher likelihood of reporting poor health and depressive symptoms at age 50 than for those with stable standard work schedules.⁶³

In addition, there is a wide range of research showing that experience of discrimination has a negative impact on young people's mental health.⁶⁴

Marmot and colleagues (2010)⁶⁵ found being in poor quality work is potentially more detrimental to health than being unemployed or inactive; employment quality must be a parallel concern when thinking about lowering the number of young people who are NEET. Low quality work will cause a cycle of young people joining and dropping out of the workplace and worsening mental health.

⁶² Pierce, M. et al. (2025). *Understanding drivers of recent trends in young people's mental health*. <https://youthfuturesfoundation.org/publication/report-understanding-drivers-of-recent-trends-in-young-peoples-mental-health/>

⁶³ Han W (2024) *How our longitudinal employment patterns might shape our health as we approach middle adulthood—US NLSY79 cohort*, PLOS One.

⁶⁴ Pierce, M. et al. (2025). *Understanding drivers of recent trends in young people's mental health*. <https://youthfuturesfoundation.org/publication/report-understanding-drivers-of-recent-trends-in-young-peoples-mental-health/>

⁶⁵ Marmot, M. (2010). *Fair Society, Healthy Lives: The Marmot Review: Strategic review of health inequalities in England post-2010 (Report 2/2010)*. UCL Institute of Health Equity. <http://www.instituteofhealthequity.org/resources-reports/fair-society-healthy-lives-the-marmot-review>

Austerity resulted in dramatic reduction in public services, for example mental health support⁶⁶, youth services⁶⁷ and education⁶⁸ that prevent youth unemployment and provide support when young people do experience periods of difficulty. We are still seeing long waiting lists for accessing NHS care; our affiliate, CSP shared data showing poor access to NHS community health services for children and young people (CYP). For physio in November 2025 there were 6,608 CYP waiting 4-12 weeks, 1,758 CYP waiting 12-18 weeks and 1,534 CYP waiting 18-52 weeks.⁶⁹

Evidence suggests there are also positive links between participation in youth programmes and improved mental health.⁷⁰ Finally, when we look at the current rise in mental ill-health amongst young people, studies have found that in places with the largest reduction in local authority funding correlate to places with largest reduction in young people's mental health.⁷¹

The current cohort of NEET young people grew up during a period of sustained real terms cuts in education and wider youth spending. This had had clear impacts on their health and continues to undermine the capacity of schools and wider services to fully support current cohorts.

1.6 Young people and social security

The Green Paper – Pathways to Work⁷²- proposed cuts to the health element of Universal Credit for those aged under 22 (currently worth almost a £100 a week). And the plan set out was for the savings generated to be switched to the funding of the Youth Guarantee.

If such an approach goes ahead this would remove vital financial support that helps young people into work, education and training. The number of young people the

⁶⁶ Understanding Society. (2024, September 9). *Austerity hit young people's mental health*. <https://www.understandingsociety.ac.uk/blog/2024/09/09/austerity-hit-young-peoples-mental-health/>

⁶⁷ The Guardian. (2020, January 20). *Youth services suffer 70% funding cut in less than a decade*. <https://www.theguardian.com/society/2020/jan/20/youth-services-suffer-70-funding-cut-in-less-than-a-decade>

⁶⁸ Institute for Fiscal Studies. (2019). *2019 annual report on education spending in England*. <https://www.ifs.org.uk/publications/14369>

⁶⁹ Community Health Services (CHS) SitRep. (2026, January). *Community Health Services Waiting Times*. 01 April 2025 - 31 March 2026

⁷⁰ Pierce, M. et al. (2025). *Understanding drivers of recent trends in young people's mental health*. <https://youthfuturesfoundation.org/publication/report-understanding-drivers-of-recent-trends-in-young-peoples-mental-health/>

⁷¹ Understanding Society. (2024, September 9). *Austerity hit young people's mental health*. <https://www.understandingsociety.ac.uk/blog/2024/09/09/austerity-hit-young-peoples-mental-health/>

⁷²

policy would impact is small (the consultation says in September 2024, there were 66,000 people aged 18 to 21 in the LCWRA group) but the individual impact would be extremely detrimental. The 66,000 is around 14 percent (469,000) of 18–21-year-olds who were on Universal Credit around the same period – and an even smaller proportion of the overall NEET group.

Young disabled people and those with long-term health conditions already face many challenges. Removing financial support to young disabled people could make it harder for them to continue in education, work or training, particularly if they incur significant additional costs in taking part in these activities. This will leave those young people most in need of support even further from the jobs market.

The risk here is that the small number of young people who lose their Universal Credit health element find they are financially worse off but no better able to find work or education, and the larger number of young people who are NEET are not really helped by the amount saved to fund the Youth Guarantee.

The Green Paper says the government needs to “consider what special provisions need to be put in place for those young people where engagement with the guarantee is not a realistic prospect”. However, it hasn’t been made clear what form these ‘special provisions’ will take.

The proportionally small group of young incapacity benefit claimants need support, not additional benefit cuts. Cutting the health element for this group would save relatively small sums of money at significant personal cost to young disabled people.

It is wrong to think that benefits is a lifestyle choice for young people. Of the 946,000 16–24-year-olds who are NEET around half (580,000) are claiming Universal Credit as they are not in work, this includes 245,000 who are claiming Universal Credit for ill health and disability, around 173,000 of this group get the additional health element.⁷³ Almost half of NEET young people do not rely on out of work benefits, and of the overall NEET group around 18 per cent are claiming health related UC.

When looking at trends in the benefit system rather than in the world of work, Resolution Foundation highlight for young people aged 18-21, claims for disability benefits (largely Personal Independence Payments (PIP)) have increased, not incapacity benefits like Universal Credit health, which is largely unchanged over the last decade. There has however a large increase in 16–21-year-olds in receipt of disability benefits: this has risen from 3 percent of 16–21-year-olds in 2013, to 6 percent in 2023.⁷⁴ TUC analysis of 16–24-year-olds claiming PIP, shows this has increased from around 259,000 to 423,000 in last 4 years.

Rising ill health and disability/impairment amongst this cohort is concerning, however these increases are taking place before young people reach adulthood. The share of

⁷³ TUC analysis of stat explorer (data September 2025)

⁷⁴ Resolution Foundation 2025, The good the bad and the messy - [The-good-the-bad-and-the-messy.pdf](#)

pupils under 16 in England with Education and Health Care Plans (EHCPs) – the highest level of support for children with special educational needs – almost doubled from 2.7% in 2016 to 5.2% in 2025.⁷⁵ From 2018 to 2025 the number of children receiving child Disability Living Allowance (CDLA) in England and Wales has increased from 465,000 to 841,000.⁷⁶ It is important to be clear here that not most children with special needs (this combines lower need and the higher need) are getting CDLA, data from 2020 shows that for the age 12-15 around 31 percent receive CDLA.⁷⁷

IFS analysis shows the number of children with EHCPs for autism spectrum disorder has almost tripled from 54,000 in 2015 to 149,000 in 2025, accounting for 40% of the total increase in EHCPs. The number of children with EHCPs for ‘social, emotional and mental health needs’, which includes ADHD, has also more than doubled, from 28,000 to 71,000. Similarly, most of the increase in CDLA claims is due to increased claims in three categories of conditions: learning difficulties (including autism), behavioural disorders and ADHD.⁷⁸

Effective interventions are required to support these children before they become adults – and to ensure that when they do there are appropriate learning and earning pathways in place for them to enable them to transition into paid work. These young people do not lack the ambition to participate in training or work when they reach 16, they have been held back by structural failures over many years. This includes lack of access to essential care and therapies swiftly. Waiting times for NHS autism assessments are on average over a year and private options typically range in price between £1,000 and £3,000, putting them out of the reach of many.⁷⁹ Waiting times for children’s community health services have hit record highs, according to latest NHS data, with tens of thousands of disabled children waiting for therapy and diagnostic assessments. Many of the children waiting the longest have complex needs, including learning disabilities, physical disabilities, autism, ADHD, and developmental language disorders.⁸⁰

The data tells a story of increasing rates of health conditions and neurodiversity amongst young people who experience barriers in health, employment and education – not a story of a generation wanting to stay in social security and rely on out of work benefits. Some disabled young people will not be able to work and need compassionate social security support. For those that can and want to work, the focus

⁷⁵ IFS 2025, Support for children with disabilities and special educational needs, [Support for children with disabilities and special educational needs | Institute for Fiscal Studies](#)

⁷⁶ TUC analysis of stat explorer

⁷⁷ IFS 2025, Support for children with disabilities and special educational needs, [Support for children with disabilities and special educational needs | Institute for Fiscal Studies](#)

⁷⁸ IFS 2025, Support for children with disabilities and special educational needs, [Support for children with disabilities and special educational needs | Institute for Fiscal Studies](#)

⁷⁹ Cited in IFS 2025, Support for children with disabilities and special educational needs, [Support for children with disabilities and special educational needs | Institute for Fiscal Studies](#)

⁸⁰ [Disabled children hardest hit by record health service waits](#)

should be on reducing barriers and effective early intervention - not cutting social security support.

Without such effective early support, the next generation of 16-24-year-olds will have a heightened NEET risk.

Sanctions

The previous government introduced harsher conditionality and sanctions which it justified as a means to motivate people to engage with Jobcentre support and take active steps to move closer to work. However, the policy was not effective⁸¹. Instead, the policy created fear and anxiety among claimants, rather than ensuring that positive and trusting relationships could be built between work coaches and claimants.

The Green Paper- Pathways to work published last year says there will be an ultimate backstop of sanctions to underpin the expectations of engagement, and the youth package announced in December also says sanctions to benefits could be applied for those who don't engage with the offered support. Work will be needed to ensure that sanctions are only ever used where they are proportionate.

Conclusion

The evidence outlined above demonstrates that the rising rates of NEET young people is not caused by a growing unwillingness to participate but that young people have been shut out by an increasing hostile labour market and barriers to participation. These barriers are:

- fall in vacancies across the board, and particularly those suitable for young people.
- increases in the number of young people in insecure, low quality and poorly paid work. This is both contributing to economic inactivity and the rise in poor mental health amongst young people – a common risk factor for NEET young people. Quality work is shown to be a protective factor against falling out of work and does not have a negative impact on employment rates.
- lack of support for health conditions, impairments and disabilities during childhood which have now impacted them as adults.
- disruption to education opportunities during the pandemic and a longer-term decline in quality apprenticeship opportunities. A lack of opportunity to reach at

⁸¹ Welfare Conditionality Project (2018) – Final Findings Report - http://www.welfareconditionality.ac.uk/wp-content/uploads/2018/06/40475_WelfareConditionality_Report_complete-v3.pdf

least Level 2 qualifications is concerning given those without level 2 are far more likely to be NEET.⁸²

- a lack of mental health and youth services as a result of austerity. These cuts have contributed to the rise in mental ill-health amongst young people.
- a lack of accessible work. High numbers of disabled people are unable to access accessible work including flexible working and reasonable adjustments. Young people with protected characteristics experience high rates of discrimination which impacts on their ability to access the labour market and impacts poorly on mental health. The multiple and complex risk factors for becoming NEET show that some young people will need targeted and individualised support.

The next section outlines needed reform to tackle these barriers.

2. What would make the biggest difference to support more young people to participate?

2.1 A jobs guarantee for young people

As we can see from the evidence above, there is a need to create good quality jobs for young people entering the labour market, particularly in regions with high NEET rates.

We know that job guarantee schemes work. Evaluation of The Future Jobs Fund (FJF)⁸³, set up under the previous Labour government, showed the scheme delivered clear benefits for participants, employers and society. The real selling point of the FJF was that it gave participants recent experience of a real job with a real wage, opportunities to gain new skills and an employer reference, over other government employment schemes offering lesser pay, terms and conditions and opportunities - such as workfare, which trade unions oppose.

We welcome the government announcements at the end of 2025 that a wider group of young people (16- 24) will benefit from measures in the Youth Guarantee and the announcement for 55,000 job placements over three years in a new jobs guarantee for

⁸² Education trade unions also identify challenges with post-16 pathways and the approach to GCSE resits where young people are repeatedly required to retake examinations in maths and English as related barriers to participation.

⁸³ Department for Work and Pensions. (2012). *Impacts, costs, and benefits of the Future Jobs Fund*. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/223120/impacts_costs_benefits_fjf.pdf

young people. Real experience of decent, paid work is the best way to turn the tide on rising rates of worklessness. We believe these places need to be expanded and paid opportunities should be prioritised over unpaid work experience placements. There should also be selection criteria measures to ensure employers are providing quality experiences. The FJF had measures such as assessment panels, which included trade unions, to ensure placement quality.

Whilst this takes initial upfront investment, it comes with long term benefits for young people and a return on investment for the government. Our modelling of a jobs guarantee shows that the programme has a benefit-cost ratio of 2.8 - over time every £1,000 of (net) government spending on the programme would generate £2,810 of net revenue for the Exchequer – based on the government’s own approach to cost benefit appraisal.⁸⁴

Annex II provides greater information on what a good jobs guarantee scheme should include.

2.2 Work experience

High quality, structured work experience which includes a substantial element of structured learning, with trade union involvement is the most effective way to ensure that young people are not exploited and that they receive a learning experience which enables them to develop the skills they need to gain secure employment. Good quality work experience placements must be combined with a substantial training-based element, which helps a young person develop relevant skills.

Left unchecked, the work experience element of youth guarantee policies could result in the exploitation of young people. Trade unions should have a representative on any steering groups/working groups which have oversight of the work experience programme. This should include placement design, delivery and evaluation.

The principle of a fair day’s pay for a fair day’s work is a core trade union demand. Should young people on work experience placements begin to undertake work of value the employer will have a legal obligation to pay that person at least the National Minimum Wage. The most effective way to enforce this legal requirement is through trade union involvement.

Work experience placements should not result in any existing workers being displaced, placements must be in addition to the existing workforce.

Work experience placements should have a set time period which allows time for relevant training to be provided, the placement should not continue for too long. If

⁸⁴ Treasury (2022)– The Green Book - <https://www.gov.uk/government/publications/the-green-book-appraisal-and-evaluation-in-central-government/the-green-book-2020#valuation-of-costs-and-benefits#>

they do it is likely that the young person will effectively be doing a real job, in which case they should be paid the appropriate rate for it.

Financial support must be offered to young people to ensure they can participate, that they are fully reimbursed for all travel, childcare or other caring costs and meal expenses and any other work-related expenses such as clothing and footwear. Financial support for young people will also enable underrepresented groups to participate in work experience programmes.

Given evidence on young women's experience of sexual harassment outlined in Annex I, the TUC believes that work experience participants should have the same protections from sexual harassment as workers. Failure to protect volunteers particularly those disproportionately affected by sexual harassment such as disabled women and young women, puts additional barriers to paid employment in the way of women who already face discrimination and inequality in the workplace.

The TUC is seeking to ensure that Equality Act provisions to protect workers from bullying, harassment and sexual harassment, including the Worker Protection Act cover anyone carrying out work for an employer - this would include, young people on work experience, interns, volunteers.

We would therefore expect that the government should ensure any employer taking part in Youth Guarantee initiatives whether it be work experience or job placement is complying with the Worker Protection Act and other harassment legislation. This ensures the safety of participants and models what safe and decent work should look.

Finally, the current offer for work experience and training placements in the Youth Guarantee is only available to young people on Universal Credit. Given the percentage of NEET young people who are not on Universal Credit, we believe the offer needs to be extended to a wider group of people.

2.3 Education, skills and training

2.3.1 Apprenticeships

Apprenticeships provide brilliant opportunities for tens of thousands of workers and their employers every year, but challenges in uptake, quality and accessibility persist.

The Growth and Skills levy is the key lever to address these negative trends, with welcome steps already taken to raise employer uptake and improve access and completion rates for learners, including Foundation apprenticeships and the removal of requirements for functional skills in some apprenticeships. Shorter qualifications should be aligned to progression routes into Level 3 to support skills and career development and not put occupational standards at risk.

The apprenticeship levy currently applies to large employers with a payroll over £3 million - just 2 per cent of UK employers.⁸⁵ This narrow scope limits its impact and reach, and there is a strong case for broadening it. Currently, very few small and medium-sized enterprises (SMEs) contribute, which means they lack a direct stake in the system.

We welcome the government's recent announcement to support SMEs⁸⁶ with the cost of taking on apprentices, including additional funding for training and incentives designed to remove some of the financial barriers smaller employers face. This shift recognises the important role SMEs play in delivering apprenticeship opportunities and aims to boost participation by reducing upfront costs. This is especially important given SMEs' historic role in the system.

Before the introduction of the levy, employers with fewer than 250 workers employed the majority (53 per cent) of apprentices⁸⁷ and accounted for almost three quarters of employer investment in skills (72 per cent).⁸⁸

Expanding the levy would deliver a dual benefit, as set out by the Fabian Society.⁸⁹ First, it would increase the overall size of the levy, with more employers paying in, and fewer employers reliant on the unspent funds from larger levy payers.

Secondly, it would encourage more SMEs to invest in training, with more employers able to draw down funds to up- or re-skill their workforce. The Fabian Society forecasts that this would raise an additional £630m annually by 2029/30 if introduced incrementally and support up to 115,000 more apprenticeship starts per year.⁹⁰

Recognising the additional costs this brings, SMEs should pay in at a lower rate (0.5 per cent) than larger employers and there should be additional support for SMEs with training and workforce planning, as they typically have limited HR capacity.

⁸⁵ HM Revenue & Customs. (2025, April). *Pay Apprenticeship Levy*.

<https://www.gov.uk/guidance/pay-apprenticeship-levy>

⁸⁶ Department for Work and Pensions. (2025, December). *50,000 more young people to benefit from apprenticeships as Government unveils new skills reforms to get Britain working*.

<https://www.gov.uk/government/news/50000-more-young-people-to-benefit-from-apprenticeships-as-government-unveils-new-skills-reforms-to-get-britain-working>

⁸⁷ Department for Education. (2020, March). *Apprenticeships in England by Industry Characteristics 2018/19 Academic Year*

⁸⁸ Department for Education. (2025, May). *Apprenticeships in England by industry characteristics*.

<https://explore-education-statistics.service.gov.uk/find-statistics/apprenticeships-in-england-by-industry-characteristics/2022-23>

⁸⁹ Dromey, J. and Otto, S. (2025, August). *Levyng Up*. <https://fabians.org.uk/wp-content/uploads/2025/08/FABIANS-YFF-CIPD-Making-the-Growth-and-Skills-Levy-Work-Final-draft-PDF.pdf>

⁹⁰ Ibid

Building on Skills England’s remit to engage unions as key stakeholders, further engagement is needed to ensure apprenticeships meet the needs of learners, workers and the economy. Unions play a vital role in raising training standards, securing adequate learning time and improving programme quality, helping reduce dropout rates and enhance the apprenticeship experience.

2.3.2 Industrial strategy

There is a clear opportunity to use the government’s industrial strategy to ringfence roles for young people and create long term apprenticeship opportunities. This would provide good quality jobs for life for young people and in turn a skilled, long-term workforce that will drive economic growth in the government’s priority sectors.

The TUC recommends that funding for infrastructure projects should come with requirements for apprenticeship delivery; a certain percentage of apprenticeships should be ringfenced for 18–24-year-olds and apprenticeships should also be targeted at people without a Level 2 qualification. IPPR polling shows that this policy would likely be popular with 77 per cent of respondents saying young people under the age of 25 should have the highest priority access to apprenticeship opportunities.⁹¹

2.3.3 Post 16 education system⁹²

England’s post-16 education system is under growing pressure, with colleges and universities experiencing financial strain, staff shortages and heavy workloads.

The TUC calls for:

- Work with unions on a sustainable FE workforce strategy that can support delivery
- Take steps to stabilise higher education through intervention and funding reform
- Address the systemic pressures affecting colleges and universities so they have the capacity needed to deliver apprenticeships and wider learning opportunities

Further education

The TUC welcomes the government’s renewed commitment to further education, including an additional £800m investment for 2026–27. This additional funding must be ringfenced to address the crisis in workforce recruitment and retention, including closing the FE pay gap, and government must work with unions representing the FE

⁹¹ Institute for Public Policy Research (IPPR). (2025, July 8). *Towards universal opportunity for young people*. <https://www.ippr.org/articles/towards-universal-opportunity-for-young-people>

⁹² While this is focussed on the post-16 education sector, unions representing the schools workforce highlight common challenges including in relation to recruitment and retention that should be addressed through comprehensive workforce planning and investment.

workforce on a strategy that aligns their vision for further education with a plan to improve working conditions in the sector.

Higher education

Higher education is also facing financial crisis, which is impacting the workforce, students and delivery. Half of universities are making job and course cuts, and up to 15,000 job losses are predicted in 2025, due to both the funding available and the model used to fund the sector. Higher education trade unions are calling for urgent government intervention to halt redundancies, protect courses, and reform the broken system, underpinned by public funding and equitable distribution of students between institutions.⁹³

2.3.4 Education Maintenance Allowance

The TUC has long-standing policy calling for the re-introduction of the Education Maintenance Allowance in England. The TUC also represented trade unions on the Council of Labour Skills Advisers, ensuring workforce issues were central to shaping recommendations. The Labour Skills Advisers 2023 report⁹⁴ made clear that:

"A Labour government should reinstate the Education Maintenance Allowance in England. Scrapped by the coalition government in England in 2011. A study done by the institute for fiscal studies, following the announcement in 2010 to end the support, found that the EMA was in fact, an efficient use of money.

Crucially, it found that the EMA "Increased the proportion of eligible 16-year-olds staying in education from 65% to 69% and increased the proportion of eligible 17-year-olds in education from 54% to 61%.

Based on these impacts, and on estimates of the financial benefits of additional education taken from elsewhere in the economics literature, the study concluded that the costs of providing EMA were likely to be exceeded in the long run by the higher wages that its recipients would go on to enjoy in future."⁹⁵

Given the high cost of living, we believe there should also be a wider review of government financial support to young people to support participation in education, apprenticeships, employment and training and raise living standards.

⁹³ UCU. (2025). *Stop the cuts campaign*. <https://www.ucu.org.uk/stopthecutscampaign>

⁹⁴ Labour. (2023, September). *Report of the Council of Skills Advisers*.

<https://labour.org.uk/updates/stories/report-of-the-council-of-skills-advisers/>

⁹⁵ IFS. (2010). *An efficient maintenance allowance?* <https://ifs.org.uk/articles/efficient-maintenance-allowance>

2.3.5 Preventative role of schools and colleges

TUC affiliated unions, including UCU and NEU, highlight that well-funded schools and Further Education colleges play a crucial role in preventing young people from becoming NEET. UCU evidence highlights that sustained post-16 engagement, supported by early, integrated help such as confidence-building and tailored careers advice, reduces NEET risk.⁹⁶

NEU warns that NEET numbers⁹⁷ are rising towards one million, driven by inadequate SEND provision, limited mental health support, and a narrowing curriculum. It calls for inclusive schooling, stronger wellbeing services, and a broad and diverse curriculum that reflects the needs of learners and multi-modal assessment models that demonstrate the full range of skills and capabilities of young people, which will better equip them for life and work in the 21st century. It also identifies the need for wider vocational options to keep young people engaged. This includes avoiding premature defunding of trusted and high-quality courses, particularly applied general and vocational qualifications (AQGs), and a broader 14-19 phase that enables the combination of “vocational” and “academic” courses, which can be taken more flexibly to support all young people, particularly those with SEND, make meaningful educational progress.

We welcome the government’s £200 million investment in SEND support,⁹⁸ recognising that expanded and better-resourced provision is essential to keeping children and young people included in education and reducing the risk of becoming NEET.

This evidence highlights that sustained investment in schools and FE colleges is essential to keeping young people engaged and out of NEET status.

2.3.6 National Careers Service

The TUC welcomes the government’s early actions to strengthen careers guidance, including the pledge to provide every young person with two weeks of high-quality work experience during secondary school and the recruitment of over 1,000 new

⁹⁶ UCU (2015). *UCU response to prime minister's plans for NEETs*.

<https://www.ucu.org.uk/article/7412/UCU-response-to-prime-ministers-plans-for-NEETs>

⁹⁷ NEU (2025, October) *Young people not in education, employment or training set to hit 1 million*. <https://neu.org.uk/latest/press-releases/young-people-not-education-employment-or-training-set-hit-1-million>

⁹⁸ Department for Education. (2026, January). *£200 million landmark SEND teacher training programme - GOV.UK*. <https://www.gov.uk/government/news/200-million-landmark-send-teacher-training-programme>

careers advisers⁹⁹ to build stronger partnerships between schools, colleges and local employers.

As a member of the Labour Skills Advisory Council, the TUC played a key role in shaping its recommendations.

Three key recommendations:

- A trained Careers Leader in every school, embedded within senior leadership to deliver a coherent careers programme
- Regional Careers Hubs to connect schools with employers, further and higher education, and local labour-market opportunities
- A high-quality, all-age national careers information and guidance service, delivered in partnership with Jobcentre Plus and combining face-to-face professional support with digital tools.

Together, these reforms would create a coherent, well-resourced careers system that supports young people to make informed choices, improves access to good jobs, and helps reduce the risk of young people becoming NEET.

2.4 Improving the quality of work

The government has taken significant steps to improve the quality of work for young people via its Make Work Pay agenda. Given evidence above; good quality work is key to keeping young people in the labour market and the government should ensure full and rapid implementation of the Employment Rights Act and wider Make Work Pay agenda.

2.4.1 Secure work

Improving job quality is part of the answer to tackling rates of NEET young people and it also comes with economic benefits. Timewise analysis looked at the hours typically worked by people who are returning to work from inactivity due to long-term sickness in the top seven sectors with the highest flows to inactivity due to long-term sickness.

Those who move from economic inactivity back into work in frontline sectors start out working an average 21 hours per week compared to people who are about to cycle back into inactivity whose hours drop to an average of 8.5. If this latter group were to sustain 21 hours per week due to improved job security the annual economic benefit would be £4 billion. Most importantly, these changes would represent a significant

⁹⁹ Labour (2024, June). *Labour's plan to get Britain working: How we'll boost employment, deliver better training and secure higher wages*. <https://labour.org.uk/updates/stories/labours-plan-to-get-britain-working/>

improvement for young people. Increasing hours from 8.5 to 21 hours a week would provide an additional £159 a week, or £8,293 a year.¹⁰⁰

This evidence supports analysis suggesting that the Employment Rights Act measures to tackle insecurity could have positive impacts on the economy as well as individuals.

We strongly welcome the ban on exploitative zero-hour contracts in the Employment Rights Act and the rights to:

- guaranteed hours reflecting hours worked over a reference period
- reasonable notice of shifts
- compensation for shifts cancelled, changed or moved at short notice

We believe the government should ensure ambitious implementation of this including:

- A 12-week reference period for guaranteed hours. This gives a clear indication of a worker's usual hours while evening out peaks and troughs. Any longer period than this, such as 26 weeks, would simply allow employers to park workers on a zero-hour contract for a prolonged period.
- Should the provisions for a low hours threshold be implemented, it should be set at the equivalent of full-time hours. This would ensure that as many workers as possible whose hours vary are kept within the scope of the legislation. It would also avoid distortions where employers were incentivised to offer shifts to some groups of workers and not others.
- Notice of shifts should be 28 days for all workers.
- All workers should receive full pay for shifts if they are cancelled up to seven days beforehand.

There is significant evidence that employers do not use zero-hours contracts as stopgaps but often park workers on these insecure arrangements long-term. Two-thirds of zero-hours contract workers have been with their employer for more than a year, and one in eight for more than a decade.¹⁰¹ With these changes, employers will still be able to put in place arrangements for coping with fluctuations in seasonal work, for instance via fixed term contracts.

In addition to wider job quality, the Youth Guarantee should also include focuses on improving job quality across the board for young people and there should be criteria that includes job quality standards for employers offered work experience or jobs placements under the Youth Guarantee.

¹⁰⁰ Timewise. (2026). Work that works for the next generation: The role of job quality in tackling youth inactivity. Unpublished.

¹⁰¹ Trades Union Congress (TUC). (2025, February). *TUC - Hundreds of thousands of workers stuck on zero hours contracts "for years on end"* <https://www.tuc.org.uk/news/tuc-hundreds-thousands-workers-stuck-zero-hours-contracts-years-end>

2.4.2 Increased access to flexible working

The TUC believes the government has a key role to play in making flexible working the default, which is key to creating quality jobs and can be a vital reasonable adjustment for young disabled people. The government should introduce a legal duty on employers to consider which flexible working arrangements are available in a role and publish these in job advertisements, with new postholders having a day one right to take up the flexible working arrangements that have been advertised. If an employer does not think that any flexible working arrangements are possible, they should be required to set out that no form of flexible working is suitable in the job advert and why. This would ensure young disabled workers know what is available to them before applying for a job and will have access to flexible working from day one.

2.4.3 Accessible work

Given the high number of young disabled people who are NEET, we believe there are additional measures that the government can implement rapidly to improve outcomes for young disabled people at work outlined below. The full description of these can be found in the TUC's response to the Keep Britain Working independent review into the role of employers in health and disability.¹⁰²

Improving access to reasonable adjustments

- Introduce a requirement for employers to notify employees on decisions regarding reasonable adjustment requests within a set time period, ideally within two weeks of an application.
- Introduce a requirement on employers to record impairment related leave taken by disabled workers separately from other sick leave. This would stop disabled workers from being pulled into automated HR processes by triggering an employers' sick leave policy.
- Adopt the social model of disability. One way of bringing the social model of disability into the heart of UK law would be to make the United Nations Convention on the Rights of Disabled Persons (UNCPRD) enforceable within UK law.

Improving Access to Work

Another existing approach that has been successful in aiding workers and removing

¹⁰² Trades Union Congress (TUC). (2025, July 31). *Keep Britain working: An independent review into the role of employers in health and disability*. <https://www.tuc.org.uk/research-analysis/reports/keep-britain-working-independent-review-role-employers-health-and>

barriers is Access to Work. However, the programme has faced issues with funding shortfalls, long waiting times and fundamentally with employers and workers often being unaware it exists. To improve the offer, the government should:

- Remove the financial support cap
- Take action to ensure the application and renewal processes are efficient, personalised, and flexible for disabled workers.
- Ensure any changes to Access to Work involve codesign with disabled people, their organisations and trade unions to be a success.
- Introduce 'in principle' indicative awards for entitled disabled jobseekers.
- Ensure consistent funding increases and a full assessment of unmet needs. It should be reformed to provide quick and efficient access to the service with reduced waiting times.

Access to Work is, and remains, a positive government initiative that is already ensuring disabled people can get into and stay in work – and it could be easily expanded and further improved.

Improved statutory sick pay (SSP)

While the improvements to SSP introduced as part of the plan to Make Work Pay are important, a medium-term plan to higher rates is needed. There is an urgent need for a wider review of the statutory sick pay rate, which is extremely low by international standards. This review should report by the end of Parliament.

Improved regulation and enforcement

Enforcement of the law is an important element in improving the employment rates and pay of disabled young workers.

The government should ensure the Equality and Human Rights Commission (EHRC) has sufficient funding to discharge their legal duties and should receive additional ring-fenced resources to conduct targeted enforcement of workers' right to reasonable adjustments.

The EHRC should work with employers to develop practical guidance to increase their understanding and confidence in using the positive action provisions permitted in the Equality Act 2010 to address the under-representation of disabled people.

The Health and Safety Executive, Britain's primary OSH regulator, has sustained 54 per cent budget cuts since 2010. To ensure all workers are prevented from risk to ill-health in the first instance, funding must be reinstated and sustained. It has been repeatedly demonstrated, by TUC and HSE studies, that workplaces with trade union

representation tend to have fewer instances of work-related illness and injury, and workers are better informed of health and safety policies and procedures. For this reason, we want to see the scope of the Safety Reps and Safety Committees Regulations extended, and for accredited trade union health and safety representatives to have a 'roving rep' right: access to any workplaces where they have membership.

2.5 Social Security

Changes may be needed to help more young people on health benefits access qualifications and paid jobs but cutting benefits for a small number of high needs young people is not the answer. The Youth Guarantee should not be funded by removing benefits for young people, and the policy of cutting access to the health element for young people should not proceed. It could remove vital financial support that helps young people into work, education and training. The risk is that an approach based on cutting young people's entitlements would leave those young people most in need of support even further from the jobs market.

Families could lose up to £92 a week (based up on 2024/25 rates) week in child benefit and the child element of Universal Credit (UC) if a young person over 16 starts an apprenticeship instead of staying in full-time education. This drop in income for low-income families can be a disincentive to start an apprenticeship. The rules should be the same for families; they should not lose their income as their child has taken up an apprenticeship which will improve their future career prospects. It is not right the young person bases their decision about whether to go for an apprenticeship or full-time education based on what this means for their families living standards.

While apprentices are being paid, they are on low pay and can earn less than peers in part-time jobs, with 18-year-old apprentices (from 2026) getting £8 per an hour compared to £10.85 for a sixth form student on a part time job.¹⁰³

The government should also look at eligibility for funded childcare hours and other childcare entitlements to ensure that young parents who want to participate in training or an apprenticeship also receive childcare support.

2.6 Health

Fully-funding comprehensive rehabilitative services as part of NHS care – encompassing mental health, physiotherapy, orthopaedic and occupational therapy – are fundamental step in supporting young disabled workers and individuals with ill health to return to and stay in employment.

¹⁰³ The apprentice rate applies to apprentices under 19, or those aged 19 and over in their first year. Apprentices aged 19+ who have completed their first year are entitled to the higher National Minimum Wage for their age.

The government should ensure properly funded mental health interventions in communities, including an increase in the number of secure beds delivered by NHS providers and a move away from private mental health provision. This aligns with the government's ambition to shift services into community-based, preventative care, which, if adequately resourced, can significantly improve pathways to work. We recommend the government actively engage with unions representing NHS staff, who possess invaluable, practical expertise that can drive better policy- and decision-making.

Annex I – further evidence to demonstrate experiences of discrimination in the labour market

Young people with protected characteristics will face additional difficulties accessing and staying in the labour market as outlined below.

Disabled young people

Getting and keeping in place reasonable adjustments continues to be a substantial issue for disabled workers. Failure by employers to put in place reasonable adjustments which remove the barriers disabled workers encounter in the workplace is not only in breach of employer duties under the Equality Act 2010 but also may lead to disabled workers' health conditions deteriorating, preventing them to remain or enter in employment.

TUC research into accessing reasonable adjustments found that six in 10 disabled workers (59 per cent) had not made a request for an adjustment.¹⁰⁴ Only 53 per cent of those who had not made a request said they did not need one, highlighting the scale of unmet demand.

17 per cent who had not made a request said they had not done so because they felt uncomfortable, 16 per cent were not aware they could make a request for reasonable adjustments and 14 per cent did not put in a request because they did not think their employer would accept the request. This highlights both the persistent gap in securing reasonable adjustments as well as disabled workers' concerns and fears of requesting them.

Of those who had made a request only a third (36 per cent) had their employer agree to all of the requested reasonable adjustments with over four in 10 (44 per cent) reporting that their employers had agreed to implement some, but not all of the requested adjustments.

For over one in 10 (11 per cent) disabled workers, their employer did not agree to any of the requested adjustments.

Furthermore, the majority of disabled workers who have made a request for reasonable adjustments wait from four months to over a year of their adjustments to be

¹⁰⁴ Trades Union Congress. (2025, May 12). *Disabled workers' access to reasonable adjustment*. <https://www.tuc.org.uk/research-analysis/reports/disabled-workers-access-reasonable-adjustment>

implemented (82 per cent).¹⁰⁵ There is also evidence showing barriers disabled people experiences in education¹⁰⁶ and transport.¹⁰⁷ These barriers can mean young disabled people who want to work cannot.

Finally, a third of disabled workers have had disability related leave counted as sick leave, potentially forcing them down punitive HR processes, which can result in exiting work.¹⁰⁸

Young carers

Young women are more likely to be economically inactive due to caring responsibilities. Our analysis from 2023, found more than 1.46 million women are kept out of the labour market because of their caring responsibilities. Whilst women in their 30s are hardest hit, 12,133 women aged 16-19 were economically inactive because of looking after their family or home and 228,245 women in their 20s, that's 5.6 per cent of that age group and is ten times higher than men in their 20s.¹⁰⁹

Carers UK research has demonstrated that many carers find it increasingly difficult to juggle work and care, particularly if they are not receiving sufficient support. They found that 40 per cent of carers who completed their survey said they have given up work to care.¹¹⁰ They found key to supporting carers was access to flexible working and paid leave.

BME young people

¹⁰⁵ Trades Union Congress (TUC). (2025, July 31). *Keep Britain working: An independent review into the role of employers in health and disability*. <https://www.tuc.org.uk/research-analysis/reports/keep-britain-working-independent-review-role-employers-health-and-disability>

¹⁰⁶ Equality and Human Rights Commission. (2021, August 19). *Being disabled in Britain: A journey less equal*. <https://www.equalityhumanrights.com/sites/default/files/being-disabled-in-britain.pdf>

¹⁰⁷ National Centre for Accessible Transport (NCAT). (2024, December). *Understanding and identifying barriers to transport*. <https://www.ncat.uk/document/understanding-and-identifying-barriers-to-transport/>

¹⁰⁸ Trades Union Congress (TUC). (2025, May 12). *Disabled workers' access to reasonable adjustment*. <https://www.tuc.org.uk/research-analysis/reports/disabled-workers-access-reasonable-adjustment>

¹⁰⁹ Trades Union Congress (TUC). (2023, March 8). *Women 7 times more likely than men to be out of work due to caring commitments*. <https://www.tuc.org.uk/news/women-7-times-more-likely-men-be-out-work-due-caring-commitments>

¹¹⁰ Carers UK (November 2024). *State of Caring 2024: the impact of unpaid caring on employment*. <https://www.carersuk.org/reports/state-of-caring-2024-the-impact-of-unpaid-caring-on-employment/>

As mentioned in section 1.1 of the response, BME young people are more likely to be unemployed than White young people.

There is a vast body of work that shows young BME workers are more likely to be in low-paid, insecure work¹¹¹¹¹² and face high levels of discrimination at work¹¹³, all of which can perpetuate cycles of poverty and poor wellbeing. BME workers are also disproportionately denied promotions, opportunities for training and development and face discrimination in the recruitment process.¹¹⁴¹¹⁵¹¹⁶ Racism can determine who gets hired, trained, promoted, retained, demoted, and dismissed leaving BME workers vulnerable to unemployment and low-quality work.

Young women

TUC polling from 2023 found that two in three women aged between 18 and 34 have experienced sexual harassment, bullying and verbal abuse at work, with half of those women saying the harassment they experienced was perpetrated by a third party.¹¹⁷ Polling in 2025 found 24 per cent of young people doing a “work experience” type activity experienced, bullying, verbal abuse or sexual harassment.¹¹⁸

¹¹¹ Trades Union Congress (TUC). (2023, November 30). *Jobs and pay monitor: young workers*. <https://www.tuc.org.uk/research-analysis/reports/jobs-and-pay-monitor-young-workers>

¹¹² Youth Futures Foundation. (2022, November). *Minority ethnic youth employment outcomes*. <https://youthfuturesfoundation.org/wp-content/uploads/2022/11/Minority-ethnic-youth-employment-outcomes-REA.pdf>

¹¹³ Ibid

¹¹⁴ Equality and Human Rights Commission. (n.d.). *Recruitment of workers into low-paid occupations and industries*. <https://www.equalityhumanrights.com/sites/default/files/recruitment-of-workers-into-low-paid-occupations-and-industries.pdf> <https://hummedia.manchester.ac.uk/institutes/code/research/projects/racism-at-work/tuc-full-report.pdf>

¹¹⁵ Fawcett Society. (2021). *Broken ladders: Barriers to women’s progression in the workplace*. <https://www.fawcettsociety.org.uk/broken-ladders> <https://www.fawcettsociety.org.uk/broken-ladders>

¹¹⁶ University of Manchester, Institute for Collaborative Research on Racism at Work. (2020). *Racism at work: Full report*. <https://hummedia.manchester.ac.uk/institutes/code/research/projects/racism-at-work/tuc-full-report.pdf>

¹¹⁷ Trades Union Congress (TUC). (2023, May 12). *New TUC poll: Two-thirds of young women have experienced sexual harassment, bullying or verbal abuse at work*. <https://www.tuc.org.uk/news/new-tuc-poll-2-3-young-women-have-experienced-sexual-harassment-bullying-or-verbal-abuse-work>

¹¹⁸ Trades Union Congress (TUC). (2025, October). *Making Work Pay: call for evidence on unpaid internships*. <https://www.tuc.org.uk/research-analysis/reports/making-work-pay-call-evidence-unpaid-internships>

A recent survey by Unite of women members found that 25 per cent had been sexually assaulted at work, travelling to and from work or by a colleague in or out of work hours. 56 per cent had been the recipient of sexually offensive jokes, 55 per cent had experienced unwanted flirting, gesturing or sexual remarks, 43 per cent had been inappropriately touched and 28 per cent had been shared or shown pornographic images by a manager, colleague or third party. Unite stated that the sectors which had the highest levels of sexual harassment included construction and food and drink.¹¹⁹ EHRC research has shown sexual harassment is extremely widespread in hospitality.¹²⁰ Unison has also found that one in 10 healthcare workers have experienced of sexual harassment.¹²¹ We highlight these results given the chosen sectors in Youth Guarantee for workplace opportunities (construction, health and social care and hospitality).

The impact of the harassment is significant – including one in ten women reporting a detrimental impact to their mental health, 1 in 5 women said they avoided certain work situations as a result, 7 per cent of women said they wanted to leave their job but were unable to for financial reasons and 6 per cent did leave their job as a result.¹²²

LGBT+ young people

TUC polling¹²³ found on every measure, young LGBT workers between the ages 18 to 24 are experiencing higher levels of bullying, harassment and discrimination at work. 6 per cent of those who had experienced this at work said that as a result of the treatment, they left their job or left their employer.

¹¹⁹ Unite the Union. (2025, July 8). *Sexual harassment endemic in UK workplaces, landmark Unite survey finds*. <https://www.unitetheunion.org/news-events/news/2025/july/sexual-harassment-endemic-in-uk-workplaces-landmark-unite-survey-finds>

¹²⁰ Equality and Human Rights Commission (2020, February 17). *Turning the tables: ending sexual harassment at work*. <https://www.equalityhumanrights.com/turning-tables-ending-sexual-harassment-work>

¹²¹ Unison. (2024, April 8). *NHS staff have been shown porn and offered money for sex at work*. <https://www.unison.org.uk/news/2024/04/nhs-staff-have-been-shown-porn-and-offered-money-for-sex-at-work/>

¹²² Trades Union Congress (TUC). (2016, August 10). *Still just a bit of banter*. <https://www.tuc.org.uk/research-analysis/reports/still-just-bit-banter>

¹²³ Trades Union Congress (TUC). (2024, August 28). *Bullying, harassment and discrimination of LGBT people in the workplace*. <https://www.tuc.org.uk/research-analysis/reports/bullying-harassment-and-discrimination-lgbt-people-workplace>

Annex II: A well-designed Jobs Guarantee

Overall to ensure effective delivery of a Youth Guarantee we believe the following overarching features are needed:

- **A cross governmental approach.** Given the complex nature of the issue and high need of young people there must be a cross-governmental approach, including local authorities, to identifying, preventing and supporting young people at risk of becoming NEET. Identifying those who are at risk of becoming NEET early is vital to reducing numbers.¹²⁴ The government must also ensure that there are multiple partners working together on the ground so young people can be referred to relevant services from multiple entry points, and that they are not lost when they leave school.
- **Targeted and personalised support.** Risk factors for becoming NEET vary and some young people will experience multiple compounding factors. All provision must therefore be targeted and personalised and take account of the diverse needs of young people, particularly those at risk of long term worklessness. Research shows that highly individualised support and a central service that can signpost, refer and provides individualised support are vital to success of employment programmes.¹²⁵ Job Centre Plus Work Coaches should receive support to make sure they are able to signpost and are aware of the full range of services available to young people. PCS have set out how Work Coaches would be better able to support people including having a national network of offices in every town and city.¹²⁶
- **Informed by the voices of young people and trade unions.** Trade unions will be able to provide unique insight on the connection between training and employment, the skills needed for the labour market and what good quality employment looks like, which is essential to a successful Youth Guarantee. In European countries where social dialogue is a common objective, unions have played a key role in support for young people. The voices of young people and trade unions must inform the operation of the Guarantee as it is rolled out.

¹²⁴ Learning and Work Institute. (2023, October). *The Young Person's Guarantee*.

<https://learningandwork.org.uk/resources/research-and-reports/the-young-persons-guarantee/>

¹²⁵ Ibid

¹²⁶ Public and Commercial Services (PCS) Union. (2025). *Reforming jobcentres: Written evidence submitted by the Public and Commercial Services (PCS) union (RJ0069)*. UK Parliament.

<https://committees.parliament.uk/writtenevidence/138448/pdf/>

- **Ring fenced funding.** The Guarantee should receive a ring fenced centrally funded budget to be delivered locally.

A jobs guarantee

The following outline is from the TUC report 'An ambitious plan for young people', which includes the methodology for our cost-benefit analysis.¹²⁷

Target group

The government's job guarantee scheme is for 18–21-year-olds who have been on Universal Credit for 18 months. Given evidence above that demonstrates higher NEET rates amongst 21–23-year-olds, we believe the age range should be expanded to 18–24. In addition, we believe there needs to be early access for those furthest from the labour market as the longer young people are out of the labour market, the more difficult it may be to reintegrate them. In addition, given that just under half (48 per cent) of NEET young people receive any form of social security, criteria based solely on Universal Credit claims will fail to reach some of the most at risk members of the target group.¹²⁸

Job criteria

Our assessment is that job placements should:

- provide six months of employment paid at the national minimum wage, or the union negotiated rate for that job.
- be additional. This means the money should only be used to create jobs that would not have been created in the absence of a scheme, ensuring that job guarantee participants are not replacing existing workers. Assessment panels like the FJF could be put in place to ensure this.
- provide community, public benefit and/or help decarbonise.
- meet local labour market needs to ensure sustainability of skills and experience. This means the ability for the money to be used to create jobs in sectors which correspond with regional or local economic plans.
- be designed to ensure the worker gets experience that will better equip them to move into permanent work in the open labour market.

¹²⁷ <https://www.tuc.org.uk/research-analysis/reports/ambitious-plan-young-people>

¹²⁸ Youth Futures Foundation. (2025, February). *Trends in young people not in education, employment or training (October – December 2024)* <https://youthfuturesfoundation.org/publication/trends-in-young-people-not-in-education-employment-or-training-2021-2024/>

- include quality training that puts workers on a pathway to a Level 3 qualification.
- promote and protect equality and be free from discrimination and harassment.
- adhere to health and safety law.
- ensure access to trade unions. The person should be informed of their right to join a union but also recognised trade unions must be informed of use of scheme and involved in design of positions in workplaces.
- have clear minimum standards for quality, for example standard job descriptions and the same terms and conditions as other employees in similar roles. This should have a particular focus on fair scheduling practices that minimise hours volatility and support workers to have some input into their shift patterns and access to flexible working options. These could be developed in line with forthcoming new ERA rights, which are due for implementation in 2027.
- have a sustainability route for example the placement could transition into an apprenticeship, or the person be guaranteed a job interview at the end. For employers this is an option to target the areas where a skilled workforce will be needed in the future.

These criteria are based on the success of the FJF and evidence on what works in good job guarantee schemes and believe the government should ensure these are met in the design of the scheme and placements. The quality of experience is vital if we want young people to stay in for the full 6 months and then go on to future opportunities.

Regional allocations

We propose that placements are allocated across regions reflecting the regions with the highest proportion of NEETs.

Equality measures

As we set out above, many young people who are NEET are disabled. But evidence suggests that previous schemes such as Kickstart were less effective for young disabled people as almost half (47 per cent) of young people with a health condition left their placement without completing the full six months.¹²⁹ Given the high number of young disabled people with health conditions who are NEET, it is essential that placements are accessible and employers are aware of their duties under the Equality Act 2010. To

¹²⁹ Department for Work and Pensions. (2023, July). *Kickstart Scheme: Process evaluation*. <https://assets.publishing.service.gov.uk/media/64ae8a56c033c100108060f2/kickstart-evaluation-process-evaluation.pdf>

ensure that those most in need are accessing the scheme, the following equality measures should be put in place.

- Jobs should be offered on part time basis but with the same number of equivalent hours.
- All participants in the scheme should be offered ongoing Work Coach support from the Department for Work and Pensions. This will ensure they can access any further support during the placement and have regular check-ins.¹³⁰
- The scheme should include a one-off discretionary support into work payment to cover the upfront costs of employment i.e. new clothes, childcare or travel.
- Employers should have fast track access to Access to Work to increase disabled young people's access to jobs.
- Employers should be required to respond rapidly to requests for reasonable adjustments – ideally within two weeks. Considering the short-term nature of placements, it would be advantageous for employers and young disabled people to have agreed reasonable adjustments before a placement starts. For the government to achieve its aims systems must be put in place to ensure reasonable adjustments are put in place as soon as is possible. The TUC also recommends using reasonable adjustment passports.¹³¹
- There should be monitoring of take up at a local level to ensure that those with protected characteristics have equal access to the scheme and that action can be taken if there is evidence that particular groups are disproportionately missing out – this is particularly important for BME groups.

Training measures

For the individual, the job guarantee needs to come with an entitlement to government funded learning with all participating workers taking an initial assessment to explore where their specific upskilling needs are, and what pathway they could look to continue on following the placement with an aim to achieve a Level 3 qualification subsequently. The minimum time spent in learning should be 20 per cent of working time, mirroring the apprenticeship programmes' entitlement.

There must also be clear guidance on what training needs to take place and how this will be evidenced to assess quality. Training should go beyond CV and employability

¹³⁰ Department for Work and Pensions. (2025, March 6). *Government bolsters employment support to unlock work for sick and disabled people*. GOV.UK. <https://www.gov.uk/government/news/government-bolsters-employment-support-to-unlock-work-for-sick-and-disabled-people>

¹³¹ Trades Union Congress (TUC). (2025, March 6). *Reasonable adjustments disability passports*. Retrieved from <https://www.tuc.org.uk/reasonable-adjustments-disability-passports>

support and should put participants on a pathway to at least a Level 3 qualification, if they do not already have it.

As mentioned above, given the high need of some young people, all young people in the scheme should have ongoing access to a Work Coach who can support with signposting to additional training and support. This would help address the risk of drop-out and ensure the burden to provide additional support does not just fall on the employer.

Cost and benefits

Whilst the upfront investment for a scheme would be significant, TUC analysis shows that this policy would more than pay for itself over the longer term.

Our modelling shows that the programme has a benefit-cost ratio of 2.8 - over time every £1,000 of (net) government spending on the programme would generate £2,810 of net revenue for the Exchequer – based on the government’s own approach to cost benefit appraisal.¹³² With these outcomes assessed over 30 years, the scheme hits breakeven within a decade. Given the caution we have taken in assessing the scheme’s impacts, outcomes and long-run benefits of the scheme could well be higher.

We recommend that the government provides a minimum of 100,000 job guarantee placements over a two-year period. Table 1 shows the benefits and costs for up to 300,000 placements based on modest estimates (including that 10 per cent of participants go on to long-term employment).

Table 1: Overall results - real terms - in 2025/26 prices in £m

Number of 18–24-year-olds in the wage subsidy programme	100,000	200,000	300,000
Total net short run costs (£m)	1,032	2,064	3,097
Long run benefits (30 year time frame)			
Reduced public service costs (£m)	706	1,413	2,119
Increased tax and reduced social security payments (£m)	2,198	4,395	6,593
Total long-run benefits (£m)	2,904	5,808	8,712
Benefit-cost ratio	2.81	2.81	2.81

¹³² Treasury (2022)– The Green Book - <https://www.gov.uk/government/publications/the-green-book-appraisal-and-evaluation-in-central-government/the-green-book-2020#valuation-of-costs-and-benefits#>

Source – Landman economics analysis for the TUC – for full methodology¹³³

As well as mitigating against long-term unemployment, a scheme would be an opportunity to help create good, secure jobs across the UK and generate economic growth. We believe therefore the scheme should be expanded beyond 55,000 placements over three years.

¹³³ Trades Union Congress. (2025). *An ambitious plan for young people* | TUC
<https://www.tuc.org.uk/sites/default/files/2025-09/anambitiousplanforyoungpeople.pdf>