

PUBLICATION

The Young Person's Guarantee: impact assessment

How the programme will impact children and young people across Wales.

First published: 30 September 2022

Last updated: 30 September 2022

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Section 1: What action is the Welsh Government considering and why?

Background

The Programme for Government, published in May 2021, commits Welsh Government to the delivery of a Young Person's Guarantee (YPG), an ambitious programme that will aim to provide 16 to 24 year olds in Wales with support to gain a place in education or training, or support to get into work or self-employment.

The YPG provides an umbrella structure that sits above all programmes for young people, aiming to fully utilise existing interventions, in order to create a straightforward journey for young people regardless of circumstances and background. The Working Wales Service provides one simple route to access the programmes and services

Implementing the YPG will help achieve strategic goals, contributing towards delivery of the **Skills and Employability Plan: technical notes**, the Economic Action Plan and the Youth Engagement and Progression Framework which is aligned with Regional Skills Partnership plans.

Long Term

The Well-being of Future Generations (Wales) Act 2015 forms the blueprint for a Wales that is economically, socially and environmentally sound. The new national milestones seek to drive collaborative, shared action and act as a key measure of the pace and scale of change needed in a number of key areas. The YPG will contribute to the following milestones:

- At least 90% of 16 to 24 year olds will be in education, employment, or training by 2050.
- Eradicate the gap between the employment rate in Wales and the UK by 2050, with a focus on fair work and raising labour market participation of under-represented groups.

The Guarantee will also encourage the recognition of the Welsh language as a skill amongst employers both in the public and private sectors. It will support the Well-being of Future Generations (Wales) Act goal of 'A Wales of vibrant culture and thriving Welsh language' and support the delivery of the Welsh Government's ambition of a million Welsh speakers by 2050. Representation from the Future Generations office advises our stakeholder group and our Programme Board.

Prevention

Youth unemployment has a long-term impact on jobs, wages and well-being. The 'scarring' costs (**Gregg, 2001**: **Speckesser and Kirchner Sala, 2015**) of not addressing unemployment amongst young people merit the costs of a short-term response to a crisis. In addition to the adverse shorter run impacts of the recession, there is a wide body of evidence showing that recessions have "scarring" effects on both businesses and individuals, reducing incomes and increasing the risk of unemployment into the future. The YPG is at the core of our efforts to smooth the difficult labour market transitions young people face. We need to ensure young people have the skills and experience they need for current and future employment.

The Guarantee helps young people enter and navigate their way into and through the world of work. It aims to offer the support they need to start and change their story; supporting their journey as they leave school, as they move into or leave college or university, and supporting those that are facing unemployment or redundancy. The availability of the wide ranging, existing

provision together with additional investment for new activity (during 2022 to 2023 financial year) will enable Wales to respond effectively to changing unemployment levels, support young people and reduce the levels of young people Not in Education, Employment or Training (NEET).

Collaboration and Involvement

The establishment of our Stakeholder Advisory Group has brought together a wide range of partners and employers to work collaboratively on the development of the guarantee and to support our efforts to maximise our national conversation with young people aged 16 to 24 across all regions in Wales.

The development of the Guarantee includes a National Conversation with 16 to 24 year olds, particularly those from seldom heard groups. We must ensure that the Guarantee does not discriminate in relation to socio-economic factors, or on the grounds of protected characteristics. Engaging with young people we will hear about the challenges they face, learn about the gaps they've found in our systems and be able to listen to their suggestions about the improvements that are needed.

There are many partners working across Wales in the Self-employment, Education, Training areas already supporting young people, enabling young people to grow and ultimately gain employment. We will need to support our young people to be career ready, providing the right skills, resilience and experience that are fit for the jobs of today and tomorrow. These stakeholders are linked into the system by Regional Skills Partnerships.

Regional Skills Partnerships (RSPs) have been commissioned to conduct research to set out the landscape across each region in terms of stakeholder and employer networks, scoping current education, employment, training and well-being support and provision. This will culminate in an action plan identifying

strategic barriers. RSPs have engaged with stakeholders and employers to encourage collaboration across the region to support young people as part of the guarantee.

Officials also work alongside other devolved nations who operate a Young Persons Guarantee and drawing on international linked to identify and promote best practice.

Cost and Savings

The YPG sets out our intent to pivot existing delivery and resources to target towards the groups that need support the most whilst maintaining flexibility to respond to change in labour market, policy and funding shifts in future and make best use of resources in future. For our stakeholders it will help partners to align their activities to our priorities and, where necessary, help to ensure that UK Government funding is used in a way which supports, rather than cuts across and duplicates, Welsh Government priorities.

Indicative budgets for 2022 to 2023, £20 million is being allocated to support YPG activities. These activities will include additional support for existing interventions, support for the development of new interventions, holding a National Conversation with young people, expansion of the existing FE Employment Bureaus, refer to the Employment and Enterprise Bureau IIA addendum for further information, as well as a range of stakeholder engagement events, policy and evaluation work and staff costs. For the 2023 to 2024 financial year, a further £15 million is made available to ensure on-going support for the YPG, and for 2024 to 2025, an additional £25 million.

Supporting young people to develop effective career management skills, together with supporting them to remain engaged in education reduces the amount of early school/course drop-out and in doing so reduces the number of young people that become NEET (Not in Education, Employment or Training)

this offers value for money in the long term.

Section 8. conclusion

8.1 How have people most likely to be affected by the proposal been involved in developing it?

Young people's voices are at the heart of the development of our Guarantee.

Since the summer (2021) we have engaged with groups of young people across Wales. A series of focus groups have been conducted to help us to start the conversation with children aged 16 to 17 and young people aged 19 to 24 and better understand their aspirations; the barriers they face, whether that's to education, training or employment, and what can we do better, to improve the support that they receive. The focus groups have included those children and young people who are often harder to reach (i.e. those who are not currently in education, employment or training).

We need a co-ordinated effort to ensure that young people can flourish in a changing employment landscape. By working closely with external stakeholders, we are establishing focus groups with diverse representation within our communities; including young people from a range of socio-economic backgrounds and those with protected characteristics, to develop a Guarantee that does not discriminate in relation to these factors.

The Regional Skills Partnerships engagement events with their delivery stakeholders provides a further opportunity to encourage collaboration across the regions to support young people as part of the guarantee. It will also provide the opportunity to improve information held by Working Wales under its support finder and local support finder services, enhancing the offer to young people. The establishment of our Stakeholder Advisory Group has brought together a

wide range of partners and employers to work collaboratively on the development of the guarantee and to support our efforts to maximise our national conversation with young people aged 16 to 24 across all regions in Wales.

8.2 What are the most significant impacts, positive and negative?

Welsh Government entered the sixth Senedd term in the midst of a public health emergency, leading the Covid response and critical measures to protect lives and livelihoods. Managing a pandemic has had an enormous impact on us all and on every part of our lives. It has laid bare the deepening inequalities in our society, and we expect to live with the many consequences of it for some time to come.

The actions of this Programme for Government are first and foremost, about recovering from the pandemic, whilst continuing to maximise our contribution to our longer-term well-being objectives, to leave a positive legacy for future generations.

We need to give children and young people hope for the future and ensure they are not left behind. It is more important than ever that we support children and young people to gain the skills and experiences they need to succeed, whether that's in employment, education or starting their own business.

The YPG will seek to ensure that more 16 to 24 years olds are able to make well-informed choices about their next steps and/or future careers. It will seek to ensure that:

- more 16 to 24 year olds feel better prepared for work and life
- more 16 to 24 year olds have access to pathways back into education, training and employment for all young people who are unemployed
- 16 to 24 year olds have access to support if they are interested in becoming self-employed

- employers have the confidence and support to recruit 16 to 24 year olds into quality jobs and apprenticeships
- more employers are offering workplace experiences to 16 to 24 year olds
- more disadvantaged 16 to 24 year olds are benefiting from the availability of paid employment opportunities and learning opportunities

By increasing opportunities for young people to gain education, skills, work or work experience, we aim to improve mental health and well-being and create opportunities for young people to become more actively involved in cultural activities (including improving the use of the Welsh language) as their income enhances.

We do not envisage that the introduction of the YPG will have any negative impact. The YPG seeks to ensure a more coherent, simple and accessible system for children and young people to gain access the range of opportunities available to them. There are no plans to remove any existing provision, rather the YPG, through its engagement with young people, employers and other stakeholders will seek to identify any gaps in existing provision and to provide solutions to those gaps.

- 8.3 In light of the impacts identified, how will the proposal:
 - maximise contribution to our well-being objectives and the seven well-being goals? and/or
 - avoid, reduce or mitigate any negative impacts?

The YPG will contribute positively to the following well-being goals:

- A prosperous Wales: The YPG will help develop a skilled and well-educated population in turn assisting the economy to generate wealth and provide employment opportunities. Opportunities will focus support around a low carbon society.
- A healthier Wales: Access to skills is widely accepted as a significant

- determinant of life outcomes including health, socio-economic position and life expectancy. Evidence indicates achieving fair work can deliver multiple long-term benefits, helping us to overcome persistent underlying problems and affect long-term change.
- A more equal Wales: A society that enables people to fulfil their potential no matter what their background or circumstances (including their socioeconomic background and circumstance). YPG will help address inequality, enhance well-being and reduce poverty which remains pervasive in Wales. We are already seeing existing areas of deprivation suffering more than affluent areas of Wales and we know that employment is a direct route out of poverty.
- A vibrant culture and thriving Welsh language: a society that promotes and protects the Welsh Language. YPG will actively promote and encourage the use of services in Welsh and communities with the highest percentage of Welsh speakers tend to be rural in nature and we will ensure appropriate consideration is given to the availability of services in these areas in order to ensure that Welsh speakers are not disadvantaged as a result.

8.4 How will the impact of the proposal be monitored and evaluated as it progresses and when it concludes?

Working Wales has established a new Young Persons Guarantee data and tracking team. Since the 30 September, Working Wales has a team in place to monitor and report against the evolving offer of our Young Persons Guarantee. From 30 September, Working Wales started to monitor and track all young people that access the Young Persons Guarantee support through the Working Wales service. Young people will be tracked at a minimum of 3 months and 9 months from the date they accessed support for the guarantee offer via Working Wales, to ensure they are fully engaged or to provide further interventions if required.

An independent evaluation will be carried out at key points of the development and roll out of the guarantee. This will include a gender budgeting review.

Section A. children's rights impact assessment

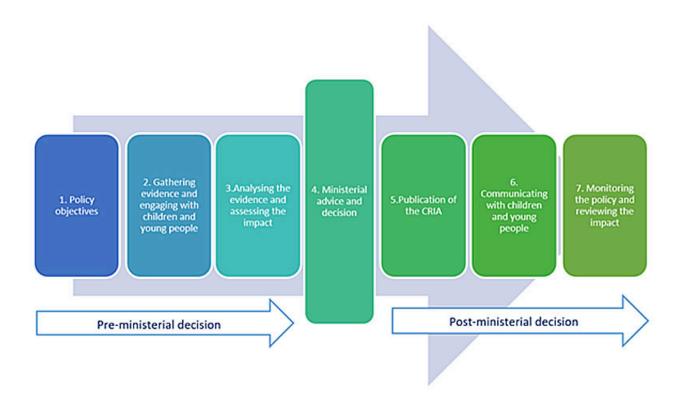
All completed Children's Rights Impact Assessments must be sent to the CRIA@gov.wales mailbox

The Rights of Children and Young Persons (Wales) Measure 2011 places a duty on the Welsh Ministers to pay due regard to the **United Nations Convention on the Rights of the Child (UNCRC) and its Optional Protocols** (external link) when exercising any of their functions.

The CRIA process is the agreed mechanism officials should use to support Ministers to meet this duty and ensure they give balanced consideration to children's rights in their decision making. A CRIA should be used to inform ministerial advice and must be completed prior to a ministerial decision being made. Once a decision has been reached, your CRIA must also be published.

Please note we have an established Children's Rights Advisory Group (CRAG), comprising the Children's Commissioner for Wales's office, UNICEF, the Wales Observatory on Human Rights of Children and Young People, and Children in Wales, who can be used to discuss or test your draft CRIA.

Please contact the Children's Branch CRIA@gov.wales for further information.



For further advice and guidance on the CRIA process, please consult the Children's Rights Manual for Staff or contact the Children's Branch CRIA@gov.wales

Purpose

The Programme for Government prioritised the Young Person's Guarantee as a key commitment for the sixth Senedd term, to mitigate the impacts of the Covid pandemic on children and young people under 25, who were disproportionately impacted by the **economic shock**. The aim is to ensure no one is left behind or held back as a result of the Covid pandemic.

The YPG is a comprehensive package bringing together programmes designed

to provide the right support at the right time for the diverse needs of young people across Wales. This includes new user friendly services to help young people find opportunities more easily.

Phase one of the Guarantee provides young people aged 16 to 24 in Wales with access to:

- one simple route to access the guarantee via Working Wales: support and advice from advisers will be provided in multiple forms, including virtually, on the high street, and through improved outreach facilities across Wales
- self-employment advice and support available through Big Ideas Wales
- traineeships, that provide work experience and training
- · training and wage incentives via the ReAct programme
- a place on one of the Welsh Government's outreach Community Employability programmes
- · help to find an apprenticeship
- a new course search platform, for those wanting to enter further education or higher education, to make it easier to find their choice
- a referral to one of the programmes funded by other partners, such as DWP and Local Authorities

This section assesses the reasons for the development of a Young Person's Guarantee for this government term.

Inequality in the impact of the coronavirus shock: new survey evidence for the UK (University of Cambridge)

The challenge

Evidence from previous crises indicates that downturns tend to have particularly **detrimental effects on younger workers**. During the pandemic, they were more likely to be employed in sectors that have been effectively shut down as

part of the UK lockdown, such as non-food retail and service occupations, and are more likely to have lost their jobs since then.

Children and young people starting out in the labour market have increasingly been working in occupations that are relatively low-paid and are most likely to have lost work due to furloughing, jobs losses and a reduction in working hours.

Cohorts entering the labour market during periods of economic downturn have faced higher unemployment, lower pay and poor job prospects up to a decade later, compared to young people entering work before or after the downturn.

Young people have an average life expectancy of living another 60 to 80 years on this planet, and their career and future prospects will impact upon their families and generations to come. Youth unemployment creates multiple scarring effects and leads to many **negative outcomes in terms of both material and mental well-being**. If young people remain in poverty this will impact upon the next generation who are much more likely to have low birth weights, poor

educational attainment at school and, as a consequence, another generation with poor job prospects.

Employers may consider periods of unemployment on someone's CV to be a negative signal, and unemployment at the start of their career may lead to having lower skills or to a general loss of confidence by the individual. Scarring may change people's expectations, such as creating a greater expectancy of future unemployment. In addition, those who have been unemployed when young may carry a greater fear of future, recurrent unemployment, reducing their well-being at least in the short term.

We know that children growing up and living in low income households are much more at risk of having poorer development and educational attainment and are more likely to be not in education, employment or training (NEET) between the ages of 16 and 24 and more likely to be **unemployed and living in poverty as an adult**.

Being NEET can have an effect on physical and mental health in children and young people and can also lead to them becoming unemployed or being in low paid employment later on in life. The programme will provide an incentive for employers who recruit someone who is NEET and or disabled.

Young workers in the coronavirus crisis (Resolution Foundation)

COVID-19 and the career prospects of young people (Institute for Fiscal Studies (IFS))

Labour market implications of COVID-19 (Ulster University)

Youth unemployment produces multiple scarring effects (London School of Economics LSE))

Written Statement: 2015 Child Poverty Strategy for Wales

Describe and explain the impact of the proposal on children and young people

The Young Person's Guarantee is an ambitious programme that is intended to provide everyone under 25 across Wales with an offer of support into work, education, training or self-employment. With this guarantee, we want to ensure that there is no lost generation here in Wales.

Supporting young people to enter and progress in education, employment and training, is a key intervention to mitigate the risk of any long-term effects of disrupted learning, delayed labour market entry, furlough or unemployment as a

result of COVID-19.

We need to give children and young people hope for the future and to ensure that they are not left behind. It is more important than ever that we support children and young people to gain the skills and experiences that they will need to succeed, whether that's in employment, education or starting their own business.

Nurturing a generation of young talent, and activating people into Education, Employment or Training (EET) is vital to raise aspirations and opportunity particularly for those young people for whom unemployment may already be entrenched in their family, to prevent labour market detachment and the scarring effects of periods of inactivity.

Our approach seeks where possible to prevent the need for young people to access the welfare system, which has risks in terms of longer-term cyclical reliance, and instead support people into work, self-employment, education or training in the short term. This is in addition to preventing and recovering lost learning as a result of the COVID-19 disruptions to schools, settings, and colleges.

The YPG is likely to have a positive impact on children and young people. By improving access routes into education, training, employment or self-employment we will reduce the number of young people who are NEET, thus improving the skills and life chances of children and young people. In turn this will contribute to reducing the number of families in Wales living in workless households and improve the well-being and health of future generations.

Explain how the proposal is likely to impact on children's rights

The strategy supports Articles, 3, 6, 12, 13, 16, 23, 27, 28, 29, 30, 32 and 36 in

that it is promoting equity in access to information, support, opportunity and progression in education, training or fair employment, and promoting an individualised approach to support young people to meet their potential. This includes targeted action to support Disabled people in line with the Social Model of Disability, and a right for young people to use the language of their families.

Impact on children's rights

UNCRC Articles or Optional Protocol	Enhances (X)	Challenges (X)	Explanation
3. Everyone who works with children should always do what is best for each child	X		The programme will ensure that appropriate safeguarding and health and safety issues are adhered to by all delivery partners and employers involved in the programme thereby ensuring the protection and well-being of young people. This will be monitored via contract management processes.
6. You have the right to life and to grow up to be healthy.	X		Access to good quality education and employment opportunities has an impact on long term health outcomes. The aim of the programme is to reduce the number of young people becoming NEET by providing opportunities to improve their essential and employability skills and provide work opportunities.
12. Your right to say	Х		The programme will provide the opportunity for individual young participants to be involved in the

UNCRC Articles or Optional Protocol	Enhances (X)	Challenges (X)	Explanation
what you think should happen and be listened to.			development of their learning plan and to have a say in how the programme should be tailored for their own, individual needs.
13. Your right to have information.16. Your right to have privacy.	X		Information and data captured through Working Wales, Welsh Government and the providers will be subject to strict Privacy Notices. It will be kept securely and adhere to the General Data Protection Regulations. The young people will have the right to have access to this information.
23. Your right to special care and support if you have a disability so that you can lead a full and independent life.	X		The programme will support young people with an impairment or disability in helping to tackle barriers to employment experienced as a result of their impairment, disability or shared protected characteristics. This will help to increase chances for individuals to gain sustainable work, needed to live independent lives.
27. Your right to a good	X		The programme will improve the essential and employability skills of young people as well as providing work tasters and placements. This

UNCRC Articles or Optional Protocol	Enhances (X)	Challenges (X)	Explanation
standard of living.			provision will increase their chances of finding and maintaining employment, and thereby, enjoying a standard of living that is good enough to meet their mental and physical needs.
28. Your right to learn and go to school.	X		Children have a right to education and the programme ensures it provides suitable opportunities to meet the needs of 16 to 18 year olds who may have left school early or have disengaged from compulsory education.
29. Your right to become the best that you can be.	X		The aim of the programme is to provide young people with the skills and experience which will help them reach their full potential.
30. Your right to use your own language.	X		Participants are able to access the programme through the medium of Welsh or English. For those who first language is not English or Welsh, this need will be identified and support will be provided through the delivery of English for Speakers of Other Languages (ESOL) provision.
32. You should be protected from work	X		The programme will take into account their needs and wider well-being. The training provider is responsible for the health and safety of learners within workplaces. It is unknown how long social

UNCRC Articles or Optional Protocol	Enhances (X)	Challenges (X)	Explanation
that is dangerous.			distancing restrictions may be in place in Wales. Comprehensive guidance has been issued for the post-16 sector following the outbreak of COVID-19 with the aim of protecting young people in learning centres and the workplace.
36. You should be protected from doing things that could harm you.	X		The programme will ensure that appropriate safeguarding and health and safety issues are adhered to by all Contractors, delivery partners and employers involved in the programme thereby ensuring the protection and well-being of young people. This will be monitored via contract management processes.

Consultation with young people and stakeholders

From 2022 to 2023 financial year, we are looking to enhance the Guarantee to young people and we want children and young people's voices to be at the heart of that development. Welsh Government is holding a national conversation with children and young people and stakeholders ensuring we reach a wide range of individuals representative of the population groups we seek to support.

National Conversation

Three National Conversation focus groups per year will be delivered completed

through the medium of Welsh to ensure that we can gain an understanding of specific needs relating to our Welsh speaking children and young people. We will use specifically link into the views of Welsh speakers via Urdd ,Colegau Cymru, Coleg Cymraeg Cenedlaethol, young farmers networks and Welsh Language Youth Clubs. Taking the opportunity to seek the views of young people through events such as the Eisteddfod and Royal Welsh Show.

In addition to a range of complex engagement activity will enable young people from all backgrounds, particularly those from seldom heard groups, to engage and share their aspirations for the future, tell us about what has worked well for them, alongside any barriers and to share their knowledge and experience with regard to the current career advice and support landscape in Wales. We are also asking for their views on how we can improve our engagement with them and how to help keep them engaged. Initial focus group conversations are being held by an external research company (Beaufort Research) and include groups who are 16 to 18 years old and are:

- Not in Education, Employment of Training (NEET), or at risk of this
- homeless or are at risk of becoming homeless
- · disabled young people
- · young carers
- care leavers
- Black, Asian and ethnic minority communities
- · asylum seekers and refugees
- Gypsy, Roma, Traveller communities
- GBTQI+ young people
- young people with mental health
- · young people who are digitally excluded
- elective home educated young people
- young people in poverty
- young offenders
- · young people in rural communities
- Welsh language speakers

more 'generalised' 16 to 24 cohorts

In relation to our wider work we appreciate that young people are likely to identify across a range of groups, however, this is a means to ensure that no young person is left behind. Questions relating to the National Conversation will be set to understand the barriers to promoting and encouraging the use of services in Welsh. All publicity material for the focus groups events will make it clear that the use of Welsh will be welcomed and facilitated.

Where people are asked in advance to contribute to a meeting, they must be asked if they wish to do so in Welsh or require specific aids or adaptations such as sign language translator. Simultaneous translation will be provided. Any invitations to attend public meetings must be issued bilingually. Any text displayed by the organisation at the meeting must be displayed bilingually.

Young Persons Forum

We are also looking to establish a Young Persons Forum as a means of an ongoing relationship with a representative group over the next 3 years. The Young Persons Forum will enable discussion around proposals and recommendations that will subsequently form Ministerial advice and decisions as a result of the national conversations and other policy development activities that will be taking place. All sessions will be conducted bilingually, Welsh and English, in addition, we have set a target of to ensure the 45% of representation at the YPG Forum as being Welsh speaking. Welsh speaking colleagues will facilitate events. The Welsh language service must be no less favourable than any English language service would be.

Outcome of National Conversations

The outcome of the national conversations will be outlined in an annual report

highlight the views of Welsh Speaking young people and findings used to identify and assess new opportunities and recommendations to inform policy across Wales.

Stakeholders

In addition, we are currently developing plans with external stakeholders and partners that work closely with young people, to ensure that we are hearing from specialist representative organisations such as Urdd / Colegau Cymru / Coleg Cymraeg Cenedlaethol and the Welsh Language Commissioner.

Negative Impacts

The young person's guarantee is a top five Programme for Government commitment, and the focus on young people is a key part of our efforts to help children and young people enter and navigate their way into and through the world of work.

We are committed to giving children and young people the support that they need to start and change their story, supporting their journey as they leave school, as they move into or leave college or university, and supporting those that are facing unemployment or even redundancy.

Additional budget, policy focus and interventions have been put in place to increase support to this cohort.

As part of the planning around policy and implementation of the YPG, we do not expect the Young Persons Guarantee having a negative impact on the sector.

Working Wales will continue to monitor and track all young people that access the YPG through the Working Wales service to ensure they are fully engaged or to provide further interventions if required. In addition, we aim to undertake an independent process and impact evaluation of the 'whole-system' approach to delivering the YPG. An Evaluation Framework has been developed for a systematic assessment of the design, implementation and outcomes of the YPG over at least three years. We want to know what effects the YPG has (if any), for whom, and why. We are exploring options for the best way to measure the overall impacts and cost-effectiveness of the initiative as a whole.

This document may not be fully accessible.

For more information refer to our accessibility statement.