



Llywodraeth Cymru
Welsh Government

Young Person's Guarantee

Generation-Z Report Series



Report One:

The Young Person's Guarantee
Annual Report 2022



BACKGROUND

The Young Person's Guarantee (YPG) is a Programme for Government commitment, launched by the Minister for Economy in November 2021.

The YPG aims to provide young people aged between 16 – 24 in Wales with an offer of support to gain a place in education or training, find a job or become self-employed.

The YPG brings together a wide range of programmes and initiatives for young people that aim to enhance employability, enterprise, and skills provision to provide the right support, at the right time, for the diverse needs of young people across Wales.

This is the first in a series of reports this year that will provide qualitative and quantitative data as well as analysis.

NATIONAL MILESTONE

Long term, the YPG is working to ensure that 90% of 16 – 24-year-olds are in education, employment, or training (EET) by 2050 – as per the Welsh Government's National Milestone.

Provisional estimates show that 84.5% of 16 to 24 year olds were in education, employment or training in 2021, down from 85.4% in 2020.

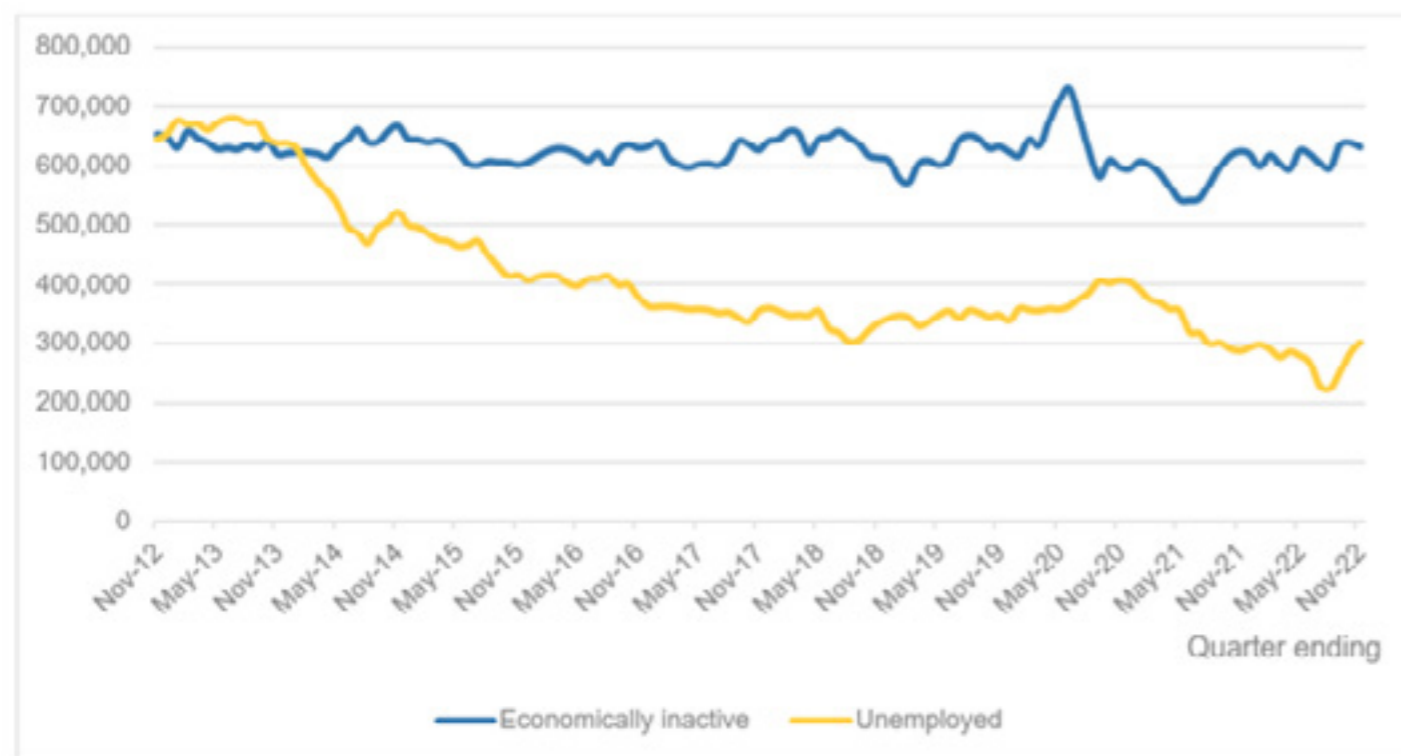
In Wales, the latest provisional estimates¹ suggest the proportion of 16-18 year olds who were NEET increased to 13.6% in 2021, from 11.7% in 2020. This increase is largely driven by a rise in the economic inactivity rate² (excluding students) for 16 to 18 year olds, though there was also a slight increase in unemployment. For 19 to 24 year olds, provisional estimates indicate that the proportion who were NEET increased slightly to 16.3% in 2021, from 15.8% in 2020.

¹ [Young people not in education, employment or training \(NEET\): April 2021 to June 2022 | GOV.WALES](#)

² To be economically inactive means to be out of work and not looking for a job.

The latest Office for National Statistics Labour Force Survey also shows an uptick in unemployment at UK level for 16 – 24 year olds NEETs:

Figure 13: Number of young people (16-24) who are not in full-time education and either unemployed or economically inactive



Source: Labour Force Survey

The estimated number of young people in Wales in 2020³ aged 16 to 24 was 346,000, which is just over 1 out of every 10 people in Wales. The number of young people has been decreasing since 2012 when there were an estimated 375,000 young people. The population estimates used to calculate NEET rates have been adjusted to age as at 31st August (academic year basis) and so do not correspond to these figures.

It is projected that the number of young people will remain stable and then increase from 2025 to 369,000 by 2032⁴. It is then projected to decline; by 2041 the number of young people is projected to be below 320,000.

At Annex 1 we have provided detail on the further statistical outputs and datasets relevant to the YPG, which alongside our National Conversation (see next section) and a range of other survey and evaluation work, will inform the design and monitoring of the programme. We aim to provide a fuller analysis of the emerging data and findings later in the year noting that the sources relate to a mix of academic and financial years with some requiring stringent verification before publication.

³ The most recent mid-year estimate - [https://stats.wales.gov.wales/Catalogue/Population-and-Migration/Population/Estimates, Quality information](https://stats.wales.gov.wales/Catalogue/Population-and-Migration/Population/Estimates,Quality%20information) - <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/methodologies/midyearpopulationestimatesqmi>

⁴ The most recent national population projections - [https://stats.wales.gov.wales/Catalogue/Population-and-Migration/Population/Projections/National/2020-based Quality information](https://stats.wales.gov.wales/Catalogue/Population-and-Migration/Population/Projections/National/2020-based%20Quality%20information) - <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/methodologies/nationalpopulationprojectionsqmi>

One year in What are young people saying?

The younger generation have faced an extraordinary set of circumstances over the last few years.

The Prince's Trust⁵ have reported that more than 60% of 16-25-year-olds have said they are scared about their generation's future - with one in three concerned their job prospects will never recover from the pandemic and cost of living crisis. Subsequently, at the heart of our YPG approach this year has been our National Conversation and developing our ability to hear about and understand the issues that they face.

We have found⁶ that the current generation of young people is more prudent, serious and climate conscious than its predecessors. Education, employment and their future prospects are top priorities.

They are also seen as diversity defenders, typically building on the groundwork laid by the generation before.

Young people are also balancing their desire for constant connection and the latest technology with concerns about privacy and security. Unfortunately, it is also a generation that is facing significant mental health and confidence barriers.

According to the Resolution Foundation⁷, between 2006 and 2021, across the UK, economic inactivity due to long-term health problems has been rising for young men and women. Economic inactivity due to long-term health problems rose by 45,000 for young men (to reach 91,000) and by 28,000 for young women (to reach 70,000). The sharpest increase has been in economic inactivity due to mental health problems.

Our continued focus on NEETs is crucial if we are to address the threat of a long tail of being unemployed or economically inactive years later.

We will publish the Part One - National Conversation Report next month (February 2023).

⁵ [New research from The Prince's Trust reveals almost half of young people in the UK feel anxious about their future on a daily basis | News and views | About The Trust | The Prince's Trust \(princes-trust.org.uk\)](https://www.princes-trust.org.uk/news-and-views/new-research-from-the-princes-trust-reveals-almost-half-of-young-people-in-the-uk-feel-anxious-about-their-future-on-a-daily-basis)

⁶ The Principles, Passions and Pressures of Generation Z – Golley Slater report for the Welsh Government (available on request)

⁷ [Not working - Resolution Foundation](https://www.resolutionfoundation.org/our-work/not-working)

What progress have we made?

We have already acted decisively on ways to improve how we identify those young people who might need additional support the most:

- Improved our current programmes and launched new approaches in order to be more effective at tackling NEETs;
- Engaged with business and boosted start-up support; and
- Focused on inclusivity

Improving our current programmes and launch of new approaches

The refreshed [Youth Engagement and Progression Framework](#) will play a key part in the early identification of potential NEETs in school and up to the age of 18.

It is built around understanding their needs, putting appropriate support or provision in place and monitoring their progression. The Framework also aligns with our commitment to prevent youth homelessness and seeks to ensure young people are identified and supported before they reach a crisis point.

Having increased our focus on employment, we have seen over 20,000 interventions delivered via our employability services alone, with over 11,000 young people starting on our employability programmes.



In April, we launched [Jobs Growth Wales Plus \(JGW+\)](#), replacing the existing Jobs Growth Wales and Traineeship programmes. Under JGW+, 16-18 year olds receive individualised support to equip them with the confidence, skills and experience to progress into further learning, find a job or remain in employment. Wage subsidies of up to 50% for the first six months and on-the-job training are available for businesses employing young people aged 16 to 18 through the scheme.

Since its launch (and by September 2022) 3,470 individuals have commenced JGW+, of which 1,270 have completed their programmes and with over 50% having had a positive outcome so far.

We've also linked up access to JGW+ support for those on our [Basic Income Pilot](#) and are looking at further collaboration to increase the package of support for care leavers and others from complex backgrounds to choose from.

[Communities for Work Plus](#) has seen additional mentoring capacity to support people furthest away from the labour market to access training opportunities and employment.

Over 6,500 young people have received support via our collection of community employability programmes.

In June, we launched [ReAct Plus](#) building on the success of the previous ReAct programmes and widening the eligibility to those aged 18-24 and not in education, employment or training. It has capacity to provide demand-led support for up to 5,400 young people each year, including vocational training grants and wage support as well as practical help with childcare and transport costs.

Outcome and outputs data will be available later this year (2023), noting the programme has only been in operation six months.

By April, there had already been 18,675 all-age apprenticeship starts since the start of this Senedd's term. We are continuing to provide significant investment in our flagship apprenticeship programme - working against a backdrop of significant economic challenge and uncertainty, exacerbated by the upcoming loss of EU funding.

To help combat this an additional £18m will be invested in apprenticeships annually from 2023-24 onwards, this highlights our commitment to deliver a programme focussed on successful and high-quality upskilling opportunities. We will use this funding to maintain our focus on technical skill priorities, the needs of the foundational economy and high demand sectors such as Health & Social Care and Childcare and to contribute towards our net zero ambitions.

Engaged with business and boosted start-up support

On business engagement, our ['We're in your corner' – Business Wales programme](#) provides the main platform for not only supporting businesses but involving them in the development of young people – from apprenticeships and Go Wales to Careers Wales' Education Business Partnership. The new [Business Wales services](#) (anticipated for operation from April 2023) has identified future engagement of around 60,000 businesses/potential start-ups engaged per annum.

In October we announced that every Further Education college in Wales now has an enhanced [Employment and Enterprise Bureau](#), providing a breadth of employment support and opportunities to streamline the transition from learning to working.

To raise awareness and understanding of business start-up, [Big Ideas Wales](#) reaches out to young people in schools, colleges, universities and community groups through a network of entrepreneur role models, delivering a range of workshops and events. Since 1st October 2021, they have collectively delivered 2,137 workshops reaching 79,188 young people to help develop their business knowledge, raise aspirations and understanding of the next steps towards self-employment.

Between 1st October 2021 and 30th November 2022, Big Ideas Wales, as part of the Business Wales service provided advice and business support to 1,901 young people under 25; of which 185 young people have started a business to date. With a focus on reaching out to groups under-represented in business start-up, clients

participating declared as: 51% were female, 7% Black, Asian, Minority Ethnic and 8% disabled.

We have also boosted support for young people through the [Young Person's Start-up grant](#). Launched in July 2022, 120 clients are working with business advisers to review business ideas and develop their business plans to apply for the grant. 75 young people, previously unemployed, have since been awarded a grant. (A full table of grant awards made to young people from the Barriers to Start grant 2021 and Young Persons Guarantee start up grant 2022 is given by Local Authority and demography on page 16).

Inclusivity

The YPG is part of a Welsh Government gender budgeting pilot – where we consider emerging new evidence and data in terms of gender and other characteristics – with a view to the re-allocation of resources to address identified barriers/issues. We have commissioned a review – due for report in May 2023 – on supporting inactive NEET young people overcome intersectional barriers to accessing and sustaining their goals.

Our new JGW+ programme specification includes stipulations that Contractors must take positive action to tackle barriers young people face arising from difficulties experienced by under-represented groups and are monitored regularly. Working Wales are required to monitor referrals by age, gender, ethnicity and disability status, including data and analysis from referral agencies and benchmarking participation rates against local and national averages; and taking positive action to improve participation and attainment by under-represented groups.

The Welsh Government has employed a network of [Disabled People's Employment Champions](#), supported by Business Wales Disabled People's Employment Advisors, to provide advice, information and support to employers across Wales. For programmes such as apprenticeships, we have a 'Disability confident employer' badge' where we have worked with an organisation who has made specific commitments to recruiting and retaining disabled people. The badge is displayed on apprenticeship adverts and application forms.

We also continue to run our [Feed Your Positivity Campaign](#), which aims to provide young people with positive messages and support to enable them to begin or change their life story. The campaign was a response to the impact of Covid and has been designed to counter the negativity about job prospects and challenges to mental health that young people are exposed to.

Significantly, [Working Wales](#) service now provides a single, simple route to support coupled with professional independent careers advice. As the independent careers advice and guidance service it is ideally placed to anchor the YPG into a range of different programmes and communities across Wales. Working Wales also oversees various performance reports on the YPG. Working Wales sits within the Careers Wales organisation and has a Working Wales micro-website that contains links that move customers smoothly between both sites depending on their needs or their purpose in visiting the site.



Almost 11,000 young people have engaged with Working Wales since the YPG started. For those engaging through Working Wales we know that employment is the most common destination, followed by training then education.

The [Careers and Work-Related Experiences \(CWRE\) toolkit](#) was also updated in 2022. Schools have responsibility for delivering under the new curriculum and CWRE guidance has been developed to support schools to deliver an affective CWRE programme across all areas of learning and experience. This will also involve a program of employer engagement and work experiences.

The education offer remains a key part of the YPG, particularly for the cohort of learners who have typically not achieved well in their school education and do not have a clear idea of their vocational pathway.

During the pandemic, absence has been poorest amongst year 11. To support these learners to prepare for exams, we funded the provision of targeted person-centred transition support of £1.28 million to support them to progress with confidence and make informed decisions about transitions to the next steps, including further education and higher education.

We've also provided £8.5 million of dedicated transition funding to colleges and school sixth forms to support young people with their transition to the next stage of their education or career, enabling activities such as mentoring, taster sessions and additional tutoring.

In addition, the Vocational Qualifications Review has been established to reform qualifications and expand the range of 'made for Wales' vocational qualifications alongside the Qualifications Wales Sector Reviews. We are particularly looking at how

qualifications policy supports learners as they make the transition through the 14-19 period.

During a cost of living crisis, it is more important than ever that every measure is taken to ensure that everyone, no matter their background, can access higher education. We have previously taken the decision that the rate of support for students is linked to the value of the National Living Wage. In the 2023-24 financial year the rate of maintenance support paid to full and part-time higher education students from Wales will increase by 9.4% for the 2023/24 academic year, subject to regulations being made early in February. In contrast, the UK Government has announced a 2.8% increase for students ordinarily resident in England. The Welsh Government continues to provide the most progressive student finance system in the UK.

The Minister for Education's [Oral Statement of 22 November](#) provides an update on our plans to make Wales a second chance nation.

On 13 December, the Minister for Economy gave an [Oral Statement](#) to the Senedd on the progress of the YPG and the next steps.

Annex 1

Statistical Outputs and Datasets relevant to Young Persons Guarantee

There are a range of Welsh Government statistical publications of relevance to the Young Persons Guarantee. These cover a variety of topic areas, including labour market statistics for young people, participation and outcome statistics for a number of education sectors, and statistics related to Welsh Government employability programmes. Also listed are a number of other publications providing useful contextual information about young people in Wales.

Statistics on the labour market and/or education status of young people

[Participation of young people in education and the labour market](#)

- Published annually, usually in July.
- Provides information on the learning activities and labour market status of young people aged 16-24.
- Also provides the main measure of young people who are NEET (the Statistical First Release (SFR) series).
- Data published by gender. Data constraints mean that it is currently not possible to disaggregate these statistics by other protected characteristics.

[Young people not in education, employment, or training \(NEET\)](#)

- Published quarterly (usually January, April, July and October).
- Summarises the available statistics on young people not in education, employment, or training (NEET) in Wales, from the Annual Population Survey.
- These estimates are timelier but less statistically robust than the main (SFR) NEET measure.
- NEETs estimates published broken down by age, disability, ethnicity, and region for a three-year average period.

[Labour market statistics \(Annual Population Survey\)](#)

- Published quarterly.
- The Annual Population Survey (APS) combines the boosted samples of the Labour Force Survey (LFS). The LFS remains the main source for [headline labour market indicators](#) at a Wales level. The larger sample of the APS allows for estimates at a local authority level and for sub-groups of the population.
- Includes a section on young people aged 16-24 (broken down by sex).

[Pupil Destinations](#)

- Destinations are the annual survey of school leavers undertaken by Careers Wales on behalf of the Welsh Government.
- Careers Wales is contractually obliged to provide the Welsh Government with data on the destinations of pupils from all maintained and special needs schools who are at or above the school leaving age.
- Destinations provide a useful snapshot of pupil destinations which informs careers staff in their work with clients, parents, teachers and employers.
- The data collected also proves an invaluable aid to partners involved in planning learning, training and employment opportunities.

Other Education Statistics/Sources

[Apprenticeship learning programmes started](#)

- Published quarterly (usually February, May, August, November).
- Includes data by region of domicile, programme type, age group, sector, gender, ethnicity, disability, and academic year.
- Also includes a measure of progress towards the 125,000 programme for government target.

[Further education, work-based learning, and community learning](#)

- Published annually, usually February.
- Information on enrolled learners and their activities by age, gender, ethnicity, disability, region of domicile, mode of study, type of programme and level of study.

[Consistent performance measures for post-16 learning - learner destinations](#)

- Published annually, usually September.
- Destinations of learners in school sixth forms, further education, and work-based learning during the academic year after leaving their post-16 learning programme.
- Provides measures of sustained employment and/or sustained learning.
- Breakdowns available by programme type, level, gender, age, ethnicity, deprivation decile, Special Educational Needs provision and Free School Meals eligibility during compulsory education.

[Consistent performance measures for post-16 learning - achievement](#)

- Published annually, usually February.
- Achievement within school sixth forms and FE colleges.
- Suspended for two years during the pandemic but data for the 2021/22 academic year will be published in February 2023.
- Breakdowns by type of programme, level, age, gender, and deprivation decile. Further breakdowns will be included in the next release.

[Learner outcome measures for work-based learning and adult community learning](#)

- Published annually, usually February.
- Learner outcomes data by level of study, type of learning aim, sector/subject area, gender, age, region of domicile, deprivation decile and ethnicity.
- Suspended for two years during the pandemic but data for the 2021/22 academic year will be published in February 2023.

[Students in higher education](#)

- Published annually, usually January.
- Details of student enrolments and qualifications for the academic year. Additional information on [StatsWales](#).

[Schools' census results](#)

- Published annually, usually July.
- Includes statistics on learner numbers in school sixth forms and their characteristics.

[Levels of highest qualification held by working age adults](#)

- Published annually, usually April.
- Presents statistics on the highest qualification held by adults of working age (18 to 64) in Wales.
- Includes analysis for the 18 to 24 age group.
- Other breakdowns include sex, ethnicity, local authority, employment status and Welsh language.

[Global Entrepreneurship Monitor \(GEM\)](#)

- GEM creates an index of early-stage entrepreneurial activity (known as TEA), published usually September.
- Presents the level of youth entrepreneurship in Wales by demography with specific questions on young people's aspirations for entrepreneurship and their early-stage entrepreneurship activity (TEA).

[Intellectual property, start-ups and spin-offs | HESA](#)

- The Higher Education Business and Community Interaction Survey (HEBCI) is the main vehicle for measuring the volume and direction of interactions between UK HE providers and business, and the wider community.

[Graduate Outcomes Survey](#)

- The survey is delivered by HESA (Higher Education Statistics Agency).
- The Graduate Outcomes survey is the biggest annual social survey in the UK and captures the perspectives and current status of graduates. All graduates who completed a higher education course will be asked to take part in the survey 15 months after they finish their studies.

[Jobs Growth Wales Plus statistics](#)

- Published quarterly (usually March, June, September and December).
- Information on Jobs Growth Wales+ learning programmes and the learners enrolled on them.
- This is a new release. Headline statistics will be published quarterly with a more detailed annual release with breakdowns by protected characteristics.

[Estyn Adroddiad Blynyddol | Annual Report – 2021-2022 \(gov.wales\)](#)

- Annual Report by the education and training inspectorate for Wales on what's going well and what needs to improve in education and training in Wales.

Wellbeing of Wales

[Wellbeing of Wales](#)

- An annual update on progress being made in Wales towards the achievement of the 7 wellbeing goals. Provides a narrative around trends with the national indicators and progress against milestones.

[Wellbeing of Wales: national indicators](#)

- HTML pages on each of the national indicators (with links to additional information)

[Wellbeing of Wales, 2022: children and young people's wellbeing](#)

- One-off report published September 2022.

Population of Wales

- [Mid year estimates of the population](#) (official set of population estimates for Wales).
- The mid-year estimates refer to the population on 30th June of the reference year and are published annually.

[National population projections for Wales](#)

- These projections provide an indication of the possible size and structure of Wales' population
- Population projections are subject to uncertainty and are based on assumptions on future trends in fertility, mortality and migration. The impacts of the coronavirus (COVID-19) pandemic on demographic behaviour is not yet clear and this contributes to greater uncertainty.

[Subnational population projections \(local authority\): 2018 to 2043](#)

- These projections provide an indication of the possible size and structure of local authorities' population for the period 2018 to 2043 by gender and single year of age.
- The projections are not forecasts. They do not attempt to predict the impact of government policies, changing economic circumstances, or other factors (like the coronavirus pandemic) on future population.

Grant awards made to young people from the Barriers to Start grant 2021 and Young Person's start up grant 2022

Self-employment grants October 2021 to November 2022	Application received	% of applications submitted by LA	Unemployed	Total applications awarded	%
Blaenau Gwent	2	1.0%	2	2	1.1%
Bridgend	15	7.7%	13	13	7.1%
Caerphilly	13	6.7%	11	11	6.0%
Cardiff	19	9.8%	19	17	9.3%
Carmarthenshire	7	3.6%	7	7	3.8%
Ceredigion	6	3.1%	6	6	3.3%
Conwy	7	3.6%	7	6	3.3%
Denbighshire	6	3.1%	6	6	3.3%
Flintshire	11	5.7%	10	10	5.5%
Gwynedd	6	3.1%	6	6	3.3%
Isle of Anglesey	7	3.6%	7	7	3.8%
Merthyr Tydfil	3	1.5%	2	2	1.1%
Monmouthshire	5	2.6%	5	5	2.7%
Neath Port Talbot	10	5.2%	10	10	5.5%
Newport	9	4.6%	9	9	4.9%
Pembrokeshire	1	0.5%	1	1	0.5%
Powys	7	3.6%	7	7	3.8%
Rhondda Cynon Taf	8	4.1%	7	7	3.8%
Swansea	23	11.9%	24	23	12.6%
Torfaen	11	5.7%	10	10	5.5%
Vale of Glamorgan	12	6.2%	12	12	6.6%
Wrexham	6	3.1%	6	5	2.7%

194 100.0% 187 182 100.0%

Demography is assessed at application stage with clients declaring:

- 53% Female, 46% Male and 1% other;
- 8% Black, Asian and Minority Ethnic;
- 15% disabled;
- 1.5% Non-UK Nationals.

