



Social Mobility Commission (SMC) Submission Young People and Work Report (Milburn Review) call for evidence

Social Mobility Commission (SMC) submission to the Young People and Work Report (Milburn Review) call for evidence. *29th January 2026*

The Social Mobility Commission (SMC) welcomes the opportunity to submit our response to the report's call for evidence on young people NEET (Not in education, employment or training).

Our research shows that national trends tend to mask compounding barriers faced geographically by the most disadvantaged. When a social mobility framework is applied to the evidence, it moves beyond simply diagnosing 'NEET status' to better identifying 'opportunity traps'. For example, where the interaction of family background, local labour markets, and barriers to education and skills prevent young people from achieving their potential, regardless of their starting point.

The SMC has unique, evidence-based insights on the challenges facing young people through our comprehensive Social Mobility Index. Fulfilling our statutory duty to monitor progress on social mobility across the UK, we offer granular analysis that moves beyond national statistics to specifically breakdown data by socio-economic background (SEB), protected characteristics, and geography, where data allows.

Our evidence is of critical interest as it pinpoints exactly where socio-economic background most severely limits a young person's prospects. By identifying the root drivers of economic inactivity and the persistent impact of regional disadvantage, we provide the evidence base necessary to design targeted, place-based interventions. We have recent data on NEET status showing that 14% of young people are currently disengaged, with those from lower



working-class backgrounds remaining over twice as likely to be NEET than those from professional backgrounds.¹

The SMC is deeply concerned that this group is often neglected in standard mobility narratives, which tend to focus on a "lucky few" model of a small number of individuals reaching elite professions through higher-education routes, rather than addressing the "stickiness" at the bottom of the income scale. To address this, we are launching new qualitative research focused on the lived experiences of NEET young people. This research will initially focus on Blackpool, a local authority area with one of the highest NEET risks in England, to gain a deeper understanding of how combined factors such as poor health and local labour market shortcomings affect these individuals.² We expect to extend this research to other regions in the second half of this year.

The SMC Chair, Alun Francis OBE, would also like to invite the Chair and members of the Review team, including the Expert Panel to visit Blackpool, to gain insights from the collaborative activity underway to improve outcomes for young people NEET. In his capacity as both Chair of the SMC and Principal and Chief Executive of Blackpool and the Fylde College, Mr. Francis is uniquely positioned to offer a comprehensive perspective on the influence of place-based factors affecting young people's education, employment prospects, and overall opportunities in life.

We provide details of our analysis and policy insights, primary concerns and future research plans below.

1. The Broad Picture

Data from the latest version of our annual statutory report, *State of the Nation 2025*, indicates that in the 3-year period to 2024, the percentage of young people aged 16 to 24 who were 'NEET' went up from 13% to 14%.³ ⁴ This marks a return to pre-COVID-19 levels and signals a stalling of progress in reintegrating the most vulnerable cohorts into the labour market.

¹Social Mobility Commission, *State of the Nation* (2025):

https://assets.publishing.service.gov.uk/media/69316dce4bedc0e762304080/11745_Social_Mobility_Commission_State_of_the_Nation_2025_V17_FINAL-19-04.pdf

² <https://data.youthfuturesfoundation.org/dashboard/neet>

³ Social Mobility Commission, *State of the Nation* (2025):

https://assets.publishing.service.gov.uk/media/69316dce4bedc0e762304080/11745_Social_Mobility_Commission_State_of_the_Nation_2025_V17_FINAL-19-04.pdf

⁴ Data is based on Labour Force Survey data. Subnational estimates of single variables are unavailable due to small sample sizes.



NEETs are not a homogenous group - a fact which is often overlooked. Individual characteristics are masked behind aggregate figures for which disaggregated information is limited. Data on sex is one characteristic which is available. Historically, more women than men have been NEET, but in recent years there have generally been more men who are NEET. Recent estimates indicate that there are 512,000 men aged between 16-24 years who are NEET and 434,000 women in this age group who are NEET.⁵ From 2021 to 2025, there were an additional 99,000 men who were NEET, and 101,000 women who were NEET. While increasing by roughly the same amount during this time, the growth rate for women has been greater: since 2021, the number of women who are NEET has grown by 30.2%, while it has increased by 23.9% for men.

Data on the economic activity status of NEETs is also available. This shows that since 2021, the population of 16-24 year olds who are NEET has risen sharply by 200,000, reaching a total of 946,000: a growth rate of 21.1%. This increase was overwhelmingly driven by the economically inactive portion of the NEET group. The economically inactive now account for 580,000 (61.3%) of all NEET 16-24 year olds, having grown by 154,000 since 2021. This single category is responsible for 77.2% of the overall growth in the 16-24 year old NEET population during this period. The unemployed make up the remaining 366,000 (38.7%) of the current NEET figure.

The number of NEETs who are economically inactive can be explained, in part, by poor health and family needs. In 2024, 25% of 16-24 year olds who were NEET, were inactive due to long-term or temporary sickness. This was more prevalent in men than in women (27% compared with 23%). Inactivity due to looking after the family home was higher for women (21%) than men (3%).^{6 7}

While these figures highlight the immediate circumstances of the NEET population, understanding the drivers behind these trends requires a closer look at the systemic barriers young people face. Foremost among these is educational attainment; lacking a qualification above Level 1 remains a primary risk factor for becoming NEET (GCSEs at grades 1/2/3 or D/E/F/G).⁸

5

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/unemployment/bulletins/young-peoplenotineducationemploymentortrainingneet/november2025>

⁶ DfE data for 2025 is not yet published

7

<https://explore-education-statistics.service.gov.uk/data-tables/permalink/8919ca3c-b7cc-4e9f-19be-08de58cbc7ae>

⁸ <https://researchbriefings.files.parliament.uk/documents/SN06705/SN06705.pdf>



This barrier is growing, as the proportion of disadvantaged pupils failing to achieve any GCSE passes rose from 5.1% in 2020/21 to 7.5% in 2023/24.^{9 10}

This decline in attainment is compounded by an increasing need for support services. Among children eligible for Free School Meals (FSM), those requiring Special Educational Needs (SEN) provision, another significant NEET risk factor, rose from 38% to 42.2% over the same period.^{11 12 13}

Alongside these educational challenges, the prevalence of mental health conditions among 16–24 year olds has climbed from 18.9% in 2014 to 25.8% in 2024.¹⁴

Together, the simultaneous rise in these three areas of low qualifications, SEN requirements, and mental health struggles has created a "perfect storm" of barriers contributing to the current NEET peak. Like low qualification and SEN status, having a mental health condition is also a significant risk factor for becoming NEET.¹⁵

2. Breakdowns by socio-economic background, protected characteristics and geography

Our analysis highlights that NEET status is not distributed evenly, revealing deep-seated structural barriers:

Socio-economic gaps: The rate of young people (16–24 years) from lower working-class backgrounds who are NEET is 22% over the most recent three-year period (2022 to 2024).¹⁶ This is significantly higher than for any other socio-economic group, including the higher working class, and nearly two and a half times the 9% rate observed for those from higher professional backgrounds. As this significant gap has remained virtually unchanged for the

9

<https://explore-education-statistics.service.gov.uk/data-tables/permalink/0c0871e9-bf1e-4d8d-ac2b-08de532c2243>

¹⁰ Note that no data exists for Level 1 and we had to use no qualifications instead. Therefore, this includes those with *below* level 1 qualifications.

¹¹ <https://researchbriefings.files.parliament.uk/documents/SN06705/SN06705.pdf>

12

<https://explore-education-statistics.service.gov.uk/data-tables/permalink/29f91f0a-cb6c-493c-a359-08de582f26bf>

¹³ At the same time, the proportion of non-FSM eligible pupils requiring SEN support has fallen.

14

<https://digital.nhs.uk/data-and-information/publications/statistical/adult-psychiatric-morbidity-survey/survey-of-mental-health-and-wellbeing-england-2023-24/dataset>

¹⁵ <https://researchbriefings.files.parliament.uk/documents/SN06705/SN06705.pdf>

¹⁶ Social Mobility Commission, *State of the Nation* (2025):

https://assets.publishing.service.gov.uk/media/69316dce4bedc0e762304080/11745_Social_Mobility_Commission_State_of_the_Nation_2025_V17_FINAL-19-04.pdf



past decade (since the three-year period to 2016), it suggests that current standard interventions are not effectively reaching this group.

Sex: The proportion of young men and women who are NEET was comparable across socio-economic backgrounds (SEBs).¹⁷ Although the overall gap between women and men in economic activity has been reduced by half over the past ten years, women from lower SEBs still encounter considerable obstacles. These are shown in much lower economic activity rates than for women from higher SEBs or their male peers.^{18 19}

Disability: Young people classified as having a disability and from lower working class backgrounds are twice as likely to be NEET than disabled young people from higher professional backgrounds.²⁰ 45% of NEETs from lower working class backgrounds are classified as having a disability, compared with 22% of NEETS from higher professional backgrounds.

Ethnicity: Across every analysed ethnic group, those from lower working-class backgrounds face a higher risk of becoming NEET than those from higher professional backgrounds.²¹ This disparity is stark: one in four (25.2%) young Black Caribbeans from working-class backgrounds are NEET, compared to just one in ten (10%) from higher professional backgrounds. Similarly, 22.8% of young White British people from working-class backgrounds are NEET, while only 8.1% of their peers from professional backgrounds share this status.

Regional disparities: The risk of becoming NEET is rooted in the socio-economic conditions experienced during childhood.²² Our Conditions of Childhood Index, which aggregates parental income, education, and

17

[https://social-mobility.data.gov.uk/intermediate_outcomes/routes_into_work_\(16_to_29_years\)/destinations_following_the_end_of_compulsory_full-time_education/latest#by-sex](https://social-mobility.data.gov.uk/intermediate_outcomes/routes_into_work_(16_to_29_years)/destinations_following_the_end_of_compulsory_full-time_education/latest#by-sex)

18

[https://social-mobility.data.gov.uk/intermediate_outcomes/work_in_early_adulthood_\(25_to_29_years\)/economic_activity/latest#by-sex](https://social-mobility.data.gov.uk/intermediate_outcomes/work_in_early_adulthood_(25_to_29_years)/economic_activity/latest#by-sex)

¹⁹ Social Mobility Commission, *State of the Nation* (2023): People and Places

<https://assets.publishing.service.gov.uk/media/64f853399ee0f2000fb7bf80/state-of-the-nation-2023.pdf>

20

[https://social-mobility.data.gov.uk/intermediate_outcomes/routes_into_work_\(16_to_29_years\)/destinations_following_the_end_of_compulsory_full-time_education/latest#by-disability-status](https://social-mobility.data.gov.uk/intermediate_outcomes/routes_into_work_(16_to_29_years)/destinations_following_the_end_of_compulsory_full-time_education/latest#by-disability-status)

21

[https://social-mobility.data.gov.uk/intermediate_outcomes/routes_into_work_\(16_to_29_years\)/destinations_following_the_end_of_compulsory_full-time_education/latest#tab_By_ethnicity_Visualisation](https://social-mobility.data.gov.uk/intermediate_outcomes/routes_into_work_(16_to_29_years)/destinations_following_the_end_of_compulsory_full-time_education/latest#tab_By_ethnicity_Visualisation)

²² Udu K, Adjei NK, Lateef A, et al. Poverty and family adversity trajectories and Not in Education, Employment or Training (NEET) status in early adulthood: Evidence from the UK Millennium Cohort Study. medRxiv; 2025. DOI: 10.1101/2025.10.07.25337496.



occupation, serves as a significant driver for understanding these future mobility prospects.²³ Analysis of our Index reveals that disadvantage is acutely concentrated in former industrial and mining areas across the North East, West Midlands, and South Wales, where "entrenched disadvantage" has persisted for over 20 years.²⁴

The contemporary labour market directly reflects these historical childhood barriers: areas with the lowest scores on the Conditions of Childhood Index consistently manifest the highest current NEET rates for 16-17 year olds.²⁵ For example, Derby currently reports the highest rate of NEETs in this age group at 7.6%, while Stockton-on-Tees, identified as an area of entrenched disadvantage, has the third highest at 7.2%.^{26 27}

These outcomes confirm that local childhood conditions are a robust determinant of a young person's risk of disengaging from education and employment.

Rural challenges: Young people in rural areas, such as Cornwall and the Scottish Borders, face diminishing opportunities as long travel distances and high commuting costs make further education and entry-level employment economically unviable.²⁸ This geographic isolation risks a growing "opportunity gap" as the economy shifts toward professional services concentrated in urban hubs.

Department for Education data for 16-to-17-year-olds reinforces this trend: the average NEET rate in rural English local authorities is 3.41%, compared to 3.36% in urban areas.²⁹ Without targeted intervention, rural youth will continue to fall behind peers with easier access to high-skill training and employment.

²³ Because sample sizes in national surveys can make single indicators at a local level misleading, we utilise robust composite indices. These provide a more reliable and holistic picture of how regional conditions and childhood backgrounds interact to shape a young person's risk of becoming NEET.

²⁴ Social Mobility Commission, *State of the Nation* (2025):

https://assets.publishing.service.gov.uk/media/69316dce4bedc0e762304080/11745_Social_Mobility_Commission_State_of_the_Nation_2025_V17_FINAL-19-04.pdf

²⁵ This age group has been selected as similar analysis for 16-24 year olds does not exist

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<https://explore-education-statistics.service.gov.uk/data-tables/permalink/59191b5f-159f-4723-a35f-08de582f26bf>

²⁷ Blackpool has the second highest rate and we will be investigating this area in our upcoming qualitative research on NEETs. See for information on this below.

²⁸ Social Mobility Commission, *State of the Nation* (2025):

https://assets.publishing.service.gov.uk/media/69316dce4bedc0e762304080/11745_Social_Mobility_Commission_State_of_the_Nation_2025_V17_FINAL-19-04.pdf

²⁹ These figures have been derived by joining ONS' urban/rural classification data

(https://geoportal.statistics.gov.uk/datasets/abd0d2a2de35466883f6184377946368_0/explore) with the DfE statistics

(<https://explore-education-statistics.service.gov.uk/data-tables/permalink/a4106f91-96ca-47a8-19d1-08de58cbc7ae>), filtering on the urban/rural classification and calculating the average for both classifications



3. Policy insights from across the UK

The SMC has published two recent reports: ‘Regional Insights: Creating fairer chances across the regions’, and ‘Innovation, investment and inclusion: a framework for regional renewal’.^{30 31} The former was the result of a series of ‘Regional Insights’ events, involving roundtables and on-site visits with key cross-sector stakeholders from Combined and Local Authorities across the UK. The latter results from findings from our Economic Growth and Investment Group, comprised of leading entrepreneurs, business experts and economists from different sectors and parts of the country. Collectively, these reports call for more powers to be granted to Devolved Authorities to help tackle the UK’s social mobility problem, with particular insights into improving opportunity for young people. These include:

- Prevention for ‘At-risk’ youth: There is much evidence of risk factors leading to young people becoming NEET. Early intervention can prevent disengagement, but identification and prevention must take into consideration the regional profile of underlying risk factors for young people.
- Travel: Universal free public transport should be available to young people to ensure the cost of a bus, train or tram ticket isn’t the reason a young person misses an opportunity for education, employment or training.
- Pathways to local employment: These should be enhanced with devolved authorities working to join up employers, universities and further education, to break down silos and ensure curricula are co-designed. Thus providing links between skills development and local priority sectors.
- Enhancing education: Central and local governments must make greater efforts to increase the promotion of technical education and vocational pathways, such as apprenticeships, in schools and colleges.
- Improving career choices: Greater use of mentoring, job coaching and work experience should be used to ease pathways to work for young people and facilitate informed career choices.

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<https://socialmobility.independent-commission.uk/publication/innovation-investment-and-inclusion-a-framework-for-regional-renewal/>

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<https://socialmobility.independent-commission.uk/publication/regional-insights-creating-fairer-chances-across-the-regions/>



4. Challenging the Status Quo: Our Concerns and Key Questions

The SMC is concerned that social mobility policy has historically focused on the "lucky few" model: helping a small number of academic high-achievers from low-income backgrounds reach elite professions. This focus has come at the expense of the majority of disadvantaged young people, particularly the NEET group. To catalyse improvements for this group, it is essential to ask the difficult questions that unpick the real drivers of disengagement and inactivity. To pave the way for concrete action, we ask that the Review investigates:

- The path to diagnosis: How are young people arriving at mental health and disability diagnoses? Is "economic inactivity" becoming a catch-all label for those for whom the education system or local labour market has simply failed to provide a viable path?
- The reality of daily life: How are these young people actually spending their time? Without understanding the "day-in-the-life" of a NEET individual, including the role of unpaid care, hidden disabilities, or digital isolation, we cannot design interventions that resonate with their reality.
- The myth of homogeneity: The NEET population is not homogenous. How do the barriers for a young man in a post-industrial coastal town like Blackpool differ from those facing an ethnic minority woman in a major city? We must understand how regional differences and personal characteristics intersect to create specific "mobility traps."
- Structural vs. individual drivers: To what extent is "worklessness" a result of individual aspirations or health, versus a rational response to a local labour market that offers only insecure, low-paid, or seasonal work?
- Devolved decision-making & delivery: To what extent is the flexibility required at a local and regional level constrained due to nationally-set, centralised one-size-fits-all provision? Can the ability to reach young people in local communities be improved by further devolving decision-making and delivery?
- Evidence & evaluation: Can the UK's data landscape be improved in relation to young people NEET, particularly at a local and regional level? Can data sharing between Government departments, Devolved Authorities and delivery partners ensure interventions are evidence-informed, and less susceptible to policy churn or fragmentation?

By confronting these complexities, we can shift the narrative from managing a "problem group" to creating a system that supports upward mobility for the many, not just the few.



5. Qualitative Research: Understanding Lived Experience

The SMC is uniquely positioned to offer place-based insights and policy recommendations which enable effective locally and regionally-led solutions. Through our qualitative research, the SMC is going further than tracking the scale of the NEET crisis. We want to understand 'how' structural drivers and individual lived experiences compound into poor outcomes and low social mobility prospects. Our tailored approach moves beyond a 'one size fits all' solution, enabling interventions specific to local needs and aspirations. It empowers local communities, those closest to the people in need, to support them into positive destinations and improve social mobility, regardless of background.

Our qualitative research will cover the following:

- **Target population and methodology:** This project will target young people aged 16 to 24 using semi-structured interviews and focus groups. The research sample will specifically include diverse sub-groups, including age, race, gender, and disability, to ensure a comprehensive understanding of the varying barriers faced.
- **Place-based focus (Blackpool):** The initial fieldwork is focused solely on Blackpool, a justifiable location as it has the joint highest risk of young people being or becoming NEET of all English local authorities. This research acts as a stage 1 pilot that may be extended to other regions in the future.
- **Key research aims:** The project seeks to identify the specific family, health, and social factors that young people perceive as influencing their pathways into becoming NEET. It also explores NEET young people's daily lives and how this impacts their overall well-being and progress towards education, training and employment. The support that young NEET people perceive as helpful for reengaging in education, employment and training will also be explored.
- **Impact and timeline:** Fieldwork is scheduled for completion by June 2026, with a final report due in August 2026. The findings will inform recommendations for central and local government policy, and provide evidence to further inform the design and delivery of NEET interventions such as the "Youth Guarantee Trailblazers".
- **Alignment with DWP young people and work report:** We are liaising with DWP on their lived experience research currently underway and are working to align methodologies to provide greater insight from different geographical areas.



6. Conclusion

The SMC's data reveals a stark reality: the increase in economic inactivity among the UK's younger generation (16-24-year-olds) is overwhelmingly concentrated among those already facing compounding barriers of socio-economic disadvantage, geography, and factors affecting their health. A lack of granular detail and data as to the precise make-up, composition, demographic and location of those young people in this position - instead, often reported through national averages - continues to mask these deep regional disparities, such as those anticipated in our upcoming fieldwork in Blackpool. We submit that any strategy which seeks to address young people NEET must be "place-based" and "person-centric,". This will move us away from the centralized, one-size-fits-all model that has historically failed to reach those furthest from the labour market.

7. Next Steps

The SMC would welcome any follow up discussion you may wish to have with us on the findings and recommendations submitted in this evidence paper. The SMC would also be pleased to discuss further how our research on young people NEET could help to inform your work.

We also hope that we can look forward to welcoming you to Blackpool, in the near future.

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Yours sincerely,
The Social Mobility Commission