



Commission for
Rural Communities

Tackling rural disadvantage

Barriers to education,
employment and
training for young
people in rural areas:

Executive Summary

The Commission for Rural Communities acts as the advocate for England's rural communities, as an expert adviser to government, and as a watchdog to ensure that government actions, policies and programmes recognise and respond effectively to rural needs, with a particular focus on disadvantage.

It has three key functions:

Rural advocate:

the voice for rural people, businesses and communities

Expert adviser:

giving evidence-based, objective advice to government and others

Independent watchdog:

monitoring, reporting on and seeking to mainstream rural into the delivery of policies nationally, regionally and locally

Introduction

The number of young people not in education, employment or training (NEET) has been an ongoing concern for communities and policy makers for a number of years.

The purpose of this report is to look at whether there is a rural dimension to this issue, explore whether there are any uniquely rural barriers, and assess the impact that Government policy is having.

The report takes into account the current economic outlook, fragile state of the UK economy, and current programme of deficit reduction.

Since the onset of recession in 2008, the number of young people (16-24) NEET in England's rural areas has increased from 84,000 to 123,000, or 9.4% to 12.9% of all young people living in rural areas. Comparatively, the number of young people NEET in urban areas has increased from 699,000 to 835,000, or 13.8% to 16.5%¹. However, this is a significant rural issue: whilst the proportion of young people NEET is higher in urban areas, the speed at which levels have increased has been greater in rural areas.

Conclusions

- There are clear challenges associated with education, employment and training for all young people across England, and certain fundamental issues that contribute to a young person not participating in education, training or work.
- However, there is also a rural dimension to this issue. Young people living in rural areas face a number of uniquely rural barriers, particularly concerning access to transport, careers advice, employment and training support, and youth services.
- Changes to Government policy are, in some instances, having a positive effect. For example, widening the market for the provision of public services is resulting in opportunities for providers to tailor their services to more remote parts of the country.
- However, in other respects, the challenges facing young people in rural areas are being compounded. For example, there are concerns regarding the capacity of private and voluntary and community sector (VCS) providers to fill the gap left by the removal or scaling back of

¹ Q4 2007 to Q4 2011 – FE Data and Statistics, BIS, 2012 (Independent figures obtained by CRC)

services previously delivered by the public sector, particularly in more remote areas where service delivery can be more costly. There are risks that this will lead to considerable disparities in the level of services and support available to young people living in these areas.

- Difficult decisions are being made by organisations at all levels of government about how best to allocate public resources. In many cases this is leading to resources and attention being targeted at areas of most concentrated need. Whilst this is understandable, decisions are not always being made that reflect the importance of investing in young people as a source of economic return for the country's future, or with a full understanding of the differing nature of poverty and deprivation in rural areas. This is typically more dispersed and often masked by traditional methods of measuring deprivation. Beneath the often proportionately more positive rural statistics lie some very real and difficult challenges.
- Above all, there is a lack of focal point and representation for rural youth affairs within and across central government. There is no clear, overarching responsibility for securing the development and employment of young people in rural areas, and consequently insufficient consideration is being given to addressing the additional challenges associated with this in a co-ordinated and strategic way.

Key factors affecting access to education, employment and training for young people in rural areas

Transport

Young people in rural areas are more dependent than their urban counterparts on public transport, particularly for accessing education and training. However, the high cost and low availability of public transport in rural areas is a significant challenge for young people, and can act as a barrier to their post-16 choices and overall progress into employment. For many rural young people, having a driving licence and being able to afford a car is essential. However, insurance costs are often prohibitive.

Bus services

- The 2010 Spending Review included three decisions that impact upon funding for the UK bus industry: local authority revenue expenditure was cut (in 2011) by 28%; changes were made to the Department for

Transport's formula for concessionary fare reimbursements; and the Bus Service Operators' Grant (BSOG) was cut by 20% from 2012-13.²

- Rural services are among those being most affected. In many cases, the ability of young people in rural areas to access education, training and work will be severely restricted.
- Where commercial bus services are not viable, community transport, often via mini-bus provision, can play a valuable role in preventing isolation. But provision is often not suitable for transporting people to work, education and training and so take-up from young people, as well as others wishing to use the services for accessing employment, training and post-16 education, is low.

Transport support for further education

- Many local authorities are reducing support for post-16 transport and this is having a number of impacts on rural young people. The annual fees for student travel passes have risen in many areas, and some local authorities are subsidising transport only to the nearest college, thus restricting choice of institution and courses. Whilst the Government is raising the compulsory participation age in education and training to 18, it is not extending the pre-16 duty to provide free school transport and many colleges, particularly those with a non-land based focus, are reviewing the assistance with transport costs they provide to students.
- The removal of the Education Maintenance Allowance could further disadvantage those in rural areas more reliant on higher-cost public transport.

Wheels to Work

- Wheels to Work (W2W) remains an effective model of servicing employment, training and post-16 education in rural areas. However, the ongoing sustainability and viability of schemes is a continuing issue for local coordinators, with a particular concern being the reliance on funding from the public sector.
- Work being led by the Department for Transport (DfT) to establish how to develop a more sustainable future for the schemes is therefore welcome.

Careers Advice

The provision and availability of good quality, independent careers advice for young people, whilst in compulsory and post-16 education or training, is crucial to enabling them to make sound choices about their futures.

² Bus Services after the Spending Review – Transport Select Committee, 2011

From September 2012 the Government is introducing a new duty on schools, requiring them to secure access to independent careers guidance for pupils in years 9 to 11. A single, all-age National Careers Service was also launched in April 2012, available online, over the telephone and face-to-face locally (for priority groups aged over 18).

Quality of advice

- However, tighter school budgets and the absence of any additional funding for schools to resource the new duty to secure independent advice, could lead to the provision of poor quality careers guidance in some schools.
- Independent careers advice providers may be less likely to engage more isolated areas of the country, where economies of scale are more difficult to achieve. There are also concerns that advisers will have insufficient knowledge of local economies, local labour markets and the range of employment, education and training opportunities available within rural areas.
- Some schools will have no choice but to rely on the online National Careers Service in order to meet the new duty to secure independent advice, resulting in a lack of face to face contact with careers advisers. This raises particular challenges for young people living in rural areas, many of whom have limited access to broadband.

Impartiality of advice

- There remain concerns that some schools may channel pupils towards post-16 options that suit the interests of schools, and their need to fill spaces on courses. This might not be in the best interests of pupils themselves and may be further exacerbated by the introduction of 'lagged pupil funding'. This will leave some smaller schools and colleges in rural areas with no choice but to expand, and begin offering, and channelling students towards, courses that do not always meet their needs. This could also work against the provision of impartial careers guidance.

Employment and Training

Young people in rural areas are more likely to be in low paid work, insecure employment or working within smaller firms than their urban counterparts. An acute issue for young people is the difficulty in progressing in work, particularly due to questions over the range of employment in rural areas, and concentration of small firms which offer limited opportunities for young people to upgrade their skills and take up training.³

³ CRC 2008; Shury et al., 2006a

Young people in rural areas who are part of the low wage, low skill economy, are more vulnerable to downturns in the economy and many exist in a constant state of insecure employment.⁴

Evidence also suggests that there is a lower uptake of benefits by eligible young people in rural areas due to the perceived complexity of claiming benefits by those in seasonal or irregular employment.⁵ Employment programmes are at particular risk of not picking up such individuals.⁶

Employment and training providers experience a range of difficulties when delivering programmes in rural areas. These are often related to transport and small numbers of customers and businesses. As a result of higher delivery costs, the provision of employment and skills services in rural areas is more limited and sometimes of a lower quality than in urban areas.

In April 2012, the Government introduced a new a £1 billion *Youth Contract* to assist young people into work. Key elements include measures around Work Experience, Wage Incentives, and Apprenticeships. Some of the initiatives are linked to the Work Programme, a new payment-for-results welfare-to-work programme launched throughout Great Britain in 2011.

Apprenticeships

- The limited capacity and flexibility of many small enterprises and micro businesses can often reduce their capacity to take on full time apprentices. 'Shared' apprenticeship schemes are an effective model in rural areas for overcoming some of the associated barriers, although these are unusual and are often more prevalent in land-based industries.
- There are doubts over the extent to which incentive payments to SMEs will result in widespread additional apprenticeship places in rural areas. There is also a lack of integration between some FE institutions and rural businesses, and a lack of flexibility from some colleges when running apprenticeships involving smaller businesses in rural areas.
- National Apprenticeships Service funding criteria does not account for the additional costs associated with transport that can be incurred by providers delivering to more geographically remote parts of the country.
- There are good examples of VCS organisations in rural areas providing apprenticeships, and there is further scope for increasing this type of activity.

⁴ Research into the aspirations of young people in the rural West Midlands, ECOTEC, 2006

⁵ Research into the aspirations of young people in the rural West Midlands, ECOTEC, 2006

⁶ Should I Stay or Should I Go, IPPR, 2006

Work Programme

- There are clear advantages to the Work Programme's delivery model in rural areas, where prime providers involve and commission smaller sub-contractors to deliver services where their use is deemed more effective and appropriate. Successful sub-contractors often have a greater degree of local knowledge and expertise, and possess techniques for overcoming some of the challenges that might face prime providers in delivering to more remote parts of the country.
- However, there are concerns that prime providers will focus on clients that are nearest to the workplace, both socially, and geographically, and that prime providers and smaller sub-contractors will not view hard to reach groups that live in more remote parts of the country as financially viable options.
- VCS organisations have an important role to play in the Work Programme, including those in rural areas, which are often able to tailor their service to rural circumstances. Whilst the number of VCS organisations involved in delivering the Work programme is growing, concerns exist over the degree to which the VCS is being sub-contracted to deliver the Work Programme in rural areas.
- There are also concerns that the payment by results approach, combined with the often substantial cut that prime contractors take from the funding received, is making it difficult for smaller organisations to justify bidding to deliver the Work Programme as sub-contractors. And there is evidence that employment and skills providers are having to streamline their services and become less rural focussed in order to remain viable.

Youth Services

Good quality youth work can make a big difference to the lives and future employability of young people in rural areas. From April 2011, all central funding for youth services was merged into a new, reduced Early Intervention Grant (EIG). Local authorities are free to choose, based on priorities and needs assessments, what proportion of EIG funding is allocated to young people. The Government's vision for the future of local youth service delivery is that there should be a wider market for the delivery of services and more commissioning and mutualisation by local authorities.

Unequal Government funding allocations on services to young people

- Although youth services are funded via a range of government and non-government sources, at an overall unitary authority level, Government funding allocations per head on services to young people (which

includes funding for youth services), are noticeably higher in urban areas than in rural areas.⁷

Focus on areas of highest need

- Local authorities are having to make difficult decisions about how and where to allocate funding for youth services. In many cases this is leading to local authorities targeting all, or the majority of their services, on areas of most concentrated need. However, the often invisible nature of disadvantaged rural young people makes it easier for pockets of deprivation to be overlooked, and their needs to go unmet. This could leave young people in rural areas under-served, and result in a vacuum in the understanding of the issues being faced by young people living in rural areas.

Local authorities externally commissioning youth services

- Where implemented effectively and with necessary levels of local authority officer support, the external commissioning of youth services can work well, particularly in a climate where there are fewer resources available for local authorities to draw on.
- But, as in other service areas, there are concerns over local authorities commissioning large prime contractors to deliver youth services, and the extent to which such providers will understand and be able to properly deliver and tailor their services to smaller communities.

Other local authority measures

- Some local authorities are putting measures in place to try to ensure youth service provision continues, particularly outside areas of most concentrated need. This includes councils encouraging and supporting local organisations, such as town and parish councils, to commission their own youth services. Young Farmers groups across the country also play a valuable role in engaging young people, not only those from farming backgrounds but across the board.
- However, there are concerns over how rural communities that do not have existing cohesive structures in place might go about commissioning youth services.

⁷ This discrepancy is wider still when 'all area types' are included, although such data is less robust due to the large size of counties, their mixed nature and the fact that few are classed as predominantly urban.

NB: Differences in accessibility, uptake, demand and need (e.g. deprivation or multi-ethnicity) may all impact on the amount of expenditure per head in any given place. In addition, services provided in one area type may be accessed by a wider population than those resident in that authority.

National Citizen Service (NCS)

- There are encouraging examples where NCS is being successfully delivered in rural areas, through local organisations such as Rural Community Councils.
- However, there are concerns over whether the NCS model is conducive to delivery in rural areas, due to the challenge of bringing geographically disparate young people together, and higher delivery costs for providers in rural areas.

Recommendations

1. Youth Affairs

To ensure a coordinated, strategic approach to improving education, employment and training for young people, both in rural and urban areas:

- We call on the Government to create a Minister for Youth Affairs.

2. Transport

To mitigate the risk that young people in rural areas are disproportionately impacted by changes to post-16 transport provision:

- We call on the Department for Education to publish, alongside its review of local authority post-16 transport policy statements, the impact of current changes on young people in rural areas.
- We call on the Government to take forward the Education Select Committee's 2011 recommendation that, *'the Government should, as part of its review of school transport, assess the cost of offering free or subsidised travel to all 16 to 18 year olds travelling to and from learning. The aim should be to achieve, through co-operation between schools, colleges, local authorities and transport companies, free or subsidised travel to and from learning for all 16 to 18 year olds.'*

3. Careers Advice

To ensure that careers advice is properly tailored to young people in rural areas, the future Ofsted review of careers guidance should report on:

- The barriers that young people in rural areas face in accessing education, employment and training, as outlined in this report;
- The extent to which young people in rural areas are able to access face-to-face careers advice; and
- Careers advisers' knowledge of local economies, local labour markets and the range of employment, education and training opportunities available within rural areas.

4. Apprenticeships

To increase the number and range of apprenticeships available to young people in rural areas:

- National Apprenticeships Service funding criteria should be re-balanced to take into account the additional costs that can be incurred by providers delivering to more geographically remote parts of the country.
- The National Apprenticeships Service should capture and promote 'shared' apprenticeship models for smaller businesses in rural areas, particularly those in non land-based industries. This should include encouraging organisations such as Apprenticeship Training Agencies and Group Training Associations to act as a single point of contact for shared apprenticeship schemes.

5. Work Programme

To ensure successful delivery of the Work Programme in rural areas:

- Forthcoming evaluations of the Work Programme by the Department for Work and Pensions (DWP) should include an assessment of the extent to which prime providers and their sub-contractors are successfully targeting hard to reach young people in more remote parts of the country. DWP should also consider this issue as part of the monitoring that takes place during routine contract management.
- In the event that evidence from the above shows rural young people are disproportionately impacted, funding criteria for the Work Programme should be re-balanced to take into account the additional costs associated with providers delivering to more geographically remote parts of the country.

6. Youth Services

To assist community organisations to maintain local provision of youth services, including those in rural areas:

- We call on local authorities, and those speaking on their behalf, to capture, share and promote examples where councils have effectively helped build community capacity, especially in rural areas, where public funding for youth services has been withdrawn.

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