UK Estimate of Young People Not in Education, Employment or Training

Summary

On 23rd May 2013, the Office for National Statistics (ONS) will publish the first edition of a new release showing quarterly estimates of young people Not in Education, Employment or Training (NEET). This release will, for the first time, provide estimates of young people who are NEET for the United Kingdom.

The Department for Education (DfE), Department for Business, Innovation and Skills (BIS), Welsh Government (WG) and Scottish Government (SG) each publish statistics on young people who are NEET. These are based partly or solely on estimates from the Labour Force Survey (LFS) or from the Annual Population Survey (APS). Each department publishes estimates using different age groups and for different areas within the UK. This has meant it was not possible for users to calculate the number and percentage of young people that are NEET for the UK as a whole based on existing data.

ONS will publish a UK figure for the number of NEET using information from the LFS. While this provides a total UK NEET figure for the first time it will not replace the existing NEET estimates for the constituent countries of the UK.

ONS will publish both seasonally adjusted and unadjusted quarterly UK NEET estimates. The figures will be released in February, May, August and November on the same day as the existing DfE NEET publication. The time series of ONS NEET estimates will start from October to December 2001.

Who is NEET?

For these statistics, a person is NEET if they are aged 16 to 24 and not in education, employment or training.

Within the ONS estimate, a person is considered to be in education or training if they:
- are doing an apprenticeship;
- are on a Government employment or training programme;
- are working or studying towards a qualification;
- have had job-related training or education in the last four weeks; or
- are enrolled on an education course and are still attending or waiting for term to (re)start.

Therefore, anybody aged 16 to 24 who is not in the above forms of education or training and who is not in employment, is considered to be NEET. The definition of "in employment" follows that used for the official labour market statistics. This definition is based on that recommended by the International Labour Organisation (ILO).

Methodology

NEET estimates are calculated by first deriving a variable to distinguish those in education or training (ET) from those not in education or training (NET). Then by crosstabulating the derived ET/NET variable by economic status (in employment, unemployed or economically inactive), a NEET estimate can be calculated. A flow chart for how to calculate NET, and consequently NEET, is available in Appendix 1.

Due to changes in the LFS questionnaire over time, different versions of the syntax are required to create a time series. Also, prior to 2001 some variables are not fully populated on the current sets

of LFS microdata due to the changes in the way data was collected. This included a discontinuity in the education data in 1997 due to the change in how information about enrolment on courses was collected. These historical factors have led to some inconsistencies in the time series meaning that seasonal adjustment would not be appropriate prior to mid-2001. In light of this the ONS will not publish NEET estimates for periods prior to October to December 2001.

Missing data

One issue to be considered for the UK NEET estimate is what to do when the survey information required to assess whether someone is NEET is missing. Missing data occurs when a respondent has not answered a question or a response has not been recorded appropriately by the interviewer. This is particularly a problem with respondents who turn 16 during their household's inclusion in the LFS and who are then not interviewed as a 16 year old. The solution agreed for the ONS UK estimate of young people who are NEET is to split the 'missings' into the valid groups based on the proportions of cases without missing data. This is done within each category defined by age, sex and economic activity. An explanation of how the missing cases are apportioned and the values adjusted can be seen in Appendix 1 – Part 3.

Publication plans

ONS will publish a quarterly UK NEET estimate in February, May, August and November a week after the main Labour Market Statistical bulletin release. This will consist of a seasonally adjusted UK total NEETs series for people aged 16 to 17, 18 to 24 and 16 to 24. This will be actual age, rather than academic age. The estimate will include a gender breakdown and whether they are unemployed or economically inactive. A version without seasonal adjustment will also be published on the web. All time series will begin in October to December 2001.

The ONS does not plan to publish any estimates of people who are NEET below UK level. The sample sizes for lower geographies are small and therefore the estimates of young people who are NEET at lower geographies would not be reliable. Users requiring information at sub-national levels, if already published, will need to approach the appropriate department or devolved administration.

A completely harmonised publication strategy across the UK constituent countries has not been possible. Whilst the Government Departments and devolved administrations use a harmonised method for estimating the number of people who are NEET, different age groups and sources are used in their publications and analysis. Also, some use academic age, the age of the respondent at the preceding 31st August, as opposed to actual age. The main difference that comes from using academic age rather than actual age is that using academic age excludes 16 year olds that are still in compulsory education. This results in different estimates of NEET figures being in the public domain.

Estimates in Table 14 of the Labour Market Statistical Bulletin

The Labour Market Statistical Bulletin includes Table 14 "Educational status, economic activity and inactivity of people aged from 16 to 24", which provides information on young people not in work or full-time education. Seasonally adjusted data is available covering 16-17 year olds, 18-24 year olds and 16-24 year olds, based on actual age. These estimates are available at a UK level only. This series is available for periods since spring 1992. Figures are published monthly, covering the latest three month period and so are generally timelier than information available from other sources.

A footnote to this table makes it clear that it is not possible to derive a figure for young people who are NEET. However, the concept of not in full-time education is related to that of NEET.

The main difference between the ONS NEET estimate and the figures in Table 14 is that the latter include people who have left full-time education and are not in employment but are involved in some form of part-time education or training. Such individuals are by definition not NEET. The number of young people not in work or full-time education from Table 14 will therefore be larger than the number of young people NEET but the two series follow similar trends over time.

NEET estimates currently available at sub-national level

For England

There are several publications that cover young people who are NEET in England. The "NEET Quarterly Brief" includes statistics on NEET based on the LFS. The purpose is to provide timely and regular estimates of the number and proportion of young people NEET (and NET, not in education or training) in England. The ages covered are based on academic age and national level statistics are produced for 16, 17, 18, 16-17, 16-18, 18-24, 19-24 and 16-24 year olds.

In addition supplementary tables to the NEET Brief are published alongside the headline publication, created by DfE and BIS. These are time-series of those NEET from the second quarter of 2000 for the 16, 17, 18, 16-17, 16-18, 18-24, 19-24 and 16-24 year olds, a gender breakdown for those aged 18-24, 19-24 and 16-24, and a regional breakdown for those aged 18-24, 19-24 and 16-24. This publication can be found here:
http://www.education.gov.uk/researchandstatistics/statistics/a00219248

In parallel, BIS publishes a set of supplementary tables, appended to the "Further Education & Skills Statistical First Release" (last published on 27 March 2013). This set of tables provides details of the labour market status of young people NEET, including reasons for economic inactivity. The tables are available at:
http://www.thedataservice.org.uk/Statistics/fe_data_library/other_statistics_and_research/neet/

DfE also publish "Participation in education, training and employment by 16-18 year olds in England". It is published on an annual basis for England, covering both participation in education and training and NEET data. It is released in June and the publication is updated the following March to include statistics at local authority level. The June update is based on academic age. The release includes data for 16, 17 and 18 year olds broken down by gender. The methodology for creating the statistics is complex and draws upon a combination of administrative data sources, ONS population mid-year population estimates converted by DfE to an academic age basis and labour market data from the LFS. DfE consider the NEET statistics published in June as that Department's most authoritative statistics on young people NEET in England. All the statistics are snapshot, meaning they refer to a moment in time. The exact date varies across the different data sets that are used to create the statistics, but collectively statistics are described as 'end year'. This publication can be found here:
http://www.gov.uk/government/organisations/department-for-education/series/statistics-neet

Additionally, whilst not a formal statistical publication, the Department releases non-GSS official statistics on young people NEET aged 16, 17 and 18 on a policy page from the DfE website. Statistics are based on a local authority data collection. Data from the 152 local authorities in England are collated and NEET statistics are released for 16, 17, 18 and 16-18 year olds in each local authority. Academic age is used, and the data is based on an average of data for the end of November, December and January, collectively known as 'end year'. These data are regarded as the Department's authoritative statistics on the young people NEET aged 16-18 in local authorities in England. The figures are released annually, around March/April, and can be found here:
http://www.education.gov.uk/childrenandyoungpeople/youngpeople/participation/neet/a0064101/16--to-18-year-olds-not-in-education,-employment-or-training

For Wales

The definitive source for estimates of the proportion of young people who are NEET in Wales is the Statistical First Release (SFR) "Participation of young people in education and the labour market", published by the Welsh Government. This release presents an annual snapshot of participation of young people in education and the labour market in Wales.

The SFR is published in July each year and contains statistics for Wales covering both participation in education and training and the labour market. The methodology draws upon a combination of administrative data sources (recording participation in different types of institution and forms of education), ONS population mid-year population estimates converted by WG to an academic age basis, and labour market data from the APS. The Welsh NEET statistics published are regarded by the WG as the most authoritative statistics on young people NEET in Wales. All the statistics refer to a point in time. The exact date varies across the different data sets that are used to create the statistics, but collectively statistics are described as 'end year'.

The Welsh NEET estimates are calculated from the Annual Population Survey. They are based on academic age for the groups 16 to 18 year olds and 19 to 24 year olds. The release can be found here:
http://wales.gov.uk/topics/statistics/

Another source of information for young people who are NEET in Wales is "Young People Not in Education, Employment or Training (NEET)". The statistics included in this bulletin are taken from the following sources:
- Statistical First Release (SFR) 'Participation of young people in education and the labour market' using education data sources and the Annual Population Survey (APS)
- Annual Population Survey (Office for National Statistics)
- Careers Wales Pupil Destinations from Schools in Wales survey

This publication is based on academic age for aged 16 to 18, 19 to 24. The bulletin includes analysis (based on average of quarterly data) by single year of age and region. Additionally it includes local authority estimates of NEET from the Pupil Destinations Survey carried out by Careers Wales for 16 year olds. This Bulletin provides users with more timely, but less statistically robust, statistics. The publication can be found here:
http://wales.gov.uk/topics/statistics/

For Scotland

In Scotland the official measure of NEET is based on those aged 16 to 19. The Scottish Government publish NEET estimates as part of their Annual Local Area Labour Markets publication. The annual publication, based on the January to December APS data, focuses on local authority level trends and more detailed Scotland level analysis. Estimates are available broken down by gender.

The 2012 figures are available here:
http://www.scotland.gov.uk/Topics/Statistics/Browse/Labour-Market/TrendNEET

While the APS can provide a reliable estimate of 16 to 19 year olds who are NEET national level in Scotland the data are not robust enough to provide estimates at a local authority level. At a local level it is suggested that a combination of school leavers destinations statistics and Department of Work and Pensions (DWP) benefits statistics for 18-19 year olds are used. This measure provides a general estimate of the level of 16 to 19 year olds who are NEET which is consistent over time and between local areas. It is recognised that this measure underestimates 16 to 19 year olds who are NEET but it does provide a useful measure to track the size of this group over time.

Appendix 1 – Calculating the NEET Estimate

Part 1 - Deriving the NET variable (NETDV)

ET - In education or training
NET - Not in education or training
Missing - data not available to determine if ET ot NET
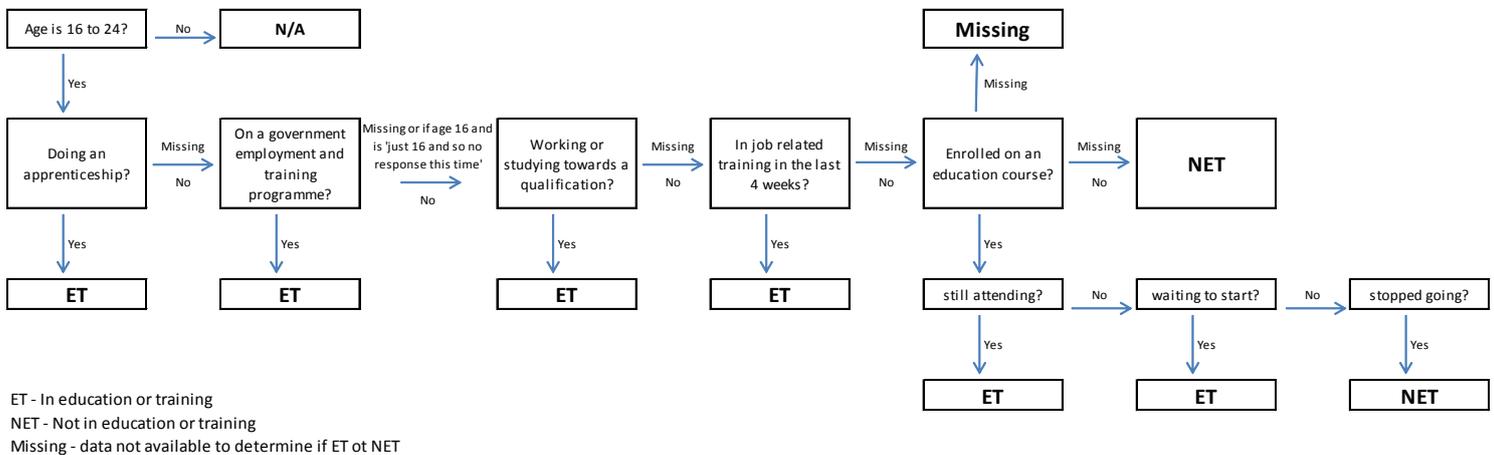
In the future a derived variable will be available on LFS datasets and a full derivation of the NET variable will be available in the LFS User Guide Volume 4: LFS Standard Derived Variables.

Part 2 – Cross NETDV with ILODEFR

Select where people are aged 16 to 24, disaggregating by single-age and gender.
As will be described in Part 3 it is essential to calculate numbers of young people NEET first by single-age and gender, and then combine to the age category required.

Create a cross tab of NETDV and economic activity (ILODEFR).

ILODEFR	NETDV		
	In education or training (ET)	Not in education or training (NET)	Education/training status is missing
In employment			
Unemployed		NEET	
Inactive		NEET	

Green – In either education, employment or training
Red – NEET: Not in education, employment or training
Grey – Education/training status is unknown

Part 3 – Apportioning method for missing responses

The method outlined in this paper produces outputs for young people in order to produce the following:

- Not in education or training by economic status, age and sex (1)
- In education or training by economic status, age and sex (2)
- 'Missings' - cases where answers to the education or training questions are missing by economic status, age and sex (3)

Around 80% of missing cases at age 16 to 24 are 16 and are 'brought forward' cases. This is often where respondents recently turned 16 and were not asked education or training questions in the previous wave and who are in non-responding households in the current survey period. These non-responders, who have provided neither the economic status nor education information, are classified as inactive as part of the standard derivation of economic status. Those with unknown education status are apportioned between both (1) and (2). This is, in part, because it is an established practice within labour market statistics is to preserve additivity across series.

As educational and employment characteristics are related to age and gender, the apportioning will produce different numbers of those who are NEET if carried out in aggregate (all 16 to 24 year olds) than if carried out for 16 year old males, 16 year old females, 17 year old males, and so on. These NEET numbers are then combined for all 16 to 24 year olds. For the ONS estimate this disaggregation is done at a UK level and not built up from countries or regions, for example, which would produce a different result.

For this reason the harmonised NEET methodology has a convention that all apportioning of missing responses to education and labour market categories is carried out by single-age and gender and then added up to reporting categories.

Sex	Economic Activity	Age	Total	In education or training	Not in education or training	Missings	In education or training adjusted	Not in education or training adjusted
Male Female	Employed Unemployed Inactive	16 17 18 19 20 21 22 23 24	$t=a+b+c$	a	b	c	$d=((a/(a+b))*c)+a$	$e=((b/(a+b))*c)+b$

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