Inspire! ‘NEET’ programme for North London

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1 The initiative and its organizers

This report documents the Inspire! NEET Programme. The project engaged with young people between 14 and 19 years old that are not in education, employment or training or at risk of becoming so. The aim was to get this group of young people back into education, training or employment (‘from NEET to EET’). The Inspire! NEET programme operated across six North London boroughs: Barnet, Enfield, Hackney, Haringey, Tower Hamlets and Waltham Forest. The North London Cluster, a partnership of these London boroughs and/or organisations representing boroughs, successfully submitted a tender for this project to the European Social Fund and Skills Funding Agency.

The project ran from the 1st of January 2012 until 31st of March 2015. It was part of the 2007-2013 England ESF programme. The European Social Fund (ESF) financed the project with match funding of the Skills Funding Agency (SFA). The SFA is an executive agency concerned with skills training for further education in England, sponsored by the Department for Business Innovation & Skills. It supports colleges, training organisations and employers for more than £4 billion each year. The project worked with an output oriented funding structure. All targets, namely recruiting 413 young people, moving 269 of them into EET with at least 141 remaining in EET for 26 weeks, were reached. The targets were even surpassed as the project engaged 507 participants, moving 303 to EET and 192 remaining EET for 26 weeks. The initial contract budget was worth £730,200, but because of the overachievement of 19% against initial targets the project was awarded an additional £ 200,000 (I: Manager Inspire! NEET programme; SFA, 2015)

The project was managed by Inspire!. This organisation is an Education Business Partnership (EBP) established in Hackney. EBPs deliver work related learning, enterprise and work experience to schools, academies, colleges and young people, in this case in the London boroughs of Hackney, Camden and Islington. In addition to this work in the formal education sector Inspire! also offers alternative education and work experiences provision to young people not in education, employment or training (NEET) and those at risk of becoming so. Inspire! is a registered charity and company limited by guarantee established in 2004. It receives no core funding from government, but survives on donations, paid services, contract and grant applications. Today the organisation employs about 25 people. Like other EBPs Inspire! works with a network of business volunteers, who support over 16,000

1 This report is based on document analysis, in-depth interviews and a focus group. More information about methods used can be found in Kazepov et al., 2014 (accessible via http://improve-research.eu/). When information is drawn directly from one of the interviews, or when one of the interviewees is quoted it will be referred to as (I: Alias of the respondent). The respondents allowed the researchers to use an alias that discloses their affiliation to the organisation. Appendix I provides an overview of all interviewees. The authors want to express their gratitude to the interviewees for their participation and valuable input.


5 This type of organisation, which specializes in brokerage between the education system and businesses will be further discussed in chapter three of this report.
students each year. Besides other training opportunities the organisation organizes over 3,000 work experience placements annually in cooperation with their network of over 800 local and city of London companies. The aim of the organisation is to:

“raise the achievements and support the aspirations of young people, develop their motivation and skills for the world of work and increase their ability to choose and achieve positive career, life and learning goals”6.

Inspire! is experienced both in working with NEET youngsters and ESF projects. It led the Hackney ‘Keep it Moving’ project7 for NEET youngsters and also worked as a delivery partner in ESF and SFA funded projects ‘At Risk’ and ‘Pre-Apprenticeship. Amongst others for these reasons, Hackney Council nominated Inspire! to lead the submission for the North London project. In this particular NEET project inspire! took on the role of project manager, not as service provider. The outreach, assessment, individual case management and training activities were subcontracted to other charities, educational institutions and (the career services of) London councils.

The Inspire! NEET programme has a positive reputation, despite the fact that it is relatively small compared to similar contracts in London and England (I: Manager Inspire! NEET programme). The project was presented as a good practice on the government’s webpage about the 2007-2013 ESF programme8. Inspire also hosted international guests, such as managers of ESF funded NEET programmes across Europe, to present their programme and the results. The organisation was also invited to speak at a study day on NEET organized by the Skills Funding Agency. The project manager (interview) points to several reasons that explain why the project is regarded as a success. Firstly, the project overachieved compared to its original output targets (see above). Secondly, the project successfully passed two very rigorous audits of its administration and financial accounts. Thirdly, the target to engage young women was exceeded, which seems to be exceptional for these projects. Fourthly, the manager was very focussed on being responsive in the communication with the contractors and in reacting to (publicity and exchange) opportunities like being a case study.

Inspire! is currently also a partner in another ESF funded programme in cooperation with Greater London Authority (GLA). It will also be involved in another round of ESF funding within the 2014-2020 frame that will start in the summer of 2015 (I: Former director Inspire!)

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2 Basic information on the (local) context and the emerging problems

2.1 Young people Not in Education, Employment or Training in the UK, England and London

Using 2013 OECD data, the UK average lies above the OECD average for both the 15-19-year olds (UK average is 9%, the OECD average is 7%) and for the 20-24-year-olds (UK average is 19%, the OECD average is 17%) (OECD, 2015).

According to UK measurements, in the first quarter of 2015 943,000 people aged 16-24 were NEET in the UK. This is about 13% of people in this age group. Among them, 889,000 are in between 18 and 24 years of age, 53,000 of them are 16-17-year-olds. The quote below, from the Wolf Report on vocational education, puts recent data on NEETs in a historical perspective (focussing on 16-18-year-old NEETs specifically).

“Department for Education estimates show that, for 16-18-year olds, the percentage who were ‘NEET’ was high in the early ‘90s (also reflecting recession), fell very sharply in the late ‘90s, but then rose again to early ‘90s levels in 2005, in spite of a booming economy. Since then, proportions have fallen again (though remaining well above those of 2000). However, on a rather looser definition, namely those who state that their main economic activity is neither education, employment or training, numbers and proportions have continued to rise.” (Wolf, 2011:p. 28)

Figure 1 shows the percentages for these different age groups that are NEET from 2002 onwards.

Figure 1: % of young people who are NEET: UK, 2002-2015

While a useful indicator, one should bear in mind that NEET data, in general, often fails to include a number of ‘unknowns’ such a youngsters who remain under the radar. In London, the method of data gathering changed after 2010 hence comparisons before and after should be treated with caution.

The OECD publishes its data about NEET in two categories (15-19 and 20-24-year-olds), which are different from the UK data (16-24-year-olds and different sub groups). The national estimates are hence not directly comparable.

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Figure 1 shows that, in general and with the exception of a small upsurge in 2011-2012 the proportion of 16-17-years-olds identified as NEET has been declining since 2005-2006. The proportion of 18-24 year only started to decline after 2012 and it has been declining relatively slowly since then. Possible explanatory factors include: an overall rise in employment and economic growth (McKnight, 2015), the rise of the education participation age from 16 to 18 (see section 2.2) and the growth in practice, research and policy support for targeting young NEET.

Of all 16-24-year-old NEETs, 46% are ‘unemployed’, the remaining 54% are ‘economically inactive’, hence not working, not seeking work and/or not available for work. Figure 2 shows the number of 16-24-year-olds classified as NEET according to gender and whether they are unemployed or economically inactive. About 523,000 people of this group are women (55.5%) and 420,000 are men (44.5%). Amongst men about 60% are unemployed, compared to 60% of women who are economically inactive. In the group of NEET and inactive women about 60% reported to be unavailable for work and/or not looking for work because they are looking after their family (Mirza-Davies, 2015a)11. This group (and men in a similar situation) are often addressed as ‘young carers’. Young women and young carers that are NEET are often regarded as a priority group. The contract of the Inspire! NEET programme included specific target related to engaging young women (a benchmark of 48% female participants) set by the Skills Funding Agency.

Figure 2: Inactive and unemployed NEET by gender, UK first quarter 2015


Based on the 2011 Longitudinal Study of Young People in England (LSYPE)12 (DfE, 2011), the four biggest ‘risks factors’ for becoming NEET at some point is having a child (69% for females and 36% for males), being eligible for free school meals (a proxy indicator for child poverty) (34%), being expelled from school (31% and 42% for those who have been permanently excluded) and having a disability (28%). Looking at NEET by ethnicity compared to the English average of 14% for 19-year-olds in 2010, the proportions are above average for the categories ‘White’ (15%), ‘Mixed’ (18%), Pakistani (17%), Bangladeshi (17%) and Black Caribbean’ (21%). The proportion of 19-year-olds NEET is below average for the categories ‘Indian’ (8%), ‘Other Asian’ (8%), Black African (9%) and ‘other’ (12%). (DfE, 2011 in

Table 1 lists another range of factors that increase the chance of becoming NEET for six months or more (Audit Commission, 2010).

**Table 1: Increased chances of becoming NEET for six months or more**

<table>
<thead>
<tr>
<th>Factor</th>
<th>Increase in chance of being NEET for six months or more</th>
</tr>
</thead>
<tbody>
<tr>
<td>Being NEET at least once before</td>
<td>7.9 times more likely</td>
</tr>
<tr>
<td>Pregnancy or parenthood</td>
<td>2.8 times more likely</td>
</tr>
<tr>
<td>Supervision by youth offending team</td>
<td>2.6 times more likely</td>
</tr>
<tr>
<td>Fewer than three months post-16 education</td>
<td>2.3 times more likely</td>
</tr>
<tr>
<td>Disclosed substance abuse</td>
<td>2.1 times more likely</td>
</tr>
<tr>
<td>Responsibilities as a carer</td>
<td>2.0 times more likely</td>
</tr>
</tbody>
</table>

*Source: Audit Commission, analysis of Connexions data from fieldwork areas (approximately 24,000 young people), 2010: p. 19*

In the first quarter of 2015, 12.3% of the all 16-24-year-olds in England is NEET. Overall, the North and particularly the North East of England and the York and Humber region have a higher proportion of young people NEET. Remarkably, the London region has the lowest proportion with 10.2% in the first quarter of 2015. This proportion has been declining since 2012 (15.3%).

**Figure 3: 16-24-year-olds NEET by region, England first quarter of 2015**

*Source: Mirza-Davies, 2015a: p.6, based on data from ‘NEET quarterly brief — January to March 2015’ (DfE, 2015).*

On the basis of available data, we try to approximate the target population of the Inspire! NEET programme, namely 14-19-year-olds across six boroughs. In January 2015 across the six boroughs (Barnet, Enfield, Hackney, Haringey, Tower Hamlets and Waltham Forest) 1,570 youngsters between 16-18 years of age are NEET. This represents only part of the project’s target group of 14-19-year-olds.

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13 “A large part of the difference between England (12.3%) and the UK data (13%), is because data for England is not seasonally adjusted” (Mirza-Davies, 2015a: p.6).

Based on the data of the 16-24-year-olds and the 19-24-year-olds it is a cautious estimate that the group of 19-year-old NEET in these six boroughs are at least 3,000.

While some neighbourhoods within boroughs like Hackney are known for a large concentration of disadvantaged and disengaged youth (I: former director Inspire!), overall, the recent data do not show significantly larger share of NEET in (one of) these six boroughs compared to the rest of London. In 2009 Hackney, which has been and still is one of the most deprived boroughs of the country\textsuperscript{15}, used to have one of the higher shares of 16-18 NEET, but this has changed over the last five years. There has been a lot of positive coverage on the improvements in education and reducing the proportion of young NEETs in London and particularly in Hackney (see for instance Pipe, 2015).

2.2 Policies targeting young NEETs

A variety of recent policy changes in the UK are likely to impact, for better or worse, upon the number and experiences of young NEETs. Here we briefly list some of the main schemes and policy changes introduced by the previous Coalition Government (2010-2015)\textsuperscript{16}.

**Work Programme**: The controversial Coalition government flagship welfare to work programme aims to “support long-term unemployed people and those considered to need the most assistance to find and maintain work, reducing the time people spend claiming benefits” (McKnight, 2015: 21). People between 18 and 24 years of age that claim job seeker allowance will be referred by the programme after nine months (compared to standard twelve months) and for some NEET categories the referral period is three months.

**Changes in funding for career services**: As part of the larger austerity package by the Coalition government after 2010, Connexions is no longer a coherent National Service. Connexions’ career services targeted young people in need of help with finding a job, training or education and provided information on various topics. The Department of Education has “cut the vast majority of its Connexions budget, leading many local authorities to cut back their provision or cancel it entirely, with associated redundancies for careers guidance professionals” (Lupton et al., 2015: 25). While this service used to be widespread across the country, it now disappeared in various counties. Local authorities could choose to continue to fund this service and keep the brand or organize these services internally or drop them entirely.


\textsuperscript{16} The brief overview given here is not exhaustive, but only serves to better understand the changing context in which the Inspire! NEETs programme and similar initiatives operate. For more comprehensive discussions on policy changes and spending by the coalition government we refer to the ‘Social Policy in Cold Climate’ series, which is designed to examine the effects of the political and economic changes in the UK since 2007. It includes, amongst other, reports about spending on education and unemployment to work programmes. Online: [http://sticerd.lse.ac.uk/case/_new/research/Social_Policy_in_a_Cold_Climate.asp](http://sticerd.lse.ac.uk/case/_new/research/Social_Policy_in_a_Cold_Climate.asp) (last accessed 08-07-2015).
Raising the participation age: The Coalition government increased the age up until which all young people in England are required to continue in education or training from 16 tot 18\(^\text{17}\). According to Lupton, Unwin and Thomson (2015), raising the participation age helps to explain the recent decline of 16-18-year-old NEETs (see also figure 1), but it cannot wholly account for it. This measure, which has been implemented between the summer of 2013 and the summer of 2015 did not directly impact the operation of the Inspire! NEET programme as a large part of their output had already been delivered. To the extent that this measure provided more incentives to get the youngsters they were working with back to education or training, this is regarded as a positive outcome from the projects’ perspective (I: Manager Inspire! NEET programme)

Youth Contract: The Youth contract is “a package of schemes aimed at helping young people into sustained employment, launched in April 2012 combining existing schemes with new ones” (Mirza-Davies, 2015b: 1). The measures include grants and wage incentives for employers to hire young workers or apprentices, the creation of work experience placements, sector-based work academies, extra support for young people at jobcentres and extra money for service providers who support 16-17-year-old NEETs (McKnight, 2015, Mirza-Davies, 2015)\(^\text{18}\). It is primarily targeted at 18-24-year-olds, but it includes some support for 16-17-year-olds. Respondents did not point it out as being particularly important for the Inspire! NEETs project but on the level of providers this offered some tools to mediate the relations between employers and young NEETs.

During the interviews (Former director Inspire!, manager Inspire! NEET programme, manager subcontractor) the respondents stressed that while the policy context is very important indeed, opportunities on the local and regional labour markets are crucial as well. Overall the British labour market has shown to be very resilient after the 2008 recession and employment rose under the Coalition government from 2010 to 2015. However this was largely driven by self-employment. Wages remained low, inequality increased and the number of young people unable to access employment remained high (McKnight, 2015). The respondents perceive that around 2010-2012 their target population benefited from this rise in economic opportunities (also through other programmes). However, from their experience the recent growth in jobs does not seem to benefit their local target group as much. Many of the new jobs require higher qualifications and there is a lot of competition of other, better qualified young people on the London labour market, many of them coming from outside of London. Therefore many of the young people in Hackney have not been the beneficiaries of the expanding IT an creative sector (I: Former director Inspire!, Manager Inspire! NEET programme).


3 Genesis of the initiative

Inspire! is The New Hackney Education Business Partnership Ltd. In order to understand the current situation in which Inspire! developed and managed the NEET ESF programme for North London, it is relevant to briefly discuss the history of the Education Business Partnership (EBP) in Hackney (I: Former director Inspire!).

The idea of education-business partnerships (EBP) was promoted by the national government in the 1980s, during Prime Minister Margaret Thatcher in the 1980s. The government felt that there was a need for a brokerage service between education and business at the local level in order to align the two better. It was not a mandatory service but several local authorities implemented it with financial support from central government\(^\text{19}\), as did Hackney.

Education in Hackney has had a chequered history. In 1997, under the Blair government which came to power under the mantra of “education education, education”, ordered an inspection of Hackney’s local education authority. It was judged to be not fit for purpose and responsibility for education was removed from the local authority and awarded to a private sector provider on a five year contract. In 2002, at the end of the contract, there were few discernible improvements in education in Hackney: the private sector provider was deemed to have done no better than the public sector. In the face of this challenge, the government, facilitated the establishment of a not for profit organisation called the Learning Trust to be responsible for education in the borough on a ten year contract. During this period the Learning Trust transformed education in the borough, a transformation described by the Jules Pipe, the elected Mayor of Hackney, as one of the biggest public policy successes over the last decade.

“In 2002, Hackney’s Key Stage 2 results\(^\text{20}\) were the worst in the country, and less than a third of our students were achieving five or more GCSEs at grade A-C. Last year, 2014, that figure was above the national average at 61 per cent, with some schools achieving as high as 91 per cent” (Pipe, 2015: p.1).

In 2012, the Learning Trust was absorbed by the local authority as the Hackney Learning Trust and responsibility for education was once again restored to the elected officials of the borough.

The Education Business Partnership, which had been originally established as a department of the local education authority, was accommodated within the changing administrative structures. However, among key stakeholders such as the Learning Trust, the City of London and some major City businesses,

\(^{19}\) Education Business Partnerships (EBPs) were UK-government sponsored bodies up until 2011, when the Department for Education withdraw the funding for these services. Today, EBPs have direct contracts with schools, colleges and a variety of other education and vocation-oriented institutions. More information can be found on the website of the Education Business Partnership National: [http://www.ebpnational.org.uk](http://www.ebpnational.org.uk) (last accessed 30-06-2015).

there was a growing belief that the EBP would be able to operate more effectively as an independent body. It would be freer to establish partnerships with local and City businesses and better able to respond to the needs of schools and colleges. Moreover, market forces would drive up quality of provision and as an independent organization it would be able to apply for grants and donations and bid for contractual work ensuring longer term sustainability, thus in 2004 the existing service was closed and in 2005 replaced by an independent charity called Inspire!.

Given the nature of its work it was natural for Inspire! to get involved with youngsters that experience a variety of difficulties in and outside of education. The organisation thus became involved with young NEETs. The former director (interview) recalls that in his starting period (around 2005-2006) the importance of addressing NEETs was increasingly pointed out in meetings with local stakeholders in education and employment for young people. At that time nobody was really involved in this locally yet. Being relatively new and with certain “arrogance” the organisation offered its services. In 2007 the local authority organised a tender for a programme that targeted NEETs and Inspire! won the bid. The programme was called ‘Keep it moving’. The basic goal of the programme was to get NEET into EET. This programme was regarded a success, and about 400 youngsters were moved into education, training or employment in 4 years. During this programme Inspire!, with its network of businesses and local providers, gained a solid reputation for working with NEETs and with this positive track record was well placed to bid for subsequent ESF programmes. In 2011 Inspire!, with the backing of Hackney Council its partner in the Keep it Moving Project, lead the North London Cluster in its successful bid for the GLYP04 ESF funded NEET project commissioned by the Skills Funding Agency (SFA). At the time Inspire! was involved as a delivery partner in ESF/SFA projects ‘At Risk’ (GL/YP/O1) and ‘Pre-Apprenticeship’ (GL/YP/03). As the lead partner and manager, Inspire! contracted out the delivery out to a variety of local partners responsible for providing the services to the young NEETs (see also chapter 2 and 6 of this report).
4 The activities and organization

The main objective of the programme is “support young people aged 16-19 into ‘long term’ EET i.e. into and during the first two terms (26 weeks) of EET”\(^\text{21}\) (for more information about the criteria to access this project see section 7.5 of this report). The project provides a wide range of courses, experiences and support to the young people including: identification, recruitment, engagement and assessment of young people; working on ICT, language, math; developing a personal trajectory with support on multiple domains (most notably facilitating contact with social services); experiential and vocational learning ranging from the food sector to sports and arts; work placements; job search, job interview training and leisure activities. The range of activities differ depending on the provider and the needs and aspirations of NEET young people (I: Manager Inspire! NEET programme). The funders prescribe that in consultation with the young person and provided by a qualified adviser a person-centred action plan should be set developed at the start of the trajectory. This should include an agreed definition of the pathway to EET, with clear steps towards sustained re-engagement through education, training or employment for 26 weeks. The providers use this plan to monitor progress.

The overall approach is described as ‘wrap-around support for young people’. This term refers to the intense guidance and support that stretches across the different life domains of the young NEET. Some of the subcontractors and Inspire! have been providing this kind of support in previous ESF funded projects and NEET programmes (I: Manager subcontractor). The focus is on personalized learning. It does not only target the development of skills through learning but also building confidence, making young people prepared for work etc. This includes working on both ‘hard skills’ (technical abilities), and ‘soft skills’ (interpersonal abilities). The wrap around support also includes so called ‘pastoral support’ which concerns supporting youngsters to overcome various possible thresholds such as: helping youngsters with their benefit applications, referring them to and/or assisting them in communication with local authorities or health- or juridical institutions.

Unlike other NEET projects there is no hierarchy between outcomes (employment, education, training) in this programme. This allows providers to try a wide variety of options tailored to the individual learner and to be flexible in relation to (job) opportunities in the context where they operate (I: Manager of subcontractor). For this project in general, it proved to be easier to get youngsters back into education or training than in a suitable job that meets project requirements like working a minimum of 15 hours per week and staying in employment for 26 weeks (I: Former director Inspire!, manager Inspire! NEET programme). They attribute this largely to the limited and shrinking availability of low-skilled jobs on the London labour market and the flexibility and uncertainty that is often imposed by employees.

Being the lead partner and manager Inspire! takes on several activities, which the organisation regards as part of its commitment to professional development of the project\(^\text{22}\). These activities include: The design of the training programme (initial bid), monitoring visits including feedback on content and

\(^{21}\) From page 2 of the ‘ESF NEET Project Provider Handbook’, made by the Inspire! NEET project manager (sent after personal communication).

delivery training, good practice sharing workshops, organizing ESF themes inclusion workshops, distribution of good practice information sheets from partnership meetings, distribution of relevant research and white papers, online evaluation surveys of learner satisfaction, regular checks of learners’ ‘Person Centered Action Plan’ and advice to subcontractors regarding target setting, sharing of positive case studies analysis during partnership meetings, self-reflective/evaluative exercises and doing the Ofsted Common Inspection Framework self-assessment exercise.

It is regarded as a strength of the programme and the consortium delivering the programme that they have access to a wide variety of services, which the providers can use to develop a personalized approach. If the main providers cannot offer it themselves they can find it within the broader network of partners. Also, being an education-business brokerage organisation, Inspire! and its partners have access to large network of educational institutes and businesses and they are “very much aware of what businesses expect” (I: Former director Inspire!). Respondents (I: Manager subcontractor, Current director Inspire!) also regard this as an important strength for brokering relations between employees and young people that are NEET.

The funding agencies ESF and SFA do not prescribe exactly how the service should be delivered, which means that providers have a lot of freedom. Still, the funding agencies do suggest a range of activities for the providers to consider (SFA, 2011) and, more importantly, the different milestones and payment by results, does structure the delivery.

The different providers (including community organisations, local authorities, career services, a college and social enterprises that provide learning and job opportunities) across the different boroughs bring in different expertise and approaches, but the overall approach in providing a tailored learning experience is similar. Besides the basic requirements and milestones set by the funding agencies (see chapter six of this report), there is a common core that should be delivered by all providers within the consortium. Besides providing learning or work experience opportunities, this includes:

- A key worker that will provide both professional and ‘pastoral support’. This individual will oversee the service provision for this youngster and be the interface with all other providers (such as colleges and employers) and other institutions (like departments of local authorities) if necessary.
- The co-designed and developed Personal Centred Plan (see above).
- Providing information that learners could use to make decisions about the transition to education, training or work.
- Continue the support when learners are in training, education or work. During the first 26 weeks learners that entered EET are supported regularly (at least one meeting per month)
- Organizing celebration events and awarding certificates (project proposal NCL, 2011).

Also, practices were shared and discussed amongst the providers, who met about every six to eight weeks. This also contributed to convergence within the consortium. For instance, some of the providers wanted to organize larger group sessions for reasons of efficiency and because it opens up

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possibilities to apply certain methods. However, it emerged that most youngsters do not feel comfortable to come to sessions with other young NEETs to discuss their problems. Hence, it was decided within the consortium to not follow this path (I: Manager Inspire! NEET programme).

The diversity amongst the providers is mainly visible in the recruitment. For instance, in Hackney the community organisation YOH Ltd. did a lot of outreach. They found youngsters in their youth centre, in parks, a little bit through online advertisement and mainly through word of mouth from other youngsters telling their acquaintances. The career services in Waltham Forest did it quite differently. Given their position they have access to lists of youngsters in the borough who are NEET, so they can just write them. The Barnet and Southgate College in Barnet benefited from their network of schools where they could advertise their project.

Outreach and building trust with the learners is regarded as an important element for success (I: Former and current directors Inspire!), especially to engage with groups who are regarded as ‘difficult to work with’ or ‘hard to reach’. In this project the approach and intensity of outreach differs and some providers are not engaged in outreach. Interestingly, the community organisation that invested a lot of time in outreach and social support had the best output results (I: Manager Inspire! NEET programme).

5 The innovative dimension of the initiative

We consider the Inspire! NEET project here as one of many examples of projects that emerge in the on-going search for solutions for one of European welfare state’s most intractable contemporary problems, namely youth unemployment and youth disengagement from the labour market and education system. In that sense, NEET projects like the one under study here, while not being radically

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24 The Inspire! NEET programme manager (interview) pointed this out. She stresses that one should be careful not to conclude too fast that this success is wholly do to the outreach and intensive support. It might also be explained be the strong connection with youngsters in the project that pre-dated this project and the fact that this small organisation had a lot of financial incentives to deliver or other factors.
new or innovative, are part of a broader and long-lasting process of experimentation involving notably the forging of new relationships between different types of (public, private, NGO) service providers and civil society.

Furthermore, the Inspire! project aims to realise change at the local level using ESF funding. The experiences with ESF funding and its leverage effect for social innovation at the local (and other) policy level(s) are of great interest for ImPRovE research.

In this paragraph the innovative dimensions of the Inspire! NEET programme experience is analysed using the three basic dimensions of social innovation (Gerometta, Häußermann and Longo 2005; Moulaert et al. 2005a; Oosterlynck et al., 2013): (a) the satisfaction of basic social needs (content dimension); (b) the transformation of social relations (process dimension); (c) the empowerment and socio-political mobilization (linking the process and content dimension).

5.1 Addressing needs: content dimension

“For young people who have failed to make a positive transition, it is vitally important that attempts at reintegration take into account the specific needs of the young people and appreciate that the NEET categorisation masks a complex array of needs, aspirations and competencies” (Nelson & O’Donnell, 2012: 31).

“We also understand and will take account of the differing education, social and economic and other characteristics of each borough that impact on the target group” (project proposal, NCL, 2011: 20)

The project starts from the conviction that young people ‘need’ to be in training, education or employment. Not being in training, education or employment is regarded as a threat for youngsters because it increases their chances of becoming, amongst others, poor, socially isolated and dependent on welfare throughout their lives. As the above quote shows, behind the general premise about the need to engage in training or work lies a complex array of intertwined needs, aspirations and plausible life options that help to explain why youngsters are NEET.

It emerged from all the interviews that those involved in the Inspire! project recognize the complexity and variety of needs of their target population. In their project proposal (NCL, 2011: 18) the consortium refers to the pyramid of Maslow to explain that in various cases more basic needs (like housing) have to be addressed before the youngster will be able to engage in training education or employment. Also, during the interviews (Former director Inspire!, Manager subcontractor) several intermediary needs and thresholds were mentioned as relevant for service providers to take into account. This

25 During the interviews it was pointed out that for some of the subcontractors, the overall approach is not ‘new’ anymore “For us this is not very innovative anymore, we have our methods, we just need enough resources to have an impact” (I: Manager of subcontractor). Nonetheless, some of the strategies and partnerships used in this project are not yet mainstream in other similar projects and this project profiles itself as innovative in this regard (Cf. Skills Funding Agency, 2015) as such it should still be regarded as a socially innovative initiative.

26 See work package 16: http://improve-research.eu (last accessed 7-09-2015)
ranges from the possibility to reimburse travelling costs to difficulties in dealing with administrative matters to personal problems of youngsters like learning disabilities, a difficult relationship with parents or substance abuse. In their overall approach to raising the “employability” of young NEETs this project subscribes to a multidimensional approach to the risk and problems of being NEET. The stress on tailor-made trajectories within the project fits within this multidimensional approach.

The consortium of actors is very much aware of the diversity of backgrounds and needs, amongst NEET groups in the different boroughs. Firstly, the ethnic background of the priority groups vary between boroughs. For instance, in Tower Hamlets the largest group of young NEETs are from a white working class background, while in Haringey it is mainly young people of Bangladeshi origin. In Enfield unemployment and disengagement is particularly high in the Turkish/Kurdish communities. Secondly, the social fabric and services (for instance related to transport or activities for youngsters) differ across boroughs and this local knowledge is relevant to understand possible barriers to engagement. For instance, in Hackney and Haringey the idea of gang related territories were identified as real thresholds for young people who were afraid to travel to certain parts (post-codes) of the borough while this was not a big problem in other boroughs.

Besides recognizing the complexity and variation of backgrounds and needs and the context specific factors that hide behind the ‘NEET’ label, interviewees point towards the importance of personalized learning and, relatedly, providing tailor-made opportunities and experiences for these young people (I: Manager Inspire! NEET programme, Former director Inspire!). In this regard they also point towards the availability of jobs and competition on the labour market, but also the importance of alternative learning opportunities and workplace based learning.

5.2 Transforming social relations: process dimension

Now we consider how the project forges new and transforms existing relationships in order to support young NEETs in alleviating the needs discussed above. We identify three key practices in this regard. Firstly, providers aim to develop a trust-based relationship between the individual learner and a key-worker during various contact moments throughout the project. Secondly, a process of personalized learning is set up through which the learner re-engages, in various possible ways, with the educational system. Thirdly, providers forge relationships with businesses that are willing to facilitate internships or job opportunities and they mediate the relationships between these businesses and young learners, aiming to create positive experiences.

“While it is different to generalize about effective approaches, successful youth engagement programmes tend to be flexible; offer a range of pathway options; be based on trusting and respectful relationships; and personalised in approach.” (Nelson & O’Donnell, 2012: 31).

The Inspire! NEET approach of engaging with these young people is in line with the general trust in approaches to support young NEET as reflected in the above quote. Building trust relationships and developing tailor-made trajectories is at the core of this approach. In this regard, the involvement of community-based organisations, which organize outreach to include ‘hard to reach groups’ is valued very highly (I: former Inspire! director).
Based on their previous experiences with the ‘Keep it Moving’ project in Hackney, Inspire! identified some important criteria for successful support trajectories. This experience strongly informed the approach of the project under scrutiny.

“What we have learned during this programme is that winning the trust and confidence of young people, many of whom have complex problems, is a long term process that cannot necessarily deliver the outcomes within the short timeframe demanded by many such contracts. Furthermore, consistency is needed to ensure that young people receive the ongoing intensive hand-holding that they need to negotiate and access a range of services that can support them in their progression.”

Acknowledging the complex and context dependent character of the needs of young people and the heterogeneity of their target population the service providers aim to provide a “personalized and bespoke package” (I: Manager subcontractor). In terms of transforming relationships the approach of the project can be regarded both as preventive and path shaping. It tries to prevent youngsters disengaging more from society (by dropping out of school or staying unemployed) and it does this by providing opportunities to discover their interests and strengths and work on their ‘hard’ and ‘soft’ skills.

On the level of interacting with learners, service providers deal with a tension between the aspirations and expectations of the young NEETs and the expectations of employers and educational institutions. On the one hand service providers have to make employers aware of potential issues with the target population such as failure to turn up and lack of punctuality, unacceptable attitudes, language and behaviours. Failure to turn up and lack of punctuality, which are not exceptional even after weeks of preparation with the youngsters, is experienced as frustrating by keyworkers and sometimes complicates the trust relationship. On the other hand, the key workers and service providers involved in the project try to prepare youngsters for job opportunities and working on soft skills and labour attitudes is an important part of that. One service provider considers a lack of the right labour attitudes – being on time, language, the way youngster present themselves and so on – as one of the mayor thresholds to engaging successfully with employers (I: Manager subcontractor).

From the perspective of the young people that are (at risk of becoming) NEET, the process is described by the concept ‘personalized learning’. Personalized learning is much broader than learning in an academic way and includes a variety of activities and learning opportunities, which is in tune with the multi-dimensional understanding of the situation of young people described above. All this requires engagement with the client on an individual level in order to be able to assess and address their specific and multiple needs. The former director of Inspire! (interview) stresses that it is “difficult to disaggregate this intervention from daily life”. This means that it is crucial to be sensitive for the situation of the youngster across different life domains (like housing, the relation with parents, etc.) in order to organize effective support for personal and social development. This is done through one-to-one sessions with key workers. According to the former director this also means that it would be

“arrogant and naïve to think that positive outcomes are always and solely the effect of a good intervention. There are so many other factors, like a good opportunity or the strength of the youngster, that might be the deciding factor for going from NEET to EET” (I: Former director Inspire!).

Still, it is believed that employers can contribute a lot by providing work opportunities for these young people, which in turn could be a valuable learning experience and a good way to find good staff. Therefore a lot of attention is attributed to brokering and supporting positive relationships between young NEET and employers by organising internships or inviting employers to speak with the youngsters and so on. As such they want to make both sides more sensitive about what they expect from each other and find good matches. Maintaining an extensive and enthusiastic network of employers is regarded as an important point of attention for several subcontractors (I: Manager subcontractor). Important in this regard is that third sector organisations are recognized by funding organisations and local authorities in their mediating role between young NEET, educational institutes and business.

“One of the many positives is the innovation and expertise that are innate in the third sector and we believe we can use these skills to harness the goodwill of the corporate sector who can help these young people but require support to do this effectively”28.

Inspire! has the experience that many employers are willing to support young NEETs when these employers feel that they are themselves supported by the third sector organisation that refers the youngsters. Hence mediating this relation between employers and youngsters is not only a matter of preparing both sides but also one of being very responsive throughout the process. For instance, a young woman walked away from her internship without saying anything because she broke a chair and she thought that everybody would be mad and that she would have to pay for it. When her absence was noticed the company called her keyworker. The keyworker was able to contact the girl and after she told her story the keyworker called the company and the young woman could continue her internship (I: Manager subcontractor).

5.3 Empowerment dimension

Empowerment is often used in very different ways. Interpretations range between empowerment as an individual process to processes of collective mobilization and from psychological well-being and self-confidence to interpretations that stress the access to valuable resources and societal positions. Empowerment is not often used explicitly in the project document and during the interviews. Still, there is a clear commitment to enhancing the life chances and well-being of the young NEETs.

In this case, empowerment emerges first and foremost as an individual process. The key concepts of ‘personalized learning’ and ‘wrap around support’ exemplify the focus on individuals and tailored support. Empowerment is often understood as a process of gaining more control over your own life chances. In this regard, going from NEET to EET could be regarded as empowering as such because

studying or working are regarded as crucial pathways to having more agency and options in life. A manager of a subcontractor points out that working on ‘soft skills’, ‘attitudes’ and ‘employability’ are important to strengthen the chances of youngsters on the labour market and in life in general.

The focus on individual empowerment through enhanced ‘employability’ is a rather narrow understanding of empowerment. As mentioned before, the label of NEET hides a much more complex reality. Recognizing the multi-dimensional character of being NEET, this project does aim to work on different life domains, taking into account both personal issues (e.g. well-being) and more general issues like administrative thresholds. These interventions, which fit a more holistic view on the social inclusion of young NEET, can be very valuable as such, but here they appear first and foremost as instrumental to enhancing youngster’s employability and so their chances of integration through the labour market. It should be noted that managers and providers are also aware of more structural factors of labour market participation like the availability of jobs or the (in)adequacy of resources and services for these target groups. However, being pragmatically involved in getting youngsters from NEET to EET, working on the collective and structural dimensions of empowerment falls outside the scope of this project.

6 Institutional mapping and governance relations

This chapter gives an overview of the relations between the key actors, institutions and governance relations that influence and support the Inspire! NEET programme experience.
6.1 An ESF funded consortium of actors strengthened by informal networks

Figure 4: Map of the main actors of the Inspire! NEETs project

Figure 1 maps the different actors involved in the project. In total the consortium of actors consists of 48 different major and minor partners involved in the service delivery, six of them are main subcontractors. This group of main subcontractors include: community organisations, local authorities, career services, a college and social enterprises that provide learning and job opportunities. They are represented by navy blue trapeziums in the figure. The project manager is presented as the navy blue circle. Being the prime contractor (lead partner) Inspire! charges a project management fee to its subcontractors which is generally between 12 and 15% of the overall project cost, based on the
estimated time of management related tasks. In return Inspire! offers a variety of services\textsuperscript{29} (see also chapter four of this report).

The large striped circle delineates the network of actors who are directly involved in the project as either subcontractor or potential referrer of learners. The latter does not have a contractual relationship with the project. The smaller circle refers to the larger network of businesses and educational institutions that are relevant to the functioning of the consortium. This includes for instance the networks of employers who are willing to organize internships. Different providers have their own local networks, but there is also some overlap between these networks. This explains the overlap in figure 1 between the two circles and the local 14-19 partnerships and NEET strategy group, identified in the pentagon. Again, these latter actors do not have contractual relations with this particular project, but they have reciprocal relationships with the project manager or main subcontractors and they might have collaborated in other projects before. These various relations with different partners in the fields of education, training and business are crucial for the functioning of the project and they underpin the North London Cluster consortium\textsuperscript{30} (NCL), shown in the white rectangle with blue line, located largely within the large circle.

\begin{quote}
“NCL has excellent, long standing relationships with local statutory bodies, education/training providers and employers. The delivery model depends on the strength of these third party relationships” (project proposal NCL, 2011: p.11).
\end{quote}

For organisations like Inspire!, which manages this NEET programme, working in consortia with other voluntary sector or local government organisations outside the core operational areas or core expertise, is an increasingly important strategy. The lead partner (here Inspire!) formally subcontracts to partners within the consortium. As such a wider variety of services can be provided across wider geographic areas and local knowledge and networks of organisations can be activated. This approach was developed at least partly in response to ESF/SFA, Big Lottery, GLA (Greater London Authority) and other major funding opportunities\textsuperscript{31}.

The Inspire! NEET programme is co-funded by the European Social Fund (ESF) and the Skills Funding Agency (SFA) through the 2007-2013 England ESF programme, the blue rectangles in the figure. The ESF plays a significant role in financing training and welfare to work trajectories in England. The 2007-2013 ESF programme provided a total of £2.5 billion for investments in jobs and skills (European Social Fund, 2014). The 2007-2013 and the 2014-2020 programmes of ESF in England consider young people and particularly those NEETs or at risk of becoming NEET between 14 and 19 years of age as a key

\textsuperscript{29}The full list of services to subcontractors, written by Inspire!, is available online: http://www.inspireebp.org.uk/tl_files/Download%20Documents/Working%20with%20Partners/Fees%20and%20Charges%20Policy.docx. (last accessed 08-07-2015).

\textsuperscript{30} The NCL is “represented by the 14-19 partnerships of the London boroughs of Haringey, Waltham Forest, Enfield and Tower Hamlets and, at their borough’s request, Last Rung and Inspire! representing Barnet and Hackney respectively” (NCL, 2011: p.6).

target group. To give an idea of the size for the funding on these 14-19 NEET programmes, the sum (set in February 2014) for the programmes of the fifteen contracts (including the Inspire! programme) that finished in 2015 in London is £22,764,345. The original contract value for the Inspire! programme was £730,200. Which is relatively small in comparison to the other London contracts. The Skills Funding Agency (SFA), the Department for Work and Pensions (DWP) and the National Offender Management Service (NOMS) and the Greater London Authority (GLA) distribute the majority of the ESF funds. In this context they are often called ‘Co-financing Organisations’.

“Their role is to bring together ESF and domestic funding form employment and skills so that the ESF complements domestic programmes. The Co-financing Organisations contract with the organisations or ‘providers’ that deliver ESF projects in local areas” (ESF, 2014: p.3).

Throughout the project, the project manager of Inspire! has contact with a staff member of the SFA on issues related to delivery and management, including ESF administration. The blue line indicates the line of communication with the SFA.

6.2 Experiences with ESF/SFA funding

In the field of supporting young school leavers EU funding has over the years played a very important role in enabling actors involved in the Inspire! NEET programme to develop and deliver their approach of personalized learning and wrap-around support for young people (I: Manager subcontractor, Former manager Inspire!). During the interviews, respondents were asked to describe their experiences with working with ESF funding and procedures. In this paragraph the focus is on the characteristics that respondents have explicitly attributed to ESF funding drawing on their experience with this and other ESF funded (NEET) programmes.

It emerged that ESF is very prescriptive in some regards, but not for all matters. In general, on the one hand the administrative burden is pointed out as a problem, especially for smaller organisations that can get so caught up with it that they are distracted from the content. On the other hand, the substantial and long term funding and freedom in delivery is pointed out as valuable qualities (I: Current director Inspire!). Also, according to the former director of Inspire! the experience it is not the same for each ESF project, so the (relations with) Co-financing organisations matter.

The ESF bureaucracy for this project was burdensome (I: Manager Inspire! NEET programme, former director Inspire!, Manager subcontractor). The form completion is time intensive and demands a lot of detail. It was a “painful process” to learn the best way to deal with it and the relatively slow start of

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the project at can be attributed, at least partly, to the complex and heavy demands regarding forms and different criteria. Especially in the earlier stages of the project there has been some confusion about criteria and expectations of the funders\textsuperscript{34}. Being straightforward with the funders, demanding clarity and pro-active management are pointed out as key factors for being successful in ESF projects. Another crucial factor was the good contact with the representative of SFA, which made it possible to solve issues together (I: Former director ESF).

\textit{The demand for bureaucratic detail and the level and kinds of evidence required comes close the absurd. I really think that it is a reason why some people move away from their job and then things go wrong in the administration because of the turnover and heavy burden} (I: Manger Inspire! NEET project).

Two interesting comments were made about dealing successfully with ESF administration. Firstly, it appeared that Inspire! fell victim of its own success because they have been subjected to several profound audits of their administration and financial accounts, while other projects have not been subjected to similar control (I: Manger Inspire! NEET project). It was also pointed out that only the administration is subject to control but there is seemingly no interest in the use of method and engaging with youngsters, which gives the impression that there is little interest in learning about the qualitative aspects of successful interventions, but only in good financial management. This is different from other projects, for instance financed by large charities (I: Manager subcontractor).

Despite the difficulties listed above there are several important reasons to apply for ESF funding. The ESF project allows the actors respond to real needs of youngsters that are NEET and to society that does not know what to do with these youngsters and fails to offer suitable opportunities. The organisations feel that the ESF and SFA allow the freedom they need to develop their project in terms of content. In the current context of austerity the European money is very welcome. The financial resources that come with ESF project are substantial. It gives the possibility to really develop a team and a network of partners over a relatively long term (4 years). With this time and money organisations can develop a lot of experience and expertise in the field. After investing in the process these organisations have better chances to apply for similar grants in the future. They also developed a team, a network and a range of activities they want to continue in the future. So for small organisations there are big thresholds to successfully engage with ESF funding, but once they do it can be a very good and important resource and the organisations have a lot of incentives to engage even more with ESF funding.

\subsection{6.3 The funding mechanism}

The Inspire! NEET programme is funded through a Payment by Results (PbR) contract. The funding mechanism is discussed separately, because Payments by Results (often called output funding or value

\footnote{The view that ESF administration is burdensome is shared by all respondents and this idea is widely spread across the third sector. However it seems that the Co-financing Organisation also makes a difference. Inspire! has been involved in an ESF funded project with the Greater London Authority and in this cooperation administrative requirements were experienced as quite different (I: Former director Inspire!).}
for money funding) contracts are not uniquely related to ESF funding. It is a mainstream practice of public procurement in this sector in the UK.

Payment by results, rather than payment by delivery of public services is a trend that was initiated by the Labour government in the late 1990s and the 2000s. It is increasingly used as the preferred method of commissioning in a growing array of policy domains and this will in all likelihood continue to increase (Community Links, 2015). Different approaches to PbR exist. In this case a ‘prime provider model’ is used. Inspire! is the ‘prime’ or lead partner, who does the management and is not involved in the provision. This contract is a ‘pure’ PbR contract in the sense that it does not include up-front payments. Some PbR contracts do have ‘blended funding’.

In a pure PbR contract, the organisation(s) involved get(s) the full amount when the youngster is in education, training or employment for 26 weeks (after this the organisations stops ‘following’ the youngsters). The project delivery consists of six steps (milestones) in the trajectory of the learner. Each of these steps trigger funding if the required evidence is provided to the funder: (1) Start assessment, planning and support (£175); (2) start non-accredited learning (NAL) (e.g. employability skills), which can take between 2 weeks to 6 months (£87.50); (3) achievement of NAL (£262.50); (4) progression into EET, within 13 weeks of completion of NAL finish (£525); (5) remain in EET for 13 weeks (employment or work-based training) or one term (education) (£875); and (6) remain in EET for further 13 weeks (26 total) (£875). For each learner there is a total budget of £2,800. As the reader can observe, payments increase in the later stages of the delivery. This contrasts with the fact that a lot of time and resources need to be invested in the early stages, which have a big impact on the whether youngsters continue to engage throughout (I: Manager Inspire! NEET programme).

“In practice the program is often behind schedule when profiling starts, so it kind of works out as a two and a half year program, rather than a three-year program. And then by the time you gather momentum in recruitment... the starting stages are normally a lot slower, and you don’t always make profile in the first couple of months, but after the first couple of months things pick up pace. And then we always find towards the end of the provision we always over performed” (I: Manager of subcontractor).

During the interviews and discussions of earlier versions of this report, project management stressed that they are amongst the smallest organisations that can withstand the risk and requirements of this type of payment by result contract. Being in this position, they argue, they have a deep understanding of the local context that larger providers often lack. However, the cooperation with smaller subcontractors is often difficult because of the financial structure (see also 7,2 of this report). In more recent projects this tension has been recognized and addressed by funders.

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35 The Community Links report, written from the perspective of a third sector organisation that has a lot of experience with delivering Payment by Results contracts in the UK, London context is a useful read for those interested in this topic. During the interviews for this case study research, lot of the experiences and recommendations formulated in the Community Links report were confirmed.
7 Governance challenges

This concluding section identifies the governance challenges to social innovation in the Inspire! ‘NEET’ programme experience related to changing welfare state institutions. They are described as they emerged from the documents and the field research, using the ImPRovE definition.

7.1 Mainstreaming social innovation

In the ImPRovE research the concept of mainstreaming is adopted to capture the evolution from a localized, particular solution to unmet social needs in a specific context to a more broadly accepted and applied idea and/or instrument that represents and enables an ‘alternative way of doing things’. Over the last ten years policies and programmes that target young NEET entered the mainstream. It is now widely recognized as a public concern in which government has to invest and provide services for. Of course youth unemployment has been a recurring concern of welfare states since the late 1970s. More recently, the spread of the ‘NEET’ label fuelled specific policy attention to school dropouts and problems of low educated youth who are unable to find a job. Out of many experiments, a particular NEET approach is emerging that focuses on flexible, tailored solutions, wrap around support and contacts with the business world (among other to facilitate internships). ESF funded contracts are an important vehicle for the mainstreaming of approaches towards young NEETs. In the UK, they are amongst the largest funding opportunities for providers in this particular field.

Apart from the problem and specific approach of young NEETs, there is also a mainstreaming of the organisational forms that are used to engage young NEETs. The cooperation between education and business and a host of other partners working in a consortium is an important and increasingly prevalent strategy. From the interviews some issues about fine-tuning such forms of cooperation emerge that are relevant for its successful mainstreaming. One of these issues relates to the difficulties to engage employers to do more to offer valuable learning opportunities and job opportunities for young people that are (at risk of becoming) NEET and the recognition by businesses and government that third sector organisations can play a valuable role in supporting both employers and youngsters in this process. In this particular case a good network of engaged employers and recognition by local authorities is identified as a crucial factor of success (I: Former director Inspire!).

A second issue, which was made possible partly because of large (ESF) funding opportunities, is to develop strong consortia of various larger (such as colleges) and smaller organisations (for instance smaller local community based). It is desirable to mainstream cooperation between actors that allow projects to combine the strengths of community based organisations, such as outreach and forging relations with youngsters that are hard to reach, with the strengths of larger organisations, such as the capacity to carry financial risks and administrative burden that come with output based funding. However, the funding mechanisms often make it hard to involve these smaller organisations (see also chapter 6.3 and challenge 7.2. Welfare mix: avoiding fragmentation).

Thirdly and relatedly, issues about adequate funding structures and procedures emerged from the Inspire! NEET experience. It is proposed that ‘merged funding’ and more flexibility in allowing small purchases should be taken on in the mainstream procedures of ESF/SFA funding. This would alleviate
frustration, administrative burden and financial risk (I: Manager subcontractor; Manager Inspire! NEET programme).

The ESF does occasionally facilitate learning between similar projects in Europe in order to enable exchange and spread best practices. The Inspire! project was well perceived by the funders and Inspire! hosted 20 coordinators from across Europe to present their project. One of the outputs that providers from other projects were impressed with was the high level of successful engagement with young female carers (I: Former director Inspire!). Inspire! project did not visit other ESF projects. The Inspire! NEET programme was also described as a case study on the website of ESF in England. The organisation is keen to participate on such occasions because it helps to spread the word that Inspire! and partners are doing a good job (I: Manager Inspire! NEET programme). This promotional work is an important strategy to mainstream the Inspire! approach and vision.

7.2 Welfare mix: avoiding fragmentation

This project is indeed confronted with high levels of fragmentation in the welfare mix (see also chapter two and four). The mix of actors involved in supporting young NEETs is very different across the six boroughs. It was a challenging and pragmatic exercise to find suitable delivery partners in each borough (I: Manager Inspire! NEET programme). This reality adds to the complexity of the project in the sense that there is a need to communicate with a wide range of diverse actors and that there is quite some variation in recruitment and engagement methods within the project. While this might be challenging it is not pointed out as a big problem. Dealing with various actors and allowing local actors to activate their own networks and take responsibility in service delivery is regarded as a key to success. One of the rationales of the payment by result funding is that subcontractors have enough freedom to be responsive to the local context while being responsible for their output, which entails that they need to position themselves in the welfare mix in such a way that they can be successful. As such the diversity in approaches is not necessarily regarded as a problem of fragmentation but as a possible strength. However some uniformity is deemed desirable, for instance in access criteria, use of appropriate methods, access to relevant information and administrative procedures. These are stipulated by the delivery contract and guarded by Inspire! in communication and deliberation with the subcontractors. 12.5% of the resources are reserved for these coordination and support services, delivered by Inspire!

It is relevant to note that the projects like this one increasingly consist out of a heterogeneous group of providers in a context of austerity where publicly funded provision is itself increasingly fragmented as funding decreases and local discretion of local authorities increases. The manager of the Inspire! NEET programme (interview) explained that these evolutions are relevant to her project for at least two reasons. First, there is a lot of local variation in service provision amongst the six boroughs in the project. Some have career services (like Connexions) and others do not, which is relevant for the choice of subcontractors and cooperation between local actors in each borough. In some boroughs Inspire! subcontracted project delivery to a career service. Secondly, the funding of these career services now depends on local decisions and during the project the funding to the career service that cooperated in the project was cut substantially. Consequently this provider had to rearrange its whole operation, which posed challenges for the project as a whole.
An important and recurring observation related to the governance of a diverse mix of actors is that the funding mechanism is not fit for small organisations, because of the financial risk (and in this case also the heavy ESF bureaucracy). The payment by result structure with only small payments in the intensive early stages of the programme risks to put pressure on paying wages for relatively small non-profit organisations with a relatively small cash flow and capital, like YOH Ltd, the community based organisations in Hackney. As a lead partner Inspire! made arrangements, like giving advances, with some of the subcontractors to bridge periods in which the income via this project did not meet their efforts. Nonetheless, two of the small community based Hackney organisations went bust over the course of the project. The fact that many community organisations are rather small and very much focussed on engaging with youngsters on the ground while having less time and expertise to apply for different projects, makes them vulnerable while their engagement is a strength for the delivery. The Hackney community based organisation that prevailed (YOH) had the best results of all providers. The Inspire! NEET project manager (interview) thinks this has to do with their intensive outreach and support strategies as well as with the fact that they have to deliver in order to keep their staff.

For the lead partner Inspire!, in this particular project the output funding did not turn out to be very problematic, mainly because there was an overlap between two large projects in which they were involved. When the ESF NEETs project started, the previous programme was still ongoing, which allowed to rely on the output funding of the first project during the start of the second project and even take on some of the risks of the smaller organisations. This financial flexibility added to the success of the project (I: former director Inspire!). Still, all respondents argued in favour of a more balanced and ‘blended’ payment structure (I: Manager subcontractor, Manager Inspire! NEET programme, Current manager Inspire!). Here more balanced would mean that intensive support in the early stages (including outreach, which is regarded as crucial to engage youngsters who are harder to reach) would be supported by more substantial amounts of financial support. Blended would mean that there is more of a balance between payments up front and payments by results.

The fragmentation of the local welfare mixes is also pointed out as a problem from the perspective of young NEETs who are struggling on various life domains. Trajectories often go wrong when young people are not able to sort out administrative issues or if they cannot find their way in service landscape. In this regard the key workers – i.e.: the individual support worker for each participant who follows up the youngster’s trajectory and provides pastoral support - have the very important task to mediate between the youngster and statutory bodies i.e.

“the fragmented and often confusing and frustrating landscape of official organisations and agencies dealing with, for example, housing, jobs, benefits, education, social welfare etc. are a challenge even to the most worldly and able person: for a vulnerable young person it is nightmare” (I: Former director Inspire!).

These key workers are skilled in talking to administrative services and assist the youngsters with sorting out what they should do and they often go with them to prevent misunderstandings, or having them sent from the one place to the other without clear answers. The pastoral support provided by key workers, based as it is on a relationship of personal trust, is regarded as a crucial element for the personal learning and wrap around approach that is an important part of the identity of this project.
7.3 Welfare mix: participatory governance

The challenge here is to design a framework for localized forms of welfare provision that includes decentralized participatory (deliberative) institutions in a way that the social needs and interests of excluded groups are represented and recognized and makes institutions more responsive to them.

On the level of the individual youngster, dialogue and deliberation is indeed very important, but it is contained within the support relationship and therefore it should be distinguished from participatory governance. Every youngster gets one key worker appointed. This is crucial for building trust and having clear communications. The project manager and providers (interview) are very much aware that the success of training and employment schemes is often dependent on other factors. These youngsters often have a variety of other problems (housing, domestic, juridical, psychological) that need to be addressed and through the dialogue with the key worker the project is made aware of these issues and tries to respond (see chapter four). The focus is on the individual trajectories of young NEETs, not on participation in the project’s governance. The output criteria of the project are determined in advance, hence the overall goal and rationale of the project is not a subject of deliberation with or participation of clients.

7.4 Equality and diversity

The demographic diversity of all the boroughs in which the NEET project operated was acknowledged from the outset. Thus, the project funder imposed particular conditions relating to participation from different ethnic backgrounds, e.g. the condition that 40% of the participants should be of ‘Black and ethnic minority origin’ (see also #5 Uneven access). The targets were met. Besides this ‘structural attention’ to ethnicity of young NEETs, dealing with minorities was not pointed out as a particular challenge to this project by the interviewees. They felt that dealing with ethnic diversity does not require specific approaches within this project, because diversity in all its forms is already taken up by wrap around support tailored for each individual.

The project was graded ‘the project A-star’ by the Skills Funding Agency for its success in engaging and working with young women, a group that is known for being hard to engage in most NEET to EET projects. The Inspire! project overachieved its target for female NEETs of 48%, engaging 53% female participants. This success is largely attributed, among other, to the use of female outreach workers, female tutors and again the personalized wrap-around support strategy (SFA: 2015). Inspire! was asked to share their good practice in engaging women with 40 EU delegates during a major EU conference in Birmingham.

Project partners and funders argued that the project was also successful in effectively engaging learners with a long distance from the labour market and learners from deprived communities. Project partners were encouraged to actively search for young people leaving care, those with health issues or disabilities, young carers, people excluded from mainstream education and young people with low skills. Although the project’s evaluation (Skills Funding Agency, 2015) does not provide detailed data about the engagement of these groups, it is stated that the Inspire! project was rather successful in engaging them compared to similar projects. This success is largely attributed to the use of “effective and representative” (Ibid.: 10) teams of outreach workers that are known figures in the local
community and often have pre-established relationships with youngsters in the neighbourhood. The cooperation with various local organisations, the personal wrap around support and the discretion of local organisations to develop outreach and engagement strategies were also mentioned. These statements in the evaluation are consistent with the interviews.

7.5 Uneven access

The governance challenge ‘uneven access’ as described by the ImPRovE-project focuses on balancing a rights approach guaranteeing access to all those deemed in need with the dynamics of self-organisation and bottom-up initiative. This project targets a particular group of young people in a particular area of London. The main providers (subcontractors) of the project recruit the project participants. The ESF and the Skills Funding Agency defined the main target group, participation benchmarks and entry criteria to regulate access. It emerged from the interviews that most of the key factors related to uneven access follow from the rather strict criteria set by these funding organisations. As such it appears that participation thresholds are created by highly bureaucratic top-down working of ESF rather than by flexible operation preferred by service providers in the field.

The main target group are 16-19-year-olds not in education, employment or training. Participation benchmarks are included for females (48%), Black and ethnic minorities (40%) and disabilities and health issue self-declared by students (13%). Also, 80% of participants should live in one of the six boroughs (cluster area) targeted by this programme.

In order to access the programme learners should have left compulsory education, have the legal right to live in the UK at the start of the programme, have legally lived in the UK for past three years, have the right to work in the UK, are able to complete the whole programme, be between 16 and 19 years of age, live in a London borough or the City of London and be NEET. Participants also have to provide a copy of their passport or birth certificate. Asylum seekers need an Application Registration Card plus and post office receipt of Asylum Support assistance that is less than one month old. Learners that benefited from and ESF project before are also eligible to participate as are offenders detained in prison. In general learners from outside the EU cannot access the programme (unless if the latter have the right to live and work in the UK).

All participation benchmarks were met. In some cases providers find that a rigid application of entry criteria risks missing the opportunity to include young NEETs that would benefit from this project. In this regard, the manager of one of the subcontractors points towards the age restriction.

“Once our young people turn 19, which may well be before we have helped them to start an education course or find a job and settle in, the terms of our current funding contract often restricts us from continuing to support them” (I: Manager subcontractor).

Furthermore, one could argue that the output funding structure of the project makes it less interesting for providers to engage with 18 and 19-year-old NEETs. They are considered as more difficult to reengage in training, education or work, as they often have been (at risk of being) NEET for a longer period (I: Manager subcontractor, Former director Inspire!). The fact that a successful engagement and
hence payment, is less likely and that the project cannot longer help them once they are too old, makes it less attractive to select them in the first place (see also #7.7. Intra-organisation tensions).

The manager of the Inspire! NEET programme (interview) details the criterion that youngsters have to provide a copy of their birth certificate or passport in order to get access as “a good example” of ESF/SFA stipulations that were rigid and ill adapted to the reality of young NEET, which frustrated providers (see also chapter 6 and challenge #7.7. Intra-organisation tensions). In the UK an ID is not standard and the providers often encountered youngsters who did not have their birth certificate or a passport. A birth certificate is given to the parents after the birth of their child and it appeared that in many cases this document was either lost or youngsters found it difficult to get it from their parents, especially when the relationships with parents were not good. In most cases, only people who travelled abroad have a passport, which is often not the case for the target population of this project. It costs money to get a new passport (about £50) or a copy of the birth certificate (about £10), which is not evident for young NEET, and it takes some administrative skills to get this sorted. In general, youngsters only manage to attain one of these documents if their parents support them to get it. This is often not the case, which means they cannot enter the programme even if they meet all other criteria and show that they want to engage. The providers and project management tried several times to get social security numbers or drivers licences recognized instead, but the ESF administration would not allow this. In the end the project organizers found a way to buy birth certificates for the youngsters with money from the project in order to let them start the programme.

It was explained in chapter four of this report that diversity amongst the providers is mainly visible in the recruitment. Different providers use different techniques to reach young people. Some organise outreach and spread the word amongst young people that visit the community centre. Other providers have access to lists of young NEETs which they can use to send them an invitation and providers also take on youngsters that are referred to them by schools, local job centres and so on. Reaching young NEETs is definitely an important challenge of this project, but the fact that multiple strategies are used to do this is not regarded as a problem. On the contrary it is a way necessary to allow local partners to reach this heterogeneous group in their particular context. Different strategies have different advantages and disadvantages (see also #7.7. Intra-organisation tensions), but all contribute to the same purpose of supporting young NEETs (I: Manager Inspire! NEET project).

Lastly, this project operates in six London boroughs and the access for youngsters living outside these boroughs is limited.

7.6 Avoiding responsibility

This challenge relates to the position of socially innovative activities in the context of retrenching welfare states and austerity and the challenge faced by social innovation initiatives of being used as a vehicle for governments withdrawing from earlier responsibilities.

While the current context of austerity does impact the services that (could) target NEETs (see for instance chapter two about career services) the issue of NEETs remains high on the policy agenda and measures are taken to reduce the percentage of youngsters that are NEET (see for instance Lupton et al., 2015 and McKninght, 2015). All respondents agree that the ESF is an important player in this field.
ESF funding creates more and substantial opportunities to local providers to work with NEETs. They agree it is very important, but some argue that it fills a gap while others argue that other public and private organisations and programmes like the Youth Contract (public), Talent Match (Big Lottery Fund); Prince’s Trust (private fund) offer similar funding opportunities.

7.7 Intra-organisational tensions

This section concerns challenges related to organizing the project in a way that the social needs of the target population are put central and that there is a workable balance between the different interests of the actors involved. Here we discuss between three levels of intra-organisational tensions: (a) The level of relations between the different subcontractors, (b) the level of interacting with learners and (c) tensions between the mission of the project and its administrative framework and funding structure.

On the level of relations between subcontractors little tensions were mentioned, as each subcontractor is responsible for its respective territory where they work mostly with local partners. Different key contractors did meet on several occasions to exchange experiences, but no particular tensions related to these meetings emerged from the interviews. Concerning the relationships between the prime contractor and its subcontractors, several important events that put pressure on this relationship and the project as a whole were mentioned. For instance, one provider had to stop during the project, another provider went through serious restructuring and smaller organisations needed different kinds of support due to the output funding structure (see also chapter 6.3). However these events were mainly attributed to external factors or the funding structure and tensions that arose were not identified by the project management as intra-organisational tension that are particular to this kind of innovative experience.

From the perspective of the service providers and project manager there is a tension between the rather rigid output oriented funding structure and appreciating the value of engaging with youngsters via outreach and building trust relationships. Outreach and taking time to establish a relationship is especially valuable in order to include young NEETs who are hard to reach and those who have been NEET for a long time and/or need support in different life domains. In other words; the ESF output based funding does not really allow long-term engagement with and investment in youngsters on the margins of society. A possible risk that derives from funding structures that are better suited for larger organisations is that your practice will be further away from isolated and marginalised youngsters as smaller local organisations are generally closer to them. The Inspire! project tried to overcome this trade off by the composition of their consortium and the solidarity with smaller organisations in order to enable them to participate without large risks related to output funding (I: Former director Inspire!).

Relatedly, different respondents believe that in general there is a danger that the output driven system fuels a tension between quality and output (I: Current director Inspire!). The output criteria are sometimes not fit to assess a good process (I: Manager subcontractor). The former director (interview) agrees with this, but he nuances saying that sometimes “this might be unfair criticism, because if somebody who was out of school for a long time gets into education or employment, sure something happened”. Nonetheless there are at least two types of tensions:
Firstly, rigid criteria sometimes do not allow for the flexibility needed to overcome thresholds to participation in practice (see also the example in #7.5 Uneven access). In particular, the rigidity of allocating money to small support expenditures, and the communication and administration that goes with it, is experienced as being frustrating. The manager of a provider in the project gives the example of reimbursing transport costs.

“Like in our other project, we think it is important that students can get their transportation, which is very expensive in London, reimbursed when they go to classes or internships and so on. 16-18-year-olds who are on a full time course can get the Oyster Card, the Student Oyster Card (transportation card). However, on ESF funded provision they’re not classed as being on a full time course, so they can’t apply for Student Oyster, because it’s a 26 week delivery, normally... A similar problem is that this ESF program does not allow us to by interview clothes for the youngsters, which also could be a huge barrier” (I: Manager subcontractor).

Secondly, the financial structure might unwillingly encourage perverse strategies. A first sensitive issue is ‘cherry picking’ of younger NEETs (see #7.5. Uneven access). Other issues are related to the fact that it is easier to help youngsters into short-term employment or training trajectories.

“Some companies recycle youngsters, they arrange them to get into employment or education for about 14 or 26 weeks. This means they get their money. When this short-term opportunity is finished they take the same person on again in their project to go through the whole procedure. We don’t do that” (I: Former director Inspire!).

7.8 Enabling legal framework

Based on the interviews and available documents little mention was found of relevant legal frameworks that need to be taken into account to understand the main operative challenges of this project. The recent increase in the participation age to attend school is of course very important with regard to tackling NEET problems, but it had little influence on this project as the majority of the output was already delivered by then (I: Manager Inspire! NEET programme).

References


**Appendix I**

The data for this ImPRovE case study was gathered in February-March 2015 and July-August 2015. It consisted of:

- Analysis of documents (e.g. project evaluations, minutes of meetings, web sites of the actors involved) concerning the innovative experience and aimed to individuate useful information about its working and development. Analysis of institutional documents, data and researches to describe the local policies and poverty conditions in the framework where the experience is realized (e.g. laws, housing plans, social plans, implementation programs, reports, agreements).

- Four in-depth qualitative interviews involving:
  - The manager of the Inspire! NEET project (I: Manager Inspire! NEET programme).
- The manager of one of the subcontractors in the Inspire! NEET programme (I: Manager subcontractor).

- The retiring director of Inspire! who has been actively involved in developing NEET policies in Hackney and working with ESF funded project (I: Former director Inspire!).

- The new director of Inspire! who worked for many years in various London projects targeting young NEET (I: Current director Inspire!).

- The researcher has tried to organize a focus group yet do to non-response of some invitees and the advice of respondents that it will not be feasible to bring the different actors involved together, it was decided to drop the focus group.

- There has been email communication with one of the Inspire! staff members to ask clarification questions and the finalization of the report was delayed in order to include data from an evaluation report of the project, which the Inspire! staff shared with the researcher.

- All respondents have been given the opportunity to provide comments on the pre-final draft of this report between the 12th of January and the 1st of February 2016.
**ImPRovE: Poverty Reduction in Europe. Social Policy and Innovation**

Poverty Reduction in Europe: Social Policy and Innovation (ImPRovE) is an international research project that brings together ten outstanding research institutes and a broad network of researchers in a concerted effort to study poverty, social policy and social innovation in Europe. The ImPRovE project aims to improve the basis for evidence-based policy making in Europe, both in the short and in the long term. In the short term, this is done by carrying out research that is directly relevant for policymakers. At the same time however, ImPRovE invests in improving the long-term capacity for evidence-based policy making by upgrading the available research infrastructure, by combining both applied and fundamental research, and by optimising the information flow of research results to relevant policy makers and the civil society at large.

The two central questions driving the ImPRovE project are:

- How can social cohesion be achieved in Europe?
- How can social innovation complement, reinforce and modify macro-level policies and vice versa?

The project runs from March 2012 till February 2016 and receives EU research support to the amount of Euro 2.7 million under the 7th Framework Programme. The output of ImPRovE will include over 55 research papers, about 16 policy briefs and at least 3 scientific books. The ImPRovE Consortium will organise two international conferences (Spring 2014 and Winter 2015). In addition, ImPRovE will develop a new database of local projects of social innovation in Europe, cross-national comparable reference budgets for 6 countries (Belgium, Finland, Greece, Hungary, Italy and Spain) and will strongly expand the available policy scenarios in the European microsimulation model EUROMOD.

More detailed information is available on the website [http://improve-research.eu](http://improve-research.eu).

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