

JULY 2026

Inspiring Futures

Improving employment outcomes
for young people in Birmingham



UNIVERSITY OF
BIRMINGHAM



City-Region Economic
Development Institute



THE RIGBY FOUNDATION



The Sir Peter Rigby
Charitable Trust

Foreword from the Rigby family

The Rigby Group's roots, and those of the Rigby family, are in the West Midlands. The Rigby Foundation was set up more than thirty years ago on a simple conviction: that where a young person is born should not determine how far they can go. This belief allowed our family to escape their humble beginnings in north-west England to become one of the leading business families in the UK. That is why as Chairs of the Foundation and The Sir Peter Rigby Charitable Trust, we commissioned this report, and why we commend it to you.

The evidence it sets out is sobering. Over one million young people across the United Kingdom are not in education, employment or training, the highest figure in over a decade. In Birmingham and the West Midlands, the position is worse still, with youth unemployment well above the national average and economic inactivity rising fastest among the young. The report describes the causes plainly. Entry-level jobs are disappearing, work experience is hard to come by, careers guidance arrives too late and achieves too little, and artificial intelligence is reshaping the labour market faster than our institutions can respond.

What this report does not describe is a generation that has given up. The opposite is true. The vast majority of these young people want to work, to learn and to contribute. Eighty-four per cent of those surveyed for the recent national review led by Rt Hon Alan Milburn said they wanted a job, education or training. The talent and the ambitions are there. What has failed them is the system around them, which is fragmented, poorly coordinated and slow to adapt. In a new complex world, these young people need our help.

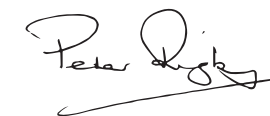
We are clear about what charities like ours can and cannot do. We can fund, convene and test what works. We are doing exactly that, through the Foundation's support of the charity Right to Succeed's Cradle to Career partnership in Walsall and East Birmingham and through practical tools such as the proposed Birmingham Work Experience Passport. But we cannot legislate and we cannot change a national system. That is the work of government, national, regional and local, and it is why this report is addressed to those who hold the levers of policy and public investment.

The recommendations that follow are deliberately practical and affordable. They do not ask for the system to be rebuilt; they ask for it to be connected and directed towards the right outcomes. We would urge leaders to act on three things in particular: to make meaningful work experience a genuine, realistic and pragmatic goal rather than an aspiration; to prepare students and their teachers for an economy shaped by AI; and to connect young people to the real-world opportunities that already exist on their doorstep.

The cost of doing nothing is measured here in billions of pounds of lost output and in the wasted potential of a generation in the region close to our hearts. Birmingham and the West Midlands have the youngest population outside London and a new devolution settlement that puts skills and employment under regional control. The opportunity and necessity to act has rarely been clearer.



Steve Rigby
Chair, The Rigby Foundation



Sir Peter Rigby
Chair, The Sir Peter Rigby Charitable Trust

'Since the day I took office, I've made it a priority to break down barriers for young people and connect them to opportunity. We cannot afford to waste the potential of a generation.

This report highlights a challenge that affects both individuals and the region: when young people succeed, businesses can access the talent they need and our economy will be stronger for it.

We're investing £75 million in construction training and have supported more than 1,500 young people through my Youth Trailblazer programme. And we're backing key growth sectors like AI, MedTech and engineering, while working with employers to deliver my Youth Pledge to create 20,000 work experience and training opportunities.

We're making good progress, but there's still a way to go. It's only by working together and acting on these recommendations that we will unlock a better future for our young people, and the skills our businesses need.'

RICHARD PARKER
MAYOR OF THE WEST MIDLANDS

Foreword from Birmingham City Council

The challenges faced by our young people is an issue close to my heart. As a young woman growing up in Birmingham, I experienced firsthand the barriers faced starting out, seeking work, and the systemic issues that too often kill ambition. I also recognise the new challenges faced today by our young people. In a post-pandemic world of AI and social media, a constantly changing labour market and the additional individual pressures this can place on our most valuable resource.

But I also know that, with the right support at the right time delivered in the right way, changes can be made and opportunities grasped. An apprenticeship at Birmingham City Council was the right 'first step' for me and changed my life. We need to make sure we offer all our young people their own individual 'right first step'.

I firmly believe that the young people of Birmingham are our most valuable resource and through them our potential is limitless. I welcome this work, the leadership of The Rigby Foundation and the contributions of all our key partners.

As a proud Brummie, this is not an easy read in places. But we must be bold and face the challenges that are impacting the futures of our young people, and consequently our city as a whole. I recognise the innovative work underway across Birmingham and the impact this is already having but we have to do more. We, as a partnership, are fully committed to meeting this challenge.

At the national level, through the Milburn Review, a harsh light has been cast on the systemic failings in employment environment faced by our young people. With recommendations due in the autumn, we have an opportunity to work together to recognise and address these failings, to be innovative, to go further, to intervene earlier, and, together with our partners, turn this position into positive action giving our young people the opportunity and future they deserve. In Birmingham I see the opportunities with extensive regeneration and jobs being created. I also know that we are a city full of talent, we now need to work together across businesses and all parts of the public sector, local and national government to support and implement this reports recommendations.

Joanne Roney CBE
Managing Director of Birmingham City Council

Executive Summary

This report, commissioned by The Rigby Foundation and The Sir Peter Rigby Charitable Trust and produced by City-REDI at the University of Birmingham, assesses how well the local employment and skills system supports young people in Birmingham and the wider West Midlands and sets out what needs to change. It draws on an employer survey, interviews with Advisory Group members and employers, a public call for evidence, focus groups with young people and economic modelling.

Young people in the region face a combination of pressures that the report calls ‘a perfect storm’. The services meant to support them into work are fragmented and not equal to the scale of the task.

The national picture is stark. Over one million 16–24 year olds are not in education, employment or training (NEET), the highest level in over a decade, and around 60 per cent of them are economically inactive rather than looking for work. This is not a failure of ambition. Nearly 30% of NEETs have good GCSE passes. The vast majority of these young people, and those at risk of NEET (RON), want to work or learn. The barrier is opportunity, not willingness.

These pressures fall hard on the West Midlands. The region has the youngest population outside London, yet it performs similarly to or worse than the England average on almost every measure that matters: NEET rates, youth unemployment, economic inactivity and benefit reliance. Youth benefit claimants stand at 9.6 per cent against a national rate of 5.9 per cent, and in some local authorities youth unemployment runs at double the national rate.

Three trends define the challenge. First, starter jobs open to first-time workers have fallen by almost half since 2016, concentrated in the retail, hospitality and administrative roles where young people are most heavily employed. Second, AI is accelerating that contraction and removing the very roles through which young people once gained a first foothold. Third, the routes that used to build readiness for work, from the Saturday job to placements and apprenticeships, have sharply declined, leaving young people needing experience to get work and work to gain experience.

The cost of inaction can now be measured. Conservative modelling projects an output loss of £3.1 billion and 27,600 jobs across age groups in the West Midlands by 2030. Nationally, youth disengagement is estimated to cost £125 billion a year, and the NEET rate is forecast to rise further without reform.

The report sets out practical recommendations under four priorities:

- **Work experience:** a modern, brokered offer, including hybrid placements and a Birmingham Work Experience Passport, that widens access and is realistic for employers.
- **AI awareness, knowledge and application:** equipping young people and teachers for an AI-shaped economy, including an AI for Educators training fund.
- **Employer engagement and local opportunity:** connecting young people to good local jobs through Employer-in-Residence roles and a Works in Birmingham campaign.
- **Comprehensive careers advice:** building the evidence base so that what works can be funded and grown.

Birmingham does not lack talent, ambition or opportunity. What it lacks is a connected system to bring them together at scale. Together with our Local and Combined Authority leadership, we hope to construct the scaffolding that allows for a change in the outcomes of our young people.

‘I’ve met young people in my constituency whose lives have been changed by programmes like these. I’ve seen firsthand what happens when someone gets the chance to build new skills, gain workplace experience, push themselves and discover abilities and confidence they never thought were within them.

‘This report sets out a practical agenda for transforming access to change making experience like this. At a time when AI is transforming the world of work and traditional routes into employment are disappearing, we need stronger partnerships between schools, employers, local government and philanthropy to ensure every young person gets a fair start. The recommendations deserve serious attention because investing in young people is one of the smartest investments we can make in our region’s and our country’s future.’

LIAM BYRNE MP,
MP FOR BIRMINGHAM HODGE HILL AND SOLIHULL NORTH



Advisory Group

We are very grateful to the following Advisory Group members (advisers) for supporting this project. Their expertise and deep understanding of the challenges and opportunities facing young people in the region, as well as the employment and skills system, have been invaluable.



Fiona Aldridge, Skills Federation
Fiona Aldridge is the Chief Executive of Skills Federation, the voice of employer-led sector skills bodies. She is a Skills England Board Member; a Non-Executive Director at Youth Futures Foundation, the What Works Centre for youth employment; and a member of the Mayor of the West Midlands’ Council of Experts. Fiona has more than 25 years’ experience of developing and implementing evidence-based policies and programmes across life-long learning, skills and employment.



Sareena Bains, Accenture
Sareena Bains is Strategy and Transformation Leader at Accenture with expertise in business transformation, innovation, and social impact. Most recently, she served as CEO of Movement to Work, a national employer-led coalition and charity dedicated to improving outcomes for young people facing barriers to work. A strong advocate for collaboration between employers, government and communities, Sareena champions inclusive pathways into employment and supports efforts to equip young people with the skills needed to thrive in a digital and AI-enabled economy.



Helene Dearn OBE, West Midlands Combined Authority
Helene Dearn started her career as a Civil Servant, leading on several National strategies on behalf of DWP before becoming DWP Group Director for the West Midlands. She joined the West Midlands Combined Authority (WMCA) in June 2024 as Exec Director for Employment, Skills, Health & Communities, a role with strategic influence for the West Midlands Region, and in January 2026 moved to her current role leading the newly forming Policy & Strategy Unit for the WMCA.



Adele Every, Cisco International Limited
Adele Every is Managing Director for Cisco’s UK&I Public Sector and leads the strategic direction for Country Ireland. Adele is deeply passionate about closing the digital skills gap and works proactively with academia, start-ups, government bodies, and large enterprises to establish regional hubs. These hubs are designed to build vibrant, sustainable ecosystems that uplift skills and create opportunities across diverse communities.



Matthew Gordon OBE, Spectra
Matthew Gordon OBE is the founder and CEO of Spectra, a multidisciplinary social impact company based in Wolverhampton that works at the intersection of the private, public, and charitable sectors, tackling significant social challenges. In 2018 Spectra became the national delivery partner for the Department for Education’s Care Leaver Covenant programme and in 2022 launched Twenty Five/7, a talent agency aiming to break the cycle of disadvantage among underrepresented groups and more recently Matthew has launched a social mobility foundation, the Ambitious Together Foundation.



Megan Haskell, Youth Futures Foundation
Megan Haskell is a Senior Relationship Manager for the Connected Futures Programme at Youth Futures Foundation. She works closely with place-based delivery partnerships, fostering youth-led approaches to systemic change in youth employment. Before joining Youth Futures, Megan spent over 15 years at Birmingham City Council, specialising in employment and skills, and delivering projects and partnerships across Birmingham, from city-wide initiatives to neighbourhood-level programmes.



Raj Kandola, Greater Birmingham Chambers of Commerce
Raj Kandola is Deputy CEO at the GBCC supporting on the strategic and operational leadership of the organisation. Previously he was Director of External Affairs leading on the organisation’s research, campaigning, stakeholder engagement and media & communications activity, together with managing the organisation’s Patronage scheme. Raj is a member of the UCB Business School Advisory Board and a trustee of the charity United by 2022.



Ewart Keep, Oxford University
Ewart Keep is Emeritus Professor of Education, Training and Skills at the Department of Education, Oxford University, and was previously the Director of the research centre on Skills, Knowledge & Organisational Performance. He is a board member of City of Glasgow College, and the Scottish Funding Council, and was a member of the DfE’s Skills and Productivity Board member.



Jacqui Maher, South and City College Birmingham
Jacqui Maher is Deputy Principal at South and City College Birmingham, with nearly 30 years’ experience in education. She has worked across public and private sectors, supporting colleges nationally. She leads higher education, apprenticeships, employer engagement, and workforce development, driving employer-led initiatives. Passionate about inclusion and social mobility, she champions accessible education, strong university partnerships, innovative curricula, and reducing NEET whilst shaping the future of technical education.



Chris Millward
Chris Millward is Professor of Practice in Education Policy at the University of Birmingham and Director for Fair Access and Participation at England’s higher education regulator the Office for Students (OfS). He previously served as Director of Policy at the Higher Education Funding Council for England and Head of Research Programmes at the UK Arts and Humanities Research Council (AHRC). Chris is a member of the Commission for Tertiary Education and Research in Wales, a Marshall Scholarships Commissioner, a Trustee of the Society for Research into Higher Education and a Fellow of the Academy of Social Sciences.



Nikki Paterson, CBI
Nikki Paterson joined CBI in the Midlands in 2017 as Associate Director, becoming Director in 2023. She leads a team working with members of all sizes and sectors, feeding input into CBI’s conversations with national and local government and key stakeholders. She has since launched CBI’s Future Leaders’ Network and Women in Leadership Network in the region. She was a finalist in the 2024 Women of the Year Awards.



Emily Stubbs, Greater Birmingham Chambers of Commerce
Emily Stubbs is Head of Policy at the Greater Birmingham Chambers of Commerce, responsible for leading the strategic development of the Chamber’s policy, campaigns and research activity. Emily has written Local Skills Improvement Plans (LSIPs) for the West Midlands and Warwickshire and works with colleagues across the Chamber on the annual Birmingham Economic Review, produced in partnership with City-REDI. She is Co-Chair of the internal Business Growth Studio Curators Group, which shapes the delivery of essential tools to help local SMEs thrive in today’s competitive landscape, and previously chaired the Chamber’s internal AI and Digitalisation Working Group.



Spencer Wilson, Birmingham City Council
Spencer Wilson has worked for over 30 years in the Employment and Skills arena. A Durham University graduate, he has previously worked across local government and the private sector, running his own regeneration consultancy and training provider. Previously the Director of Employment and Skills at Greater Birmingham and Solihull Local Enterprise Partnership he now holds the position of Head of Employment and Skills in the Economy and Skills Division of Birmingham City Council.

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‘No young person should leave school or college without a clear road map of what comes next. Making sure that they have the knowledge and the experiences to make these decisions, is one of the most important things we can do. All too often, however, whether that happens is down to chance. We have to be more ambitious, which is why I welcome the recommendations in this report. Put them into action and the life chances of young people and the strength of our economy could be transformed.’

BARONESS ESTELLE MORRIS



Photo credit: University of Birmingham

‘The evidence it sets out is sobering. Over one million young people across the United Kingdom are not in education, employment or training.’

STEVE RIGBY,
CHAIR, THE RIGBY FOUNDATION

Improving employability and employment outcomes for young people in Birmingham’s changing labour market

Anne Green, Abigail Taylor, Chloe Billing, Charlotte Hoole, Maryna Ramcharan, Johannes Read and Matthew Lyons

City-REDI, University of Birmingham

1. Introduction

1.1 Aim and objectives

Improving employability and employment outcomes for young people is a critical priority nationally, regionally and for Birmingham¹, particularly in the context of widening inequality and a rapidly evolving labour market. This report provides an evidence-based assessment of how the local employment and skills system can better support young people into meaningful employment, education or training. It explores current and future employment trends, including the impact of AI, employers’ evolving labour and skills requirements, and the effectiveness of existing initiatives.

Particular attention is given to understanding how these dynamics shape opportunities for disadvantaged young people, who often face compounded barriers related to socioeconomic background, education and access to networks.

The research is designed to:

- Compile and review evidence on current and future employment trends, employers’ labour and skills requirements and what they mean for young people.
- Derive insights from employment and skills initiatives focusing on young people, identifying what is working well, where there are gaps in provision and how good practice might be scaled.
- Assess what this means for employability and employment outcomes in Birmingham, with a particular focus on disadvantaged young people.
- Make policy recommendations to improve the way the local, regional and national employment system operates to help young people transition into employment.

1.2 Methods

The research was led by City-REDI at the University of Birmingham and draws on a mixed methods approach. Primary data was gathered through thirteen in-depth interviews with the project’s Advisory Group members (advisers), drawn from business and employer representative bodies, local and regional government, universities, Further Education (FE) colleges, sector organisations, the national what works centre for youth employment and the voluntary sector; a survey of schools working with The Rigby Foundation, as part of their Inspiring Futures programme, ten interviews with local employers of varying sizes and sectors; a survey of more than fifty regional employers; and responses to a public call for evidence. To capture young people’s own perspectives, focus groups were conducted with students aged 16 to 18 at South and City College Birmingham’s Longbridge and Bordesley Green campuses and with sixth-form students at the University of Birmingham School.

These insights are complemented by a review of existing academic and policy evidence on key themes, including mismatches between young people’s qualifications and aspirations, the implications of artificial intelligence (AI) for skills demand, and changing expectations around work experience. The study also includes an evidence-informed assessment of initiatives aimed at supporting young people into training, apprenticeships, and employment, with a particular focus on activity across Birmingham and the wider West Midlands. A systems map of key causal relationships is included in Section 2. Data analysis of regional economic trends was also undertaken, and modelling of the impact of two specific shocks using the Socio-Economic Impact Model for the UK. By bringing together these diverse strands of evidence, the report aims to identify the key challenges and opportunities within the local employment system and set out practical, actionable policy recommendations for a more inclusive, responsive and effective system that enables all young people, regardless of background, to realise their potential and contribute to the region’s economic future.

The research was undertaken in the period September 2025 to June 2026, running alongside the Milburn Review Interim Report (published May 2026) investigating the rising number of young people aged 16 to 24 in the UK who are NEET. The report is intended to complement that work, providing specific insights and recommendations for the context of Birmingham.

1.3 Structure of the report

The report has four sections:

- **Section 2** sets out the perfect storm of challenges facing young people in Birmingham and the West Midlands: structural economic change, the rise of AI, and fragmented support systems, which together are reducing entry-level opportunities and raising the skills required to compete for them.
- **Section 3** describes the national, regional and local policy landscape addressing youth unemployment and economic inactivity and pathways into sustainable work, and considers how well that landscape fits the scale of the challenge.
- **Section 4** identifies the priorities for action, drawing on the views of young people, advisers and employers to show what would make the most difference and where good practice already exists.
- **Section 5** presents the recommendations. For each, it sets out the ambition, the type of change required, and the specific actions needed to deliver it.



2. The perfect storm facing young people in Birmingham and the West Midlands

2.1 Overview

Young people in Birmingham and the West Midlands face a convergence of economic, technological, structural and systemic pressures that together constitute a significant and growing challenge to youth employment. The labour market is being transformed, and the widespread adoption of AI is accelerating that change, reducing the availability of entry-level roles while raising the skills needed for those that remain. Careers education, information, advice and guidance (CEIAG) within schools, as well as the wider pre-19 education and training system (including the national curriculum and post-16 pathways) have not kept pace with the demands of this changing economy, and the welfare, health and careers systems intended to support young people’s transitions into work remain fragmented and, in many respects, insufficiently equipped for the scale of the task.

Over 1 million (1,012,000) young people aged 16 to 24 across the UK are not in education, employment or training (NEET), the highest level in over a decade.² Recent data indicates that around 13.5 per cent of young people – roughly one in eight – are NEET nationally, underlining both the scale and persistence of the challenge.³ Importantly, the majority of these young people are not actively seeking work: around 60 per cent are classified as economically inactive, pointing to deeper structural barriers such as poor health, caring responsibilities, low aspiration, parental participation and disengagement from the labour market.⁴ The issue is also persistent, with around one in four unemployed young people having been out of work for over a year, indicating significant scarring effects and long-term detachment from employment.³

The Secretary of State for Work and Pensions, Rt Hon Pat McFadden MP, described the rising number of young people who are NEET as a “crisis of opportunity”.⁵ The Milburn Review found that 84 per cent of NEET young people surveyed said they wanted a job, education or training despite the set backs they have experienced.⁶ Youth Employment UK’s 2025 Youth Voice Census similarly reported that ‘wellbeing remains fragile, preparation for work is patchy, and opportunities to build skills and confidence are shrinking’, but that young people retain a fundamental desire to participate.⁷ The challenge is not what young people want, but the barriers in their way and the shortage of opportunities they face.

This challenge is also evident at the regional level. Across nearly all indicators, the WMCA area performs similarly to the England average, and pandemic disruption has left most of those indicators above their pre-2020 baselines. In 2025, 14 per cent of young people in the West Midlands reported being completely satisfied with their life compared with 10 per cent nationally. The percentage of young people (18–24) who claimed benefits in the WMCA area in May 2026, was 9.6 per cent against a Great Britain average of 5.9 per cent.

This section examines those barriers in depth, drawing on a substantial body of evidence including labour market data for Birmingham and the West Midlands, a survey of employers in the region, a call for evidence, economic modelling, a comprehensive review of AI and skills evidence, analysis of employer attitudes, qualitative focus groups with young people in Birmingham and at South and City College Birmingham and the University of Birmingham School, and major national reviews including the Milburn Review⁶, the Work Foundation’s Starting Out report⁸, and the Skills England Annual Skills Report 2026.⁹ The sub-sections that follow build a clearer picture of how structural economic change, technological disruption, skills misalignment, the collapse of work experience, inadequate careers guidance, and recruitment barriers combine to form the perfect storm facing young people.

2.2 A labour market in transition

The structural transformation of the labour market is the economic context within which the challenges facing young people in Birmingham and the West Midlands must be understood. It has been building for decades and is now accelerating at a pace that educational and support systems have not matched.

Medium-term projections have consistently pointed towards a professionalisation of the labour market: growth in higher level professional and associate professional roles, and decline in administrative and secretarial work, skilled trades, and process, plant and machine operatives.¹⁰ The final report of The Skills Imperative 2035 found that nationally these trends have exceeded earlier projections, with greater than expected increases in professional occupations between 2021 and 2024, and sharper than predicted decreases in sales and customer service roles and machine operatives. If current trends continue, between one and three million fewer jobs could exist in so-called ‘high risk’ occupations (administrative, secretarial, customer service, machine operation) by 2035, a shift that could be further accelerated by AI.¹⁰ Within the West Midlands, analysis indicates that by 2035, 55% of jobs will require skills at Level 4+.¹¹

These structural shifts have been intensified by a series of major external shocks. Brexit, the COVID-19 pandemic and geopolitical instability have each driven increased digitisation and disrupted investment patterns that shaped employment. The pandemic represents a major structural break across regional indicators that has not reversed fully.

For young people, the most significant consequence is what the Work Foundation has termed a ‘youth employment drought’. Analysis of UK job vacancy data shows that ‘starter’ jobs fell by 49 per cent between 2016–17 and 2025–26. The decline is not uniform, with the steepest losses among associate professional occupations (down 73 per cent) and sales and customer service roles (down 59 per cent), including a 53 per cent fall in sales and retail assistant roles.⁸

These losses fall hardest on the parts of the labour market where young people are most concentrated. Those aged 16 to 24 account for roughly half of all bar, waiting and coffee shop staff¹², while nearly 60 per cent of 16 to 17-year-olds work in just two areas – retail (21 per cent) and elementary roles in accommodation and food services (38 per cent).¹³ The contraction of these sectors is therefore not simply a loss of openings but an erosion of the employment base on which young people most depend, and the same downward trend is visible whether measured by occupational projection, vacancy flow, or employment stock. Retail employment fell by an average of one per cent a year between 2015 and 2024, and hospitality, having recovered above pre-pandemic levels by 2022, has since reversed sharply.¹⁴ Industry bodies attribute part of this to the Employment Rights Act (2025), minimum wage changes, changes to the thresholds for NI for part-time work and recent tax changes, estimating that hospitality alone could shed a further 100,000 jobs.¹⁵ The aggregate picture confirms the severity of the trend. Between 2004/05 and 2023/24 the number of young people in work fell by about 432,000, an 11 per cent decline¹³, and the share of 16 to 24-year-olds in payrolled employment fell in the three years to December 2025 to 50.6 per cent.¹⁶

Even graduates increasingly find that entry-level openings have closed to them¹⁷, a pattern the Milburn Review situates within a broader structural weakening of the transition into work that extends beyond the loss of jobs. Nearly 30 per cent of NEET young people have good GCSEs or equivalent, over 21 per cent hold Level 3 qualifications and 15 per cent have a degree, yet the labour market is not absorbing them; better-qualified young people arriving at a market that has narrowed its entry routes face the same access barriers as those with lower qualifications.⁶

The labour market for young people is unusually exposed to these shifts because they are concentrated in sectors and roles changing fastest. Young workers are over-represented in retail, hospitality and routine administration, the areas where automation, cost pressures and restructuring are biting hardest, and under-represented in the professional and technical roles that are growing. The effect is a thinning of the bottom of the ladder: the jobs that once allowed a 16 or 18-year-old to earn, learn workplace norms and build a track record are precisely those disappearing, while the rungs above them demand experience and credentials that a first-time worker cannot yet have. The Work Foundation’s analysis of local labour markets shows this contraction is uneven across the country, and that areas with a weaker professional base and fewer large employers, the West Midlands among them, recover entry-level capacity more slowly after each shock.⁸ The result regionally is not only higher youth unemployment but a slower escalator once a young person does find work.

2.3 The West Midlands: a regional picture

These national challenges described above are felt with particular intensity in Birmingham and the West Midlands. The WMCA area has the youngest population of any region outside London, yet on the indicators that most affect young people’s prospects – NEET rates, youth unemployment, economic inactivity and Universal Credit reliance – it consistently underperforms the England average¹⁸ (see Figure 2.1).

Unemployment rate among 16–24 y.o.

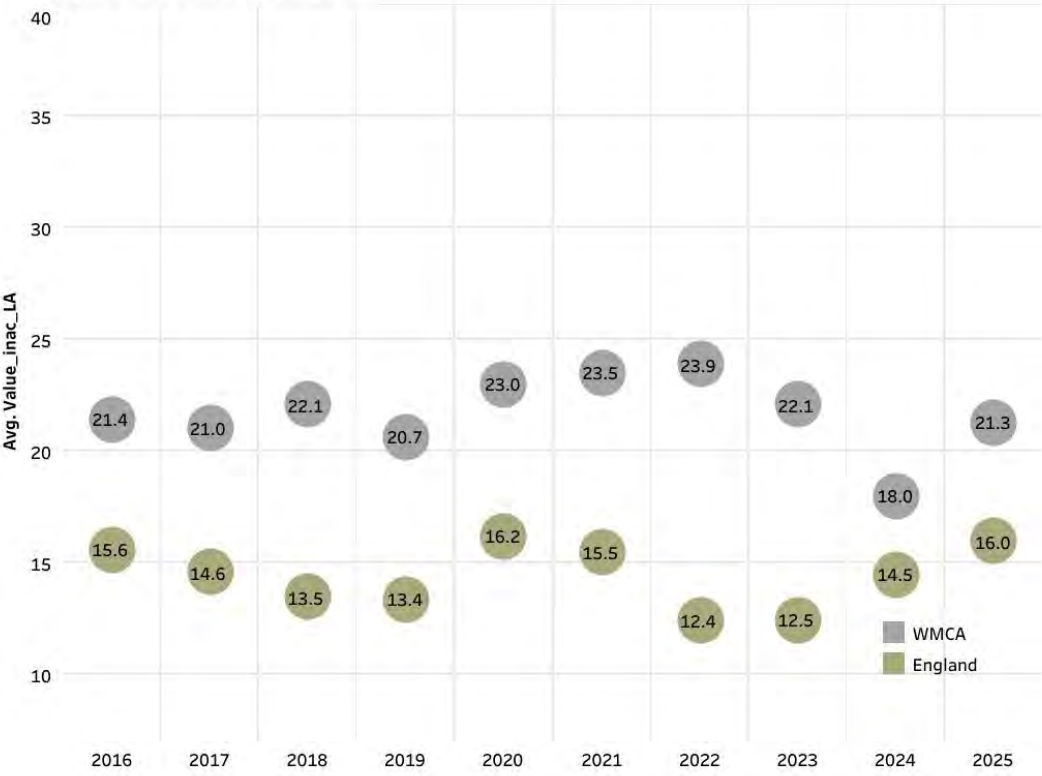


Figure 2.1: Unemployment rate among 16–24-year-olds, WMCA and England, 2016–2025. Source: Ramcharan (2026), Annual Population Survey.

Figure 2.1 illustrates youth unemployment rates for the WMCA and England from 2016 to 2025. The WMCA rate has consistently exceeded the England average throughout this period, running at around 20–24 per cent compared with 12–16 per cent nationally. Both series show a peak around 2021–2022 following pandemic disruption; there was a period of improvement between 2022 and 2024, but by 2025 rates had risen again – the WMCA area to 21.3 per cent and England to 16.0 per cent – returning broadly to the levels seen before the brief post-pandemic recovery. The structural gap between the WMCA and the England average has narrowed over the full ten-year period but remains above the national average. Claimant data reveals that of claimants aged 16–24 years around two-thirds are in the 18–21 age group, so highlighting that the challenges facing young people extend beyond those leaving school.

The Work Foundation describes place as a ‘multiplier’: a young person facing identical individual risk factors will fare worse in a post-industrial West Midlands locality, not because of personal choices or capabilities, but because the local economy generates fewer opportunities and local services operate under greater pressure.⁸ Understanding why requires looking at how the pressures documented elsewhere in this review translate into specific, measurable disadvantage at regional and local level.

2.3.1 Educational attainment

Educational attainment is the starting point. Attainment 8 scores (a measure of secondary school pupil performance calculated from grades in eight GCSE-level subjects) vary substantially across the seven local authorities: Solihull consistently performs above both the WMCA and England averages, while several authorities remain below both benchmarks. Alongside Solihull, Birmingham is one of the strongest performers in the region⁸ (Figure 2.2). Educational attainment varies by school and location, reflecting socio-economic and other factors.

Ranking LAs in Attainment 8 score

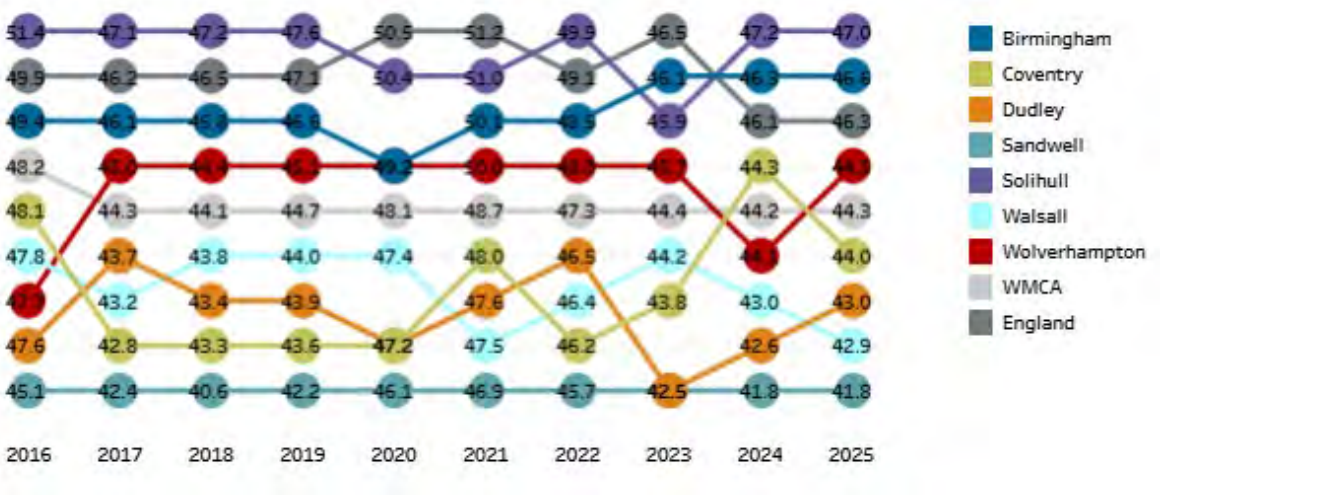


Figure 2.2: Ranking of WMCA local authorities by Attainment 8 score, 2016–2025. Source: Ramcharan (2026).

Figure 2.2 shows Attainment 8 scores for all seven WMCA local authorities and England from 2016 to 2025. The chart illustrates a notable upward shift in 2020 and 2021, reflecting teacher-assessed grades during the pandemic; the return to formal examinations from 2022, produced a sharp drop.

Educational performance is among the strongest predictors of later employment outcomes: around half of 18 to 25-year-olds without Level 2 qualifications have spent time NEET.⁶ Where the attainment gap within a region is wide, the risk of sustained disengagement is correspondingly concentrated – and in the West Midlands that concentration falls on the same local authorities that already face the most acute labour market pressures. The NEET data follows a similar pattern of uneven distribution and recent deterioration. Where elevated NEET rates persist, the evidence points to a combination of constrained local labour market opportunities, limited transport connectivity, insufficient educational support and entrenched socioeconomic disadvantage – factors that interact with and reinforce one another (Figure 2.3).

Ranking LAs in percentage NEET

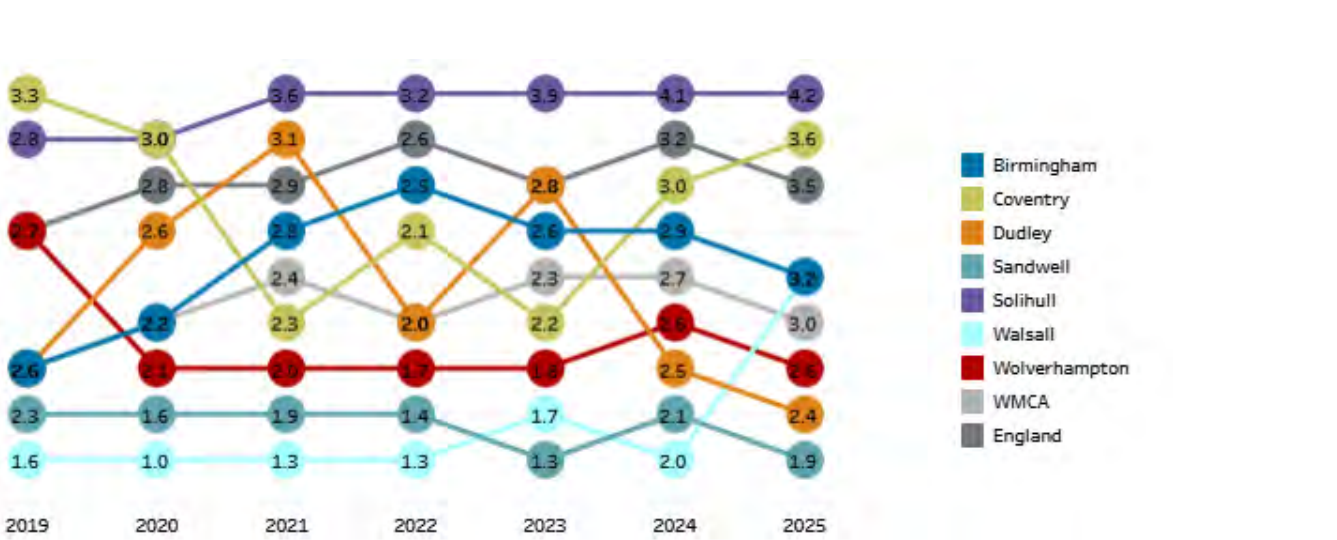


Figure 2.3: Ranking of WMCA local authorities by percentage NEET (16–17-year-olds), 2019–2025. Source: Ramcharan (2026).

Figure 2.3 shows NEET rates among 16 to 17-year-olds also vary across the region, but not in step with attainment: some higher attaining authorities record higher early NEET rates, a reminder that disengagement is driven by a wider set of factors than school results alone.

Universal Credit (UC) data shows that the challenges facing young people in the region extend beyond unemployment into a wider pattern of economic insecurity. Claimant numbers across the WMCA rose sharply after the pandemic and remain well above pre-2020 levels, with Birmingham recording the highest absolute numbers and Sandwell and Coventry showing particularly large proportional increases. A significant and growing share of UC claimants are in work, which suggests the problem facing many young people in the region is not the absence of employment but the inadequacy of its terms: low wages, insecure hours, underemployment and income volatility that leaves households financially precarious even with earnings. Young people aged 16–24 experienced the sharpest initial increase in UC claims during lockdowns, consistent with their concentration in the hospitality and retail sectors most directly affected. Some subsequent cyclical recovery is visible, but the underlying structural conditions, such as declining starter jobs, insecure contracts, sector contraction, have not improved.¹⁸

2.3.2 Ethnicity and geography

There is an additional dimension of ethnic inequality. Ward-level analysis for Birmingham shows that wards with higher proportions of Pakistani, Bangladeshi and Black residents consistently record higher UC claimant rates, a gap that widened after the pandemic and remained elevated through to 2025–26. The Milburn Review provides national corroboration: Black, African and Caribbean young people recorded the highest NEET rates of any ethnic group at 15.2 per cent in 2024, and unemployment rates for Pakistani and Bangladeshi adults are three times higher than for White British adults across all ages.⁶ Ethnicity and geography together compound this effect in parts of Birmingham to a degree that makes targeted, place-sensitive policy a necessity. This would also apply across other local authorities in the WMCA area.

2.4 The AI dimension

The pace at which these trends translate into job losses is being accelerated by AI. Estimates of displacement vary in their assumptions but point to a similar direction of change. The Tony Blair Institute for Global Change estimates that AI could ultimately displace between one and three million UK jobs, offset over a longer horizon by AI-driven growth in knowledge-intensive sectors.¹⁹ IPPR’s more granular analysis identifies that 11 per cent of tasks across all UK jobs are already exposed to AI automation, with a second wave if employers adopt AI more deeply potentially affecting up to 59 per cent of tasks and displacing 4.4 million jobs.²⁰ A survey of over 1,000 UK firms found that 79 per cent had adopted new technologies for both physical and cognitive tasks between 2020 and 2023; of these, 55 per cent reported job elimination alongside 78 per cent reporting job creation, indicating that displacement and transformation are occurring simultaneously.²¹

The critical issue for young people is the distribution of these effects. Routine cognitive roles, traditionally the gateway into work for young people, face the highest automation exposure.¹⁰ AI is expected to further reduce entry-level positions in both graduate and non-graduate occupations²², and ONS analysis confirms that young people are in jobs at greater risk of automation than any other age group.²³ More recent surveys find that 27 per cent of businesses expect administrative and clerical roles to be most impacted by AI, with creative and design roles (23 per cent) and data analysis (19 per cent) also prominently cited²⁴ – occupational groups in which young people and recent entrants are heavily represented. Employer responses in The Rigby Foundation Employer Survey to the question of which job roles they expect to experience the most losses as a result of AI and technological change reveals that administration and administrative roles are most at risk, followed by entry-level roles, finance, sales, marketing and analysis functions. The prominence of ‘entry level’ as a distinct category in its own right is telling: employers anticipate losing junior roles as a category, not only specific functions. As one adviser put it, contact centre and entry-level roles are increasingly being taken over by AI agents, making it harder for young people to access the bottom rungs of career pathways and develop the confidence, communication skills and workplace expectations that progression requires.

The regional dimension of AI-driven change deepens the disadvantage facing the West Midlands. London hosts 40 per cent of the UK’s AI workforce and start-ups, with employment in knowledge-intensive sectors running at twice the national average. The ‘golden triangle’ of London, Oxford and Cambridge received 85 per cent of venture capital investment in 2020, while regions such as the West Midlands lag behind in access to the high-productivity roles that AI is creating.²⁵ The West Midlands already trails the England average across multiple skills measures, and the polarising effects of AI-driven economic growth risk deepening this structural disadvantage.²⁶ Advisers interviewed for this review identified this dynamic as a central concern, warning of “a massive divide in the haves and the have-nots” that AI will widen further, particularly for young people in areas with limited exposure to digital industries and careers.



Figure 2.4: Job roles expected to see most increases due to AI and technological change (employer survey word cloud). Source: The Rigby Foundation Employer Survey (2026)

The job roles employers in The Rigby Foundation Employer Survey expect to grow, shown in Figure 2.4, cluster around AI, data and technical functions, but also data governance, data compliance, product design and risk functions. The specificity of employer responses, with data governance, compliance and risk cited alongside core technical AI roles, suggests that growth will extend across data-adjacent professional roles. These are precisely the roles that require technical literacy combined with professional judgement, communication and institutional knowledge, and preparing young people to access them is a central challenge for the skills system.

City+REDI modelled what the combined trajectory of sectoral contraction and AI disruption means for the region, using its Spatial Economic Impact Model for the UK. Under a conservative scenario of a one per cent annual fall in demand for hospitality and retail, modest relative to actual recent trends, economic output loss in the West Midlands reaches £537 million in 2025, and compounds to £3.1 billion by 2030. Employment falls by 5,100 full-time equivalent (FTE) positions in 2025, and to 27,600 FTEs by 2030, approximately one per cent of total regional employment, with the heaviest losses among craft and related trades and elementary occupations such as waiters (minus 5,200 FTEs), precisely the roles in which young people are concentrated. A separate AI disruption scenario, modelling a 40 per cent demand shock in administrative and support activities, places a further 7,550 FTE positions at risk nationally, 3,450 of them in the West Midlands.²⁷

Displacement of jobs is only part of the AI story. AI literacy is increasingly a skill employers expect, but one that young people are not reliably developing. A Department for Education study found that while 77 per cent of 13 to 18-year-olds used generative AI in 2024, 79 per cent used AI for homework without adding their own thinking.⁶⁸ At the same time, AI is making the capabilities it cannot easily replicate, such as communication, collaboration, creative thinking and problem-solving, more valuable. As noted earlier, these are strongly associated with higher attainment, meaning that those already faring well in education are more likely to possess the critical thinking skills needed to use AI effectively, potentially widening existing inequalities. One adviser captured the balance well: “Think of AI as an unskilled new apprentice that you’ve just brought in. Never take it on its word. Always fact check. Always be curious about using other data sources to triangulate something if you’re trying to make decisions”. Young people who develop this critical relationship with AI will be better placed in the labour market; those who use it uncritically, or not at all, face a growing disadvantage.

2.5 Work experience and essential skills

The competencies identified as most critical to employment by 2035 are communication, collaboration, creative thinking, information literacy, organising, planning and prioritising, and problem-solving¹⁰, along with digital and data skills, the application of knowledge and mental-process capabilities.²⁸ Employers consistently report wanting recruits who can work effectively with others, engage confidently with customers, take initiative and demonstrate accountability.⁹ Notably, they do not identify literacy or numeracy deficiencies as their main concern; the gaps they cite most consistently are in workplace/life experience, motivation and soft skills.²⁹

The evidence on the benefits of early work experience is substantial and operates at several levels. Young people who combine work with full-time education are 4 to 6 per cent less likely to become NEET five years later, and earn 12 to 15 per cent more, than those without such experience.³⁰ Similarly, internships increase the probability of securing an interview by up to 19 per cent³² and sandwich degrees reduce the employment gap between widening-participation and non-widening-participation students from 10 per cent to 2 per cent.³² Countries in which large numbers of young people undertake apprenticeships or work-based learning consistently record lower rates of youth disconnection and smoother transitions from school to employment.³³

As one adviser put it, not offering work experience is akin to expecting young people to have “a driver’s licence without having any lessons”.

Despite this evidence, work experience provision in England has contracted sharply over the past decade. Employer placements for school students fell from 19 per cent to 7 per cent between 2019 and 2021, and only 4 per cent of small businesses surveyed reported any relationship with a school in 2021.³⁴ Small business engagement with local education and skills organisations nearly halved between 2019 and 2022, from 33 per cent to 17 per cent³⁵, and entry-level apprenticeship roles have fallen by 72 per cent since 2014.³⁶ The decline extends to part-time employment routes, with the disappearance of the Saturday job linked to a “lost generation” lacking foundational employability competencies.³⁷

Interviews conducted with employers and Advisory Group members emphasise how many employers in Birmingham face challenges in offering work experience, driven by operational pressures, regulatory requirements, and wider policy constraints. As one adviser highlighted, businesses are often “running on margins which are relatively small and every minute is precious,” leading to a catch-22 that “staff time to observe, monitor, mentor somebody on the job is... considered as time lost,” alongside concerns about health and safety in sectors such as hospitality. At the same time, administrative burdens including health and safety and insurance requirements, as well as the time required to plan and host students were identified as key barriers. One employer observed that opportunities have reduced compared to the past, stating “you’re lucky if you get two days now,” limiting young people’s exposure to the workplace. Many smaller businesses were suggested to be willing to engage but lacking the capacity to navigate administrative requirements. As one adviser noted: “they’d probably need some support around the admin... the health and safety elements... knowing what’s the right regulation... some sort of hand-holding... would be really helpful.” Schools surveyed by The Rigby Foundation described challenges including young people lacking relevant connections to find work experience placements, companies not taking young people for work experience, and some students not taking work experience seriously or being willing/able to travel. Collectively, this highlights the need to both make it easier for employers to engage and to see the advantages of offering work experience, while also preparing young people to be ready to benefit from these opportunities.

The Work Foundation documents young people describing entry into the labour market as a circular problem, in which experience is needed to secure a job and a job is needed to build experience.⁸

This reflects a structural breakdown between education and employment, compounded by limited awareness of the programmes designed to bridge it. A 2021 survey of over 200 businesses in Birmingham found that 82 per cent were unaware of Sector-based Work Academy Programmes, 83 per cent unaware of WMCA digital bootcamps, and 77 per cent unaware of National Careers Service initiatives.³⁸ The economic barriers to accessing work experience for young people are often practical. One focus group participant said: “Having public transport nearby is important. The cost of having a car is something you can’t get straight away. So, you would have to get paid first, save, and then be able to get access to other forms of transport”.

These inequalities in access to work experience are reflected in employer perceptions of work readiness. The Milburn Review documents employers’ concerns about a generation perceived as less prepared for the workplace: many young people arrive with anxiety, low confidence and, in some cases, health needs that smaller firms are not equipped to support.⁶ The financial case for employers to prefer older, more experienced workers has been heightened by recent policy changes. The IFS finds that the combined impact of the April 2025 minimum wage increase and changes to employer National Insurance Contributions (NICs) has increased the cost of hiring 18–20 year-olds by over 12 per cent in real terms, compared with around 7 per cent for full-time workers aged 21 and over on the National Living Wage. However, the increase for 18–20 year-olds is likely driven by the substantial rise in the minimum wage for this age group, as most under-21s are exempt from employer NICs because their earnings threshold is £50,270 per year.³⁹ Faced with this, employers tend to favour older, more experienced workers, leaving younger candidates systematically disadvantaged at the point of hire.

2.6 Aspirations, awareness, qualifications and the reality of the labour market

The structural pressures set out above, the impact of AI, the decline in work experience, and the gap in essential skills, feed a widening mismatch between what young people aspire to, the knowledge, skills and behaviours they develop through education and training, and labour market needs. Figure 2.5 shows how elements of the ‘expectation gap’ between young people’s awareness and aspirations, and employers’ expectations, evolve.

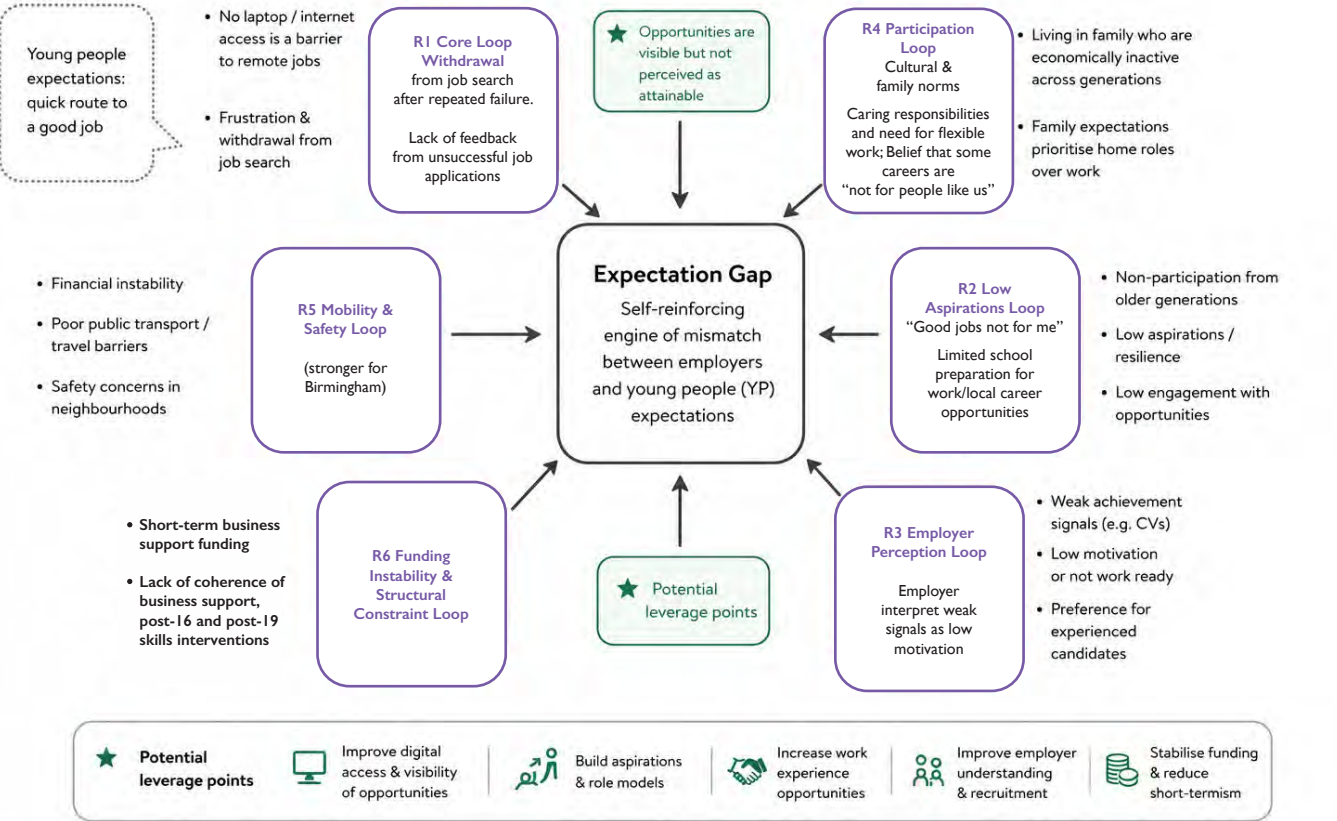


Figure 2.5: Mismatch between young people’s and employers’ expectations (Source: developed by Ramcharan)

The following sub-sections examine each dimension of this mismatch in turn: aspirational and qualification mismatches, the role of social background in shaping outcomes, and insights from focus groups with young people in Birmingham and at South and City College Birmingham.

2.6.1 Aspirational mismatch

Narrow aspirations

Aspirations are often narrow. Half of UK teenagers still aspire to just ten professions, most commonly doctor, actor or lawyer, despite the changing shape of the labour market. Analysis indicates a mismatch between teenagers’ aspirations and the jobs experiencing the strongest growth, particularly in digital, computing, data science and renewable energy sectors.⁴⁰ Misaligned aspirations carry long-term employment consequences. A review of 19 longitudinal studies conducted by the OECD, found that teenagers who lack clear or well aligned expectations were more likely to experience lower-quality employment in later life, regardless of academic performance, socioeconomic status, gender and migrant background.⁴¹

(Un)awareness of local opportunities

The focus group research conducted for this review illustrates partial awareness of opportunities at the local level. Among Year 12 students at the University of Birmingham School – all high-aspiring and aiming towards university or degree apprenticeships – there was a striking consensus that Birmingham offered fewer professional opportunities than London, with several students intending to leave the city after graduation. As one put it: *“The opportunities in London are just so much better... in Canary Wharf there are so many more prominent companies as opposed to in Colmore Row.”* That perception is at odds with the reality of Birmingham’s substantial professional services sector, but it shapes young peoples’ consequential choices about where to study and work.

Qualification mismatch

Around half of 25 to 29-year-olds now hold degree-level qualifications – up from 28 per cent twenty years ago – yet graduate employment in high-skilled roles has fallen from 75 per cent in 1992 to 68 per cent in 2022.⁴² England is now among the most overqualified workforces globally, with 37 per cent of workers employed below their qualification level. Overqualified workers face an 18 per cent wage penalty compared with well-matched peers, and experience lower job satisfaction, slower wage progression, fewer advancement opportunities and higher propensity to leave.⁴³ Further research finds that 23.4 per cent of graduates in non-graduate jobs are employed in low-skilled occupations. The authors suggest that these graduates may be overqualified but not overskilled, implying that formal qualifications do not necessarily correspond to the skills utilised in the labour market.⁴⁴

The skills gap is intensified by sharp declines in technical qualifications and a widening digital skills deficit. GCSE IT entries have fallen by 43 per cent since 2016; Level 3 technical IT qualifications dropped by 33 per cent between 2015 and 2020; and ICT apprenticeship roles fell by 56 per cent between 2015/16 and 2020/21. This has occurred despite 60 per cent of employers expecting increased reliance on digital skills within five years and 95 per cent anticipating growing digital skills needs overall.⁴⁵ The 2024 Employer Skills Survey found that 27 per cent of vacancies remain hard to fill due to skills shortages and only 34 per cent of employers rate further education colleges as effective in meeting current needs, falling to 25 per cent for future needs. Low levels of essential skills cost the UK economy an estimated £22.2 billion annually, and young people with stronger essential skills are 25 per cent less likely to be out of work or education.⁴⁶

Skills and attributes beyond qualifications

Many capabilities valued by employers – digital competencies, adaptability, project-based learning

and interpersonal skills – are developed outside formal educational pathways but are not reflected in qualifications. Young people who acquire these capabilities through work experience, self-directed learning, volunteering or community engagement lack the credentials to signal them to employers and, increasingly, to algorithmic recruitment systems. This connects directly to the work experience deficit discussed earlier: it is not only that young people are missing out on work experience as an end in itself, but that the capabilities it generates are the ones employers most want and the system is least equipped to recognise.

The employer survey conducted for this report provides direct regional evidence of how demand for skills is shifting among employers in Birmingham and the West Midlands. Figure 2.6 presents responses on which skills have become most important over the past two years. AI skills – defined as the ability to use AI safely for business tasks – were cited by the most respondents followed by management and leadership, self-management, advanced digital skills, sales and customer service skills, and elementary digital skills. These findings align with evidence gathered for the West Midlands 2026 Local Skills Improvement Plan (LSIP2), including for young people specifically, where employers placed particular emphasis on work readiness, soft skills and digital capabilities.

Together, the profile reinforces the argument above: the skills the market most values – AI literacy, self-management, interpersonal capability – are precisely those least reliably developed or recognised by the current system.

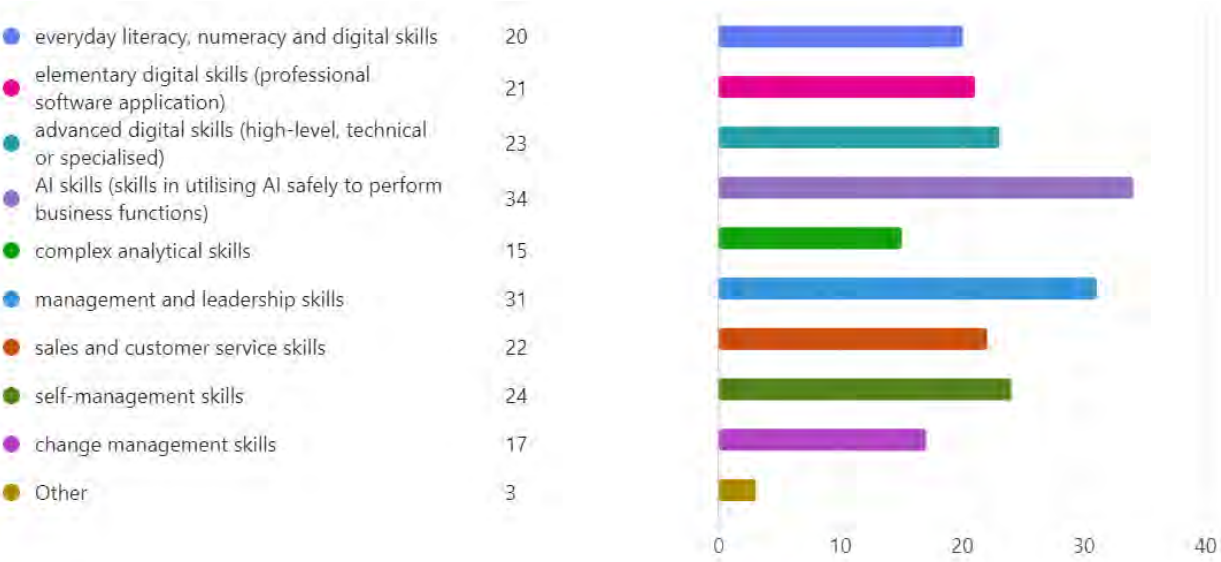


Figure 2.6. Skills that have become more important to employers over the past two years (number of respondents). Source: The Rigby Foundation Employer Survey (2026).

The same survey is clear that the barriers are practical rather than a reflection of how employers regard young people themselves. Asked about the benefits of hiring young people, employers pointed to energy, fresh thinking, new perspectives, talent and future potential. The challenge is not employer indifference, but a system that fails to connect employer appetite with the potential young people bring.

Many of the capabilities employers value, including adaptability and interpersonal skills, are developed outside formal education through work, volunteering or community life, and are not readily captured by qualifications. Young people who acquire them often lack the credentials to signal them to employers and, increasingly, to algorithmic recruitment systems. The development of the UK Standard Skills Classification⁴⁷ marks a step forward in the development of a shared language for describing and recognising employability skills, including those gained outside paid work;⁹ but until that language exists and is widely adopted and deployed, much of young people’s genuine capability will remain invisible to the systems that make hiring decisions.

2.6.2 Social Background

The Milburn Review finds that young people from working-class backgrounds record a NEET rate of 22 per cent, compared with 9 per cent for those from higher professional backgrounds, and that this ratio has not narrowed in a decade.⁴⁸ Almost 30 per cent of those who lived in a household at age 14 where nobody was earning are themselves NEET.⁶ Longitudinal evidence indicates that over half of instances of being NEET aged 17, were attributable to persistent exposure to poverty and family adversity. The roots of the readiness gaps run deep: children who are not school-ready at ages 4 to 5 are nearly three times as likely to be NEET at 16 to 17.⁶ This highlights the importance of ongoing work promoting early intervention focusing on children in younger age groups potentially at risk of NEET.

Dynamics are reinforced at the level of aspirations and pathways.⁴⁸ This has been described as a ‘glass ceiling effect’ that operates not through discrimination but through the limits of social imagination: *“The opportunities might be there, but if no one in your immediate family or social circle do that sort of thing, you haven’t seen it, so you don’t believe you can be it”*.⁶ PISA 2022 data also shows that 34 per cent of students in the least advantaged quartile are career-misaligned, compared with 11 per cent of those in the most advantaged quartile.⁴¹

These mismatches are not evenly distributed. Vocational and technical routes, which offer some of the clearest lines of sight to certain growing occupations, remain poorly understood by many young people and their families. Applying to University is often a better-known route. Where information is weak, decisions default to the familiar. This could mean a narrow set of visible local jobs for some young people and their families.

The consequence is a labour market in which capable young people are simultaneously over-qualified for the work they can find and under-prepared, in the eyes of employers, for the work that is growing. Closing that gap depends less on raising aspiration in the abstract than on making the full range of routes visible, credible and navigable, a theme returned to in Section 4.

2.7 Recruitment in the age of AI

Even where young people have the motivation, qualifications and skills, recruitment processes have themselves become a barrier. AI is now embedded across recruitment, from CV screening and online testing to video analysis and algorithmic ranking.⁴⁹ This raises fundamental concerns about digital inequality: candidates unfamiliar with these tools, or disadvantaged by their design, face barriers that may be invisible to them. Selection models trained on historical data may systematically disadvantage underrepresented groups, amplifying existing gender and social inequities unless actively addressed through deliberate design.⁵⁰ Systems that rely heavily on formal qualifications may screen out capable candidates whose strengths lie outside traditional credentials.²⁸

The lived experience of these barriers is documented by the Work Foundation’s focus groups and the Milburn Review. Young people described job searching as ‘a complex, multi-layered, and often demoralising’ encounter with systems designed, it felt to them, to deter rather than to select.⁸ Some platforms do not allow applicants to create a profile without formal qualifications; managing accounts across multiple platforms was time-consuming and often futile; and jobs were often listed after being filled.

The most consistent complaint was not rejection but silence. As the Milburn Review records, young people apply for dozens, sometimes hundreds, of roles and hear nothing back; as one young woman in Cardiff put it, the problem is that you are not getting responses, so you do not know what to improve.⁶ The psychological consequences of this experience are significant and insufficiently recognised in policy discussions. The same dynamic also presents a challenge from the employer perspective: the volume of applications generated by AI-assisted tools means that employers in high-demand roles are increasingly overwhelmed by applications, making it harder to identify suitable candidates and further reducing the likelihood of young people without established credentials receiving meaningful consideration.

2.8 A system that struggles to guide

Careers guidance in England is fragmented, uneven in reach and poorly aligned with the labour market. The activities most strongly linked to good outcomes are well evidenced internationally: structured career conversations, workplace visits, volunteering and part-time work all predict better employment by the mid-twenties. Yet participation is low and uneven. PISA 2022 data across OECD countries shows that by age 15, only 45 per cent of students have visited a workplace or completed job shadowing, 35 per cent had attended a job fair, and 35 per cent had completed an internship, with most reporting these experiences only once.⁴¹

Research by the University of Warwick shows that young people in the West Midlands region frequently lack clarity about emerging technical sectors, relevant entry routes and employer expectations, even where their aspirations are broadly aligned with growing areas of the economy.⁵¹ Careers guidance provision has too often over-emphasised qualifications while relying on outdated labour market information⁵². Nationally only 1 per cent of young people surveyed received any advice on labour market trends or salaries at school, and only 1 per cent received support in applying for apprenticeships²⁹. Where careers services are weak, responsibility passes to families at exactly the point when family networks are least able to help. 67 per cent of NEET young people surveyed believed the curriculum had not prepared them for work, 81 per cent felt education was too focused on exams, and more than half said the system did not suit people like them.⁶

The Work Foundation identifies a further dimension of the guidance crisis. For young people who have experienced institutional let-downs, hesitation or reluctance to re-engage with careers services should not be interpreted as a lack of aspiration. For many it is the legacy of earlier institutional failings, not an expression of indifference to the future.⁸ Mental health is now central to this picture. Some 30 per cent of young jobseekers say anxiety is a barrier to work, and the proportion of NEET young people reporting a long-term health condition has risen by 70 per cent over the past decade.⁷ A careers system that does not account for this cannot reach those who need it most. Birmingham City Council (referred to subsequently as ‘the Council’) is well-positioned to address the need for integrated services to support health conditions across directorates and with the Integrated Care Board, including through ongoing work with the East Birmingham and North Solihull Mayoral Development Zone (MDZ).

2.9 The cost of inaction

Left unaddressed, these pressures carry a measurable price, as highlighted by the City-REDI modelling set out above. Nationally, Skills England projects that demand for key occupations in priority sectors will rise by nearly a quarter over the next decade, and warns that the education pipeline alone cannot meet it; AI driven skills shortages could cost the UK economy an estimated £120 billion by 2030.⁵³



The cost of disengagement compounds this. The Milburn Review estimates the cumulative annual cost of over one million NEET young people at £125 billion, and forecasts that, without systemic change, the NEET rate could exceed 16 per cent – more than 1.25 million young people – within five years.⁶ The review does not provide specific regional costs but highlights the West Midlands as a hotspot for entrenched youth exclusion. Analysis by PwC emphasises if West Midlands NEETs were to join the labour force, they could potentially add £100m to the GDP.⁵⁴

These national costs are ultimately the aggregate of individual losses. A 24-year-old who re-enters work after a period NEET can still lose up to £300,000 in lifetime earnings, and sustained time out of work can cost over £1 million, with lasting effects on wages and job stability.⁵⁵ The longer disengagement lasts, the harder it is to reverse: of those NEET for less than a year, 65 per cent return to participation the following year, but of those NEET for more than a year, only 25 per cent return.

Around 314,000 young people in England are not in work or education, not claiming benefits, and not known to services that could support them. The NEET rate has not fallen below 10 per cent in twenty-five years, and by 2025, the UK recorded one of the highest youth NEET rates in Europe. The Milburn Review is direct about where responsibility lies: *“Young people are not to blame. Institutions that should have provided opportunities to them are the ones that have failed.”*

Birmingham and the West Midlands nonetheless start from real strengths: a young and diverse population, a growing professional and industrial base, a new deeper devolution settlement that strengthens adult skills investment already under regional control, and, as the focus groups for this review show, young people with clear aspirations and a strong desire to participate in the labour market. The evidence here sets out the conditions preventing that participation. The remainder of the report turns to how they can be changed.

Only 34 per cent of employers rate further education colleges as effective in meeting current needs, falling to 25 per cent for future needs.



‘The opportunities might be there, but if no one in your immediate family or social circle do that sort of thing, you haven’t seen it, so you don’t believe you can be it.’

FROM STAKEHOLDER WORKSHOP
CITED IN MILBURN REPORT

‘As an officer of Birmingham City Council, and an adviser to this important piece of work, I welcome its focus on the systemic issues faced by our young people across the employment and skills landscape. We must ‘join the dots’ to provide pathways to good employment for our young people, jobs created through the investment we see across our great city, only this way can we truly maximise its potential and deliver true inclusive growth.

The collegiate approach recommended is essential as it will take the utmost effort from all partners to ensure change in this space – but we are all up for the fight.

The timing of this work could not be better, aligning to the work of the Milburn Review into Young People and Work and its recommendations due in the autumn, but this also affords us an opportunity to go further, to intervene earlier and to focus our support where it’s needed most. Let us grasp this opportunity together.’

SPENCER WILSON,
BIRMINGHAM CITY COUNCIL AND ADVISORY GROUP MEMBER FOR THIS PROJECT



The policy context and response

3.1 Overview

This section sets out the national, regional and local policy context and response to youth non-employment and the routes into good, sustainable employment. The broad context is the changing labour market described in Section 2, together with rising economic inactivity in which young peoples’ mental health features more strongly than before.⁵⁶ Non-employment is influenced by individual characteristics, but also by poverty, family experience and local opportunity. What happens locally matters alongside national policy. There is substantial evidence that early unemployment leaves lasting damage to lifetime earnings, health and wellbeing.⁵⁷

Policy responses fall into four broad categories:

- active labour market measures such as job search support and work experience;
- skills and education reform, including apprenticeships and technical education;
- place-based strategies tailored to local need; and
- partnerships with civil society delivering intensive relational support.

How these work together matters as much as the measures themselves.

3.2 The national context

3.2.1 Policy direction

Concern about young people’s skills and employment sits within wider agendas on growth, opportunity and productivity. The Post-16 Education and Skills White Paper⁵⁸ positions a strong skills system as essential to national growth, higher wages and a resilient, future ready workforce. Skills England – the national skills agency – has been tasked with analysing skills needs and shaping funding, with a focus on shortage sectors. Its Annual Skills Report 2026 sets out priorities of:

- addressing skills shortages
- maximising employer investment
- responding to AI
- supporting young people’s employability, and
- building a more responsive, locally integrated system.

It notes that formal education does not always equip young people with transferable skills, and that capabilities gained through everyday experience are hard to articulate to recruiters, hence its commitment to a shared language for describing and recognising employability skills. The Skills England Annual Report also underlines the need for high quality work experience.

3.2.2 Whole system reform

These priorities chime with the Government’s aim, set out in the Milburn Review⁶, of reducing the number of young people who are NEET. The report argues that the UK faces a structural youth labour market crisis:

- NEET levels exceeding one million, with health-related economic inactivity emerging as a key factor.
- Declining entry level opportunities and increasingly automated, impersonal recruitment.
- Fragmented and under-resourced employment, skills, health and youth support systems – with no single organisation having overall accountability for successful transitions into training and work.
- Public spending skewed towards benefits rather than learning and earning support.

The diagnosis points to whole system reform rather than piecemeal intervention. Commentators have largely endorsed this, while stressing the need for swift action, a stronger employer role and better routes for progression into and within employment. There is a general consensus about the need for a Youth Guarantee (so that young people have access to further education, apprenticeships, training or subsidised paid work), integrated health and employment support, better funded and more joined-up local systems and reinvestment in youth work and preventative services. However, questions remain about how a Guarantee that relies on the private sector is designed, given the absence of incentives to encourage employers to offer work experience and entry level roles. The Milburn Review is now in its solution phase and is due to report later in 2026.

3.2.3 Selected national policies

Apprenticeships and the Growth and Skills Levy

Apprenticeships are a key route for developing vocational skills. They are paid jobs combining on the job and off the job training, available from age 16 and at a range of levels. The Apprenticeship Levy, introduced in 2017 at 0.5 per cent for companies with a payroll of at least £3 million, was intended to lift the quantity and quality of apprenticeships, and in doing so placed employers more firmly in the driving seat of skills investment decisions. In practice, this coincided with growth in higher and degree level apprenticeships and a decline in apprenticeship take up among 16 to 24-year-olds at Levels 1 and 2. As of 2025, under 19s account for only around 21 per cent of apprentices and under 25s 27 per cent. From 2025, the levy was replaced by the Growth and Skills Levy. Reforms are also withdrawing funding from leadership and management apprenticeships designed for older, more experienced workers and introducing Foundation apprenticeships for 16 to 24-year-olds starting out in their careers. These reforms are still being implemented and remain, for now, largely restricted to apprenticeship units rather than the wider flexibility employers have called for. The issue is that they do not go far enough to create genuine entry routes for young people.

Effectiveness will depend in part on how well they interact with wider policies, including the Youth Guarantee, and whether they successfully incentivise employers to invest in new entrants rather than existing staff – using levy investment to create progression and free up entry level opportunities for young people.

Youth Guarantee

In response to rising NEET levels, the Get Britain Working White Paper pledged to establish a Youth Guarantee giving young people access to further learning, and help to get a job or an apprenticeship.⁵⁹ In 2025, the Government allocated £45 million for eight trailblazer areas, WMCA among them, ahead of national rollout. As of March 2026, the programme has assisted 1,336 young people. Subsequently funding has been announced for three years from 2026/27 for the following components:

- A Jobs Guarantee Gateway offering six months of paid work experience to eligible 18–21 year-olds who have been receiving Universal Credit (UC) for 18 months without earning or learning.
- Youth Guarantee Gateway providing UC claimants aged 16–24 with a dedicated support session plus four additional weeks of intensive support.
- A guaranteed college or further education provider place.
- Youth hubs – community spaces where young people aged 16 to 24 can access employment support, skills training, and wider services to help them into work.
- Additional work experience placements and additional places on Sector-based work academies (SWAPs) for UC claimants to receive pre-employment training, work experience and potentially a job interview.
- Apprenticeships are being changed to encourage employers to take on young apprentices.

In March 2026, the government announced further measures described as a New Deal for Young People, including extension of the Jobs Guarantee to all 18- to 24 year-olds, a Youth Jobs Grant of £3,000 to employers, and a new apprenticeship incentive for smaller firms. Concerns remain about the narrowness and lack of flexibility of the Youth Guarantee, with some lots focused specifically on 18–21 year-olds.

Work experience

The term covers any structured time in a workplace that builds skills or insight – from the traditional Saturday job to internships. The current position is a mix of statutory duty, non-statutory expectation and a clear policy direction towards a universal entitlement. The Get Britain Working White Paper introduced an entitlement to two weeks, or 50 hours, of work experience for all school and college students in England. This guarantee is a policy-backed commitment rather than a statutory duty, with schools expected to plan towards full implementation, supported by the Careers and Enterprise Company and Careers Hubs.⁶⁰ Statutory guidance also sets expectations across Years 7 to 13 and aligns college provision with the Gatsby Benchmarks, including the benchmark that every learner should have first-hand experience of workplaces.⁶¹

The reality falls short of the ambition. Provision is often a single week that may not suit employers, many of whom no longer work a five-day on-site week, meaningful engagement is limited. In practice, our school survey suggests that particularly in resource constrained schools, young people can be expected to source their own placements, which can reinforce inequalities in access. No financial provision is offered to employers. According to the Youth Voice Census only 34 per cent of young people in the WMCA area had undertaken work experience in the last 12 months, albeit this is higher than 26 per cent nationally: 41 per cent of young people in the West Midlands thought employers were very unsupportive or unsupportive of hiring young people compared with 35 per cent nationally, and, only 38 per cent in the West Midlands were very confident or confident that they had the right skills for finding work compared with 47 per cent nationally.

Youth services

A National Youth Strategy, co-designed with young people and published in December 2025, aims to improve coordination of youth services, shift decision-making towards young people and their communities, and rebuild a thriving, sustainable youth sector.⁶² It involves three major shifts: from national to local, from fragmented to collaborative, and from excluded to empowered. A central element is the establishment of Young Futures Hubs – inclusive, youth-led spaces bringing together youth work, mental health, employability, community safety and voluntary services, with particular attention to young people at risk of poor mental health or criminal exploitation, designed to integrate with the existing DWP youth hubs.

Health and work

Running through these programmes is a growing recognition that health, and mental health in particular, has become central to youth non-employment. A rising share of young people who are NEET report a work-limiting condition, and national policy is beginning to integrate employment support with health support rather than treating them separately, through measures such as Connect to Work and the proposed reform of jobcentres into a combined jobs and careers service integrating the National Careers Service. The direction is towards earlier, more joined-up support that meets young people where they are, but the funding and the accountability for delivering it still sit in different places, which is part of the coordination problem examined later in this report.⁶³

3.3 The regional and local context

3.3.1 Devolution and local skills planning

Employment and skills policy has been increasingly devolved in recent years, with national frameworks providing scale and funding and greater local tailoring to labour market need. The first WMCA devolution agreement in 2015 created the Combined Authority and a directly elected mayor with powers over adult skills, transport, economic growth and housing; subsequent deals deepened these, and in 2019, the Adult Education Budget was fully devolved to WMCA. The 2023 Trailblazer Single Settlement merged funding streams into a single, flexible multi-year pot, with enhanced powers to co-design and co-commission national programmes, albeit much Council funding is still secured in single year settlements. This Integrated Settlement provides the WMCA and local authorities with greater control over devolved spending including multi-year funding and is designed to enable more responsive investment in regional priorities and ability to align skills with regional economic priorities. In practice the WMCA now acts as coordinator and commissioner, aligning national programmes with local provision and employment demand.

The Local Skills Improvement Plan adds employer-led intelligence to this picture; aligned to the region’s high growth and everyday sectors, it includes digital, green, engineering, manufacturing, defence and health. The Plan stresses better essential skills and work readiness, stronger digital and green skills, clearer progression routes into technical careers, more exposure to employers and real workplaces especially for young people, and improved careers guidance linked to local labour market intelligence. Material gaps remain in private sector engagement and uptake of available offers.

3.3.2 WMCA priorities and policies

WMCA strategies frame youth non-employment as both a social justice and a productivity issue and seek to connect young people to emerging opportunities in the regional economy – including those set out in the West Midlands Growth Plan (see Table 3.1).

Since taking office in 2024, Mayor Richard Parker has prioritised the issue, launching a Youth Employment Plan to create 20,000 new opportunities over three years, alongside work to strengthen coordination, expand training and apprenticeship pathways and provide targeted support for young people with disabilities and health conditions. The WMCA increasingly uses its Young Combined Authority and youth advisory panels to shape policy. Table 3.1 summarises selected strategies and initiatives of particular relevance to young people’s transitions into work.

Table 3.1: Selected key WMCA strategies and Initiatives pertinent to young people, 2024–2025

Policy or initiative	Introduced	Description	Focus
West Midlands Employment and Skills Strategy 2024–27	Feb 2024	Framework for a joined-up regional employment and skills system to drive growth and improve outcomes for residents and employers, supporting devolved delivery. Objectives include inclusive communities, good education to at least Level 2, moving residents into work and progression, and meeting future higher-level skills needs.	Strategic coordination; adult skills
West Midlands Mayor’s Youth Employment Plan	Jul 2024	Flagship plan to create 20,000 work experience, training and apprenticeship opportunities over three years, with improved pre-employment training, and pre-apprenticeship training including guaranteed interviews and work coach support. YouthPath, launched in 2025 with Movement to Work, is a national innovator serving as main delivery vehicle for NEET young people aged 16 to 30.	Youth employment; training pathways
West Midlands Youth Guarantee Trailblazer	Apr 2025	One of eight government-funded trailblazers; the WMCA secured £5 million for an initial year, developed with local authorities who lead much of the delivery. In March 2026, the region became one of eight areas trialling the New Deal for young people.	Youth employment; apprenticeships
West Midlands Growth Plan	Jul 2025	Sets out a vision to grow the regional economy by over £17 billion and support 93,000 more people into work, targeting advanced engineering, clean tech, health and medical tech, digital and creative industries, and next-generation professional services over ten years.	Economic development; future industries

Policy or initiative	Introduced	Description	Focus
Connect to Work	Aug 2025	Employment programme for 16 to 64 year olds with a focus on disabled young people and those with long-term health conditions, offering intensive one-to-one support through Individual Placement Support and supported employment models. Whilst Year 1 focused specifically on young people with special dispensation from the DWP for 16-19 year old young people, the programme has been broadened to meet local needs.	Employment support; disability and health
West Midlands Works Plan (Get Britain Working)	Nov 2025	Regional framework to upskill 93,000 people including NEETs for future-facing sectors such as digital, AI and green industries and to raise the employment rate by five percentage points by 2035, addressing shortages in AI, green, construction and health.	Employment support; sector shortages
Cradle to Career	Nov 2025	Delivered by Right to Succeed with The Rigby Foundation and partners, providing place based, long-term support from early years to adulthood. Initial focus on Blakenall in Walsall, and Bordesley Green in East Birmingham, expanding to four more areas in 2026.	Education; long-term inclusion

Source: City-REDI, drawing on WMCA and Rigby Foundation publications.

3.3.3 Birmingham City Council priorities and policies

Birmingham has long faced above average unemployment and below average employment rates, compounded by health inequality and a young, diverse population. Local policy focuses on integrating youth employment into economic development and city centre renewal partnership, working with DWP, the WMCA, FE colleges, universities and the voluntary sector, the latter especially important for young people who do not engage with mainstream services; and targeted support for vulnerable young people.

The Economy and Place Strategy is the core framework, identifying growth opportunities in advanced manufacturing, professional and financial services, creative and digital industries, health and life sciences and green growth, and tying these to neighbourhood regeneration, particularly in East Birmingham.⁶⁴ The Council is also developing an Employment and Skills Strategy, aligned to regional plans, to build a city-wide employment and skills system that helps people of all ages access skills and opportunities to succeed in the labour market and create good places to work, supports employers, and reduces unemployment and inactivity. The Council has redesigned its Careers and Participation Service, is reviewing the annual plan for the Careers and Enterprise Company provision with the WMCA, and is planning significantly increased employer collaboration particularly in the sectors of construction/retrofit and major events/ leisure/ hospitality linked to the Sports Quarter.

The Council has created a new Birmingham Employment and Skills Board, is in the process of reviewing social value commitments on jobs, skills and work experience, and promoted AI literacy in schools through initiatives such as the Futures Readiness programme.⁶⁵ For young people, the aim is to transform outcomes by improving transitions from education, intervening early to reduce youth unemployment, and building supportive pathways for young people who face the most disadvantage, such as those who are NEET and care-experienced young people.

Activity in East Birmingham illustrates how this is intended to work in practice. The area combines some of the city’s youngest and most diverse neighbourhoods with persistent unemployment and poor transport links to the centres of growth, and it has become a focus for aligned investment, the East Birmingham and North Solihull corridor, the Inclusive Growth Strategy, the extension of the metro. Recently, the creation of the Birmingham East Mayoral Development Company and associated Mayoral Development Zone means local projects like the Partnership for People and Place initiative providing school pupils with one-to-one coaching and mentoring to raise awareness of possible career pathways,⁶⁶ and the Cradle to Career partnership with The Rigby Foundation have potential to be sustained and scaled. The logic is that connecting young people to opportunity requires acting on transport, schooling, health and employer engagement together rather than in isolation. Delivering that alignment, across the Combined Authority, the Council, colleges, employers and the voluntary sector, is the practical challenge, and the quality of coordination, ability to deliver inclusive growth and partnership solutions and Public Service Innovation, rather than a number of strategies, will determine whether it succeeds.

3.3.4 The views of young people

There is growing recognition that young people’s own views must shape the policies meant to support them. Since 2024, researchers at the University of Birmingham have facilitated a participatory process with young people aged 14 to 17 across the West Midlands, working with Birmingham City Council, the WMCA, community groups and employers.⁶⁷ Proposals emerging from this work include family-centred careers support beginning in primary school; multiple accessible work experiences, including inspiration days and site visits; youth-friendly careers guidance in community settings; co-created standards for youth-friendly employers; a cross-sector alliance for youth employment; and youth-led evaluation of provision. The last of these is proceeding in summer 2026, and feeding into the Council’s Employment and Skills Strategy.

3.4 Conclusion

The policy landscape is dynamic and increasingly devolved, with national frameworks, regional flexibility and WMCA funding contributing to local and hyper-local delivery, in partnership with the Council and often the philanthropic and voluntary sectors. The volume of strategies, many recently published or still in development, creates both opportunity and the risk of duplication, gaps and confusion, and the system can be hard to navigate. The clear trends are towards a stronger focus on the most disadvantaged young people, place-based delivery, holistic and relational support, and connecting young people to local opportunity, especially in growth sectors. Above all, the integration of skills and employment is central: skills without jobs and jobs without skills both fail.

'You don't become NEET at 16. The seeds have been sown well before that.'

ADVISORY GROUP MEMBER



4. Addressing the Challenges: Key Priorities for Improving Outcomes for Young People

4.1 Introduction

Section 2 set out the challenges facing young people in Birmingham; this section turns to what would make the difference. It draws directly on the primary research undertaken: the interviews with advisers and employers, as well as responses to our Call for Evidence, the young people's focus groups and a review of Policy Initiatives. The section is structured around key sub-themes including work experience, improving careers advice, improving teacher and pupil understanding of the AI-transformed job market, local leadership, and campaigns for aspirational jobs.

4.2 Improving work experience

4.2.1 Overcoming administrative and regulatory barriers to employers offering work experience

Proposed solutions to scale and systematise work experience opportunities in Birmingham identified by advisers and employers included financial incentives such as per-day payments for hosting work experience, greater flexibility in the use of the Apprenticeship Levy, and more integrated business support to help firms understand the benefits and navigate the system. As one adviser argued, there is a need to move towards *"a more integrated and holistic package of business support"* in Birmingham to unlock the untapped potential of SMEs while ensuring that placements are meaningful and well-supported. This reflects a wider concern expressed by several advisers that SMEs remain underutilised in offering work experience despite their scale and potential contribution: *"in the West Midlands, we wouldn't have that challenge [high youth unemployment] if every SME could play a role. So even in that case, it's what more support could be given to those types of organisations to help unlock potential opportunity, even if they could provide one opportunity to a young person."*

4.2.2 Earlier and more hands-on exposure to careers and the workplace

To reduce NEET levels in Birmingham, interviewees called for a *"revolution in terms of what we understand by work experience"* with a shift towards more authentic, employer-supported and hands-on approaches introduced at a younger age. Key to expanding young people's experiences of the workplace is earlier contact between school pupils and employers through activities including employer talks, workshops, industry panels, and project-based learning delivered in schools.

As one interviewee emphasised, this requires thinking more creatively about existing levers and opportunities: *"what could we do to help young people connect with employers earlier? ... we've got to find ways of bringing them together... how can we create some roles and opportunities and how do we make connections?"* Some advisers suggested moving away from a reliance on one-off, one/two-week placements towards shorter, repeated interactions could help address the issue of many young people reaching later stages without any work exposure, while strengthening connections between learners and employers and better preparing young people for the workplace.

There was also support for “micro-placements” or short, skill-focused activities, such as observing specific tasks, to lower barriers for employers and make participation more manageable. Such an approach would require greater flexibility from schools in scheduling placements and recognising a wider range of activities as valid work experience. At the same time, other advisers supported maintaining traditional one- to two-week placements where appropriate, particularly for young people who already have a clear sense of their intended sector. They also noted that longer placements can be especially valuable for those who take more time to “come out of their shells”, as it often takes a few days for them to build confidence and fully engage. This indicates the importance of flexibility and differentiation in work experience design. Different groups of young people require different types of engagement ranging from longer, in-depth placements to shorter “tasters” to explore options.

More broadly, there was strong support for better embedding work experience as a core part of the education system in Birmingham rather than treating it as an optional add-on. As highlighted in discussion drawing on Youth Futures Foundation and OECD evidence, work experience should be seen as “a critical component of your learning journey” of preparing for employment as opposed to a supplementary element. This points to the need for a more integrated delivery model in which employer engagement is built directly into education pathways.

Some interviewees pointed to the value of a clearer 14–19 approach and earlier integration with technically supported pathways:
“Work experience at an earlier stage could really be a solution or an attempt to solve that issue of actually engaging younger people in a workplace environment that appeals to them more than perhaps the academic environment.” (adviser)

This approach was suggested as a possible way to better engage young people at risk of becoming NEET and to provide more practical, appealing options. As one adviser stressed, “you don’t become NEET at 16. The seeds have been sown well before that,” highlighting the need to identify risks earlier and pre-emptively target NEETs. This could include recognising that some young people may be better suited to technical routes from an earlier age:
“There are some kids at 14 who aren’t cut out for school but the technical side of things and that sort of getting ready for work opportunity, if they were aware of it and had a route to follow, they would look to that.”

4.2.3 Supporting young people to overcome transport and clothing barriers to work experience

In response to challenges identified in the focus groups and adviser interviews that some young people struggle to undertake work experience without access to public transport and work-appropriate clothing, advisers highlighted existing models that could be scaled up across Birmingham. Examples such as the Amazon–Barnardo’s Springboard Fund was cited as demonstrating how providing bus passes, clothing and other support before a young person receives their first pay cheque can make a critical difference in enabling disadvantaged young people to successfully undertake work experience. Broader guidance, such as Spectra’s Inclusive Employment Toolkit, funded by the Department for Education, offers important learning in terms of how it encourages employers to consider practical measures including up-front payments to help people manage before their first pay day and guidance with clothing attire.

Discretionary Learner Support Funds offered via colleges for students aged 16–19, and funding from charities, such as Suited and Booted, were highlighted as providing office clothing but raising awareness of these routes would appear to be important. Clear guidance on workplace expectations including interview attire was cited as important given some young people may lack access to role models or support networks to help them navigate workplace norms.

Across the interviews, a call emerged for ongoing efforts to streamline access to free public transport for young people undertaking work experience. This includes Birmingham City Council and the WMCA developing a clearer understanding of the different routes through which young people currently access support, identifying gaps, and assessing their scale. One suggested approach was for employers to provide travel cards as part of work experience offers, which could simplify access and reduce barriers to participation; however, funding is likely to be needed to avoid placing additional demands on employers.

Advisers welcomed efforts to address the transport barriers faced by young people (for example, Birmingham City Council is working with partners to improve access to employment and skills through the Employment Transition/Integrated Hubs scheme, whilst the WMCA is undertaking research into free travel programmes for young people) but argued there is also recognition of the need for analysis of baseline data on travel patterns and uptake of existing provision offered from Transport for the West Midlands.

4.2.4 Expanding blended, hybrid and flexible work experience models

To fit modern workplaces, where fewer employers now work a five-day on-site week, interviewees pointed to blended models combining short in-school activities, virtual sessions and in-person engagement. Digital platforms, such as Springpod, were seen to widen early exploration at scale, “moving away from the traditional you’re here on a Monday till a Friday,” while immersive tools, for example, the augmented reality used by Sunbelt Rentals, can offer a safe introduction to environments that are otherwise hard to access. This reflects different constraints across sectors: in industrial and construction settings, health, safety and operational requirements can limit on-site access for work experience, while in professional and business services, hybrid working can mean fewer staff are consistently present to host placements. In both cases, more flexible and blended approaches can help to widen access so that employers who want to support young people are better able to do so within the constraints they face. Advisers were clear that virtual experience complements rather than replaces physical presence, which remains uniquely valuable for understanding workplace behaviours. The guiding idea was a “balanced offer” delivered over time: “less about a fixed number of days in an office, and more about engagement between businesses and schools across year groups for a longer period.”

Several case studies demonstrated the effectiveness of flexible employment and skills pathways in the region. Accenture’s work experience programme, delivered through its commitment to Movement to Work and WMCA’s YouthPath initiative, combines short placements with virtual and in-person learning, creating clear progression routes into apprenticeships and employment. Movement to Work emphasised that “there is no one-size-fits-all” approach, offering programmes ranging from short work tasters to longer pathways that integrate employability training, workplace experience and progression into work. Similarly, collaboration between Diageo and Mitchells & Butlers through YouthPath combines the Diageo Learning for Life programme, delivered by Springboard, with practical hospitality experience, providing participants with industry-recognised qualifications, mentoring and routes into employment. This illustrates how work experience can complement and extend existing employer activity rather than create additional burdens.

Employer interviews surfaced further examples:

- A regional manufacturer offers short, flexible placements to around twenty students a year, rotating them through engineering and design, using hands-on CAD activities and structured reflection, and scheduling around operational peaks.
- An IT firm runs a three-week hybrid programme in partnership with a social enterprise, deliberately recruiting a higher proportion of female students to address under-representation in tech and culminating in presentations to senior leaders; students who begin with limited confidence “demonstrate increased confidence” by the end, and centralising school partnerships through the social enterprise has kept the model manageable.

- Greater Birmingham Chambers of Commerce takes 10–15 students annually and runs an analytical project culminating in a presentation to the business alongside micro placements across every team in the business.
- WMCA pilots in Wolverhampton and Dudley take a test and learn approach: the Wolverhampton pilot targets the most disadvantaged wards and emphasises meaningful encounters and careful preparation of both students and employers, while the Dudley pilot embeds work experience across the curriculum with buy-in from the multi-academy trust’s chief executive and project-based work delivered with employers such as Playground Games and Balfour Beatty.
- Business in the Community sustains partnerships between local firms and schools, including for home-educated young people.
- The Blackpool Connected Curriculum, part of the Youth Futures Foundation’s Connected Futures programme, shows how sustained employer engagement can “open up the breadth of local real opportunities” and reduce reliance on personal networks. This is a good example of the development of a systems-led solution to NEET challenges.

4.2.5 Expanding use of procurement rules to increase work experience opportunities

Interviewees argued that there is potential to increase work experience opportunities through expanding public procurement requirements for firms offering work experience.

Advisers identified significant untapped potential in using procurement more strategically to drive employer engagement. The Social Value and Corporate Social Value commitments of our major investors need to be formalised and maximised to greatest benefit citizens. As one interviewee suggested: *“if there were more incentives on business to do this, you could solve a much bigger problem... if... as part of a government tender... offer four lots of one week work placements... it incentivises the right behaviour.”* Initiatives such as the ‘One in a Million’ programme reflect this approach, proposing that companies commit to supporting one young person into employment or training for every £1 million of public money they receive. The programme encourages local authorities and combined authorities to leverage public procurement for youth employment. One adviser suggested that current expectations are often disproportionate to the scale of public contracts:

“What you have is a lot of companies who earn huge sums, huge contracts, £100 million, £200 million, and what we’re getting is some planted trees or some walls being painted or two apprenticeships. And we don’t think that’s proportionate, especially when we take into consideration the levels of economic inactivity in our region. We believe companies can be challenged to go further.”

4.2.6 Improving work experience coordination

To address concerns raised during this Commission regarding how work experience is coordinated across partners’ employers, schools and colleges as well as the public sector in Birmingham, several interviewees highlighted the potential benefits of centralised coordination or brokerage models. These could streamline employer engagement, reduce duplication, and ease the administrative burden on individual employers (particularly SMEs) and schools. A strengthened brokerage function, whether delivered through existing organisations or new structures, was therefore seen as a way to improve efficiency, reduce pressure on employers, and expand access to opportunities. Discussions on how to approach such a brokerage and potential solutions are ongoing with the regional Chambers of Commerce and other key stakeholders.

There was discussion of the role of local and regional institutions in strengthening coordination of work experience. One adviser argued that partners, including WMCA and Birmingham City Council, should take a more active role, particularly following the decline of Local Enterprise Partnerships: *“the employer-focused support around the skills piece essentially disappeared... especially with smaller employers.”* This loss of institutional capacity has made it harder to engage businesses and support transitions for young people. However, there was also recognition that existing structures, such as the Careers and Enterprise Company, already play a role, and that further research is needed to determine how best to build on current provision.

At the same time, interviewees stressed that coordination models must be flexible and responsive to individual needs, rather than rigid. As one adviser explained: *“you really have to look at it on a kind of individual basis... it’s just what does that young person need... to help get them closer into work or further education.”* Without tailored support, our interviews indicate that there is a risk – particularly for those furthest from the labour market – that young people disengage. This highlights the importance of combining coordination with personalised guidance.

Support for employers, particularly SMEs, was also identified as a critical component of effective coordination. The importance of reducing “complexity” and the “administrative burden” was echoed across interviews, reinforcing the need for coordinated support alongside brokerage functions.

In addition to structural coordination, there was a strong call for greater collaboration and sharing of resources across institutions. One adviser highlighted reluctance among some schools and colleges to pool employer contacts, despite the potential benefits in terms of understanding which employers are being approached multiple times and which none at all. Without coordination, it is likely that opportunities will remain unevenly distributed and difficult to scale.

Practical examples illustrate both the potential and the limitations of current approaches. For instance, collaboration between colleges, including South and City College Birmingham, to swap placements for hard-to-place students demonstrates how partnerships can increase access, but these arrangements remain ad-hoc and do not address underlying systemic challenges.

Interviewees proposed a range of positive measures to strengthen coordination and increase opportunities. These included regional or national schemes to incentivise employer participation, potentially led by business organisations, and targeted funding for employers offering placements to disadvantaged young people. There was also some support for directing efforts towards growth sectors, particularly where public investment is concentrated, at the same time, advisers cautioned against overly narrow targeting, emphasising the importance of sectors such as retail and hospitality, which provide valuable entry points and essential skills development.

4.3 Improving careers advice: targeted support for progression into the changing workplace

Our findings indicate that there is a need to redesign 16–19 careers engagement in Birmingham to better keep pace with labour market change. Interviewees suggested that developing stronger connections between schools, colleges, universities, and employers, alongside better support for teachers to stay informed, particularly in areas such as digital technologies and AI is essential.

Advisers judged the present system to place too much on the individual: *“there’s quite an onus on the individual to go find for themselves, even at school level ... what do you want to be? Well, go and research it then.”* The response should be to embed careers education earlier and more consistently, particularly in the most disadvantaged communities, to reduce reliance on self-navigation. Over the past decade and more, one adviser argued, funding for enrichment, personal development and soft skills has been eroded, leaving a gap in preparation for work that a rapidly changing labour market has only widened.

Advice can also be disconnected from labour market reality, with some careers advisers lacking current industry knowledge, and capacity is stretched, with careers leads often supporting *“hundreds, in some cases thousands, of students” while trying to keep pace with change*. Several interviewees backed communities of practice so that leads *“feel less alone, share experiences and reduce the duplication into employers.”* There was strong support for more personalised assistance for those facing the greatest barriers, including care leavers, young carers and ex-offenders, designed around lived experience and intrinsic motivation rather than standardised approaches, given concerns that policy attention often focuses on overall youth unemployment rather than the most marginalised.

Finally, interviewees highlighted the value of delivering guidance through trusted, accessible community settings, Youth Hubs, football clubs and religious centres, that bring services together in one place. One adviser described a service that *“felt like a shop, very modern, with careers advice, job search and help with literacy and numeracy,”* underpinned by a *“culture of hospitality”* and the *“power of the badge and the brand”* of a familiar institution. Such models, delivered jointly across agencies including the DWP and community organisations, can reduce fragmentation and reach those least likely to use mainstream provision, though there was a sense that the education system does too little to connect young people to this kind of support.

4.4 Improving teacher and pupil understanding of the AI-transformed job market

The interviews conducted emphasised an urgent need to develop alternative pathways in Birmingham that allow young people to gain experience, confidence and understanding of workplace expectations in an evolving job market. They suggest that to enable this, action must be taken both to improve teachers’ understanding of AI and to develop young people’s AI skills.

Teacher-focused support should be designed to expand their understanding of AI skills required in the workplace and how AI can improve their own practice. Interviewees stressed a need to improve targeted professional development in the use of AI, and stronger connections between teachers and employers to train teachers in the use, and impact, of AI including teacher encounters and communities of practice. Existing initiatives, such as CPD events for careers leads and teacher engagement through sector-based activities, were cited as valuable mechanisms to improve awareness and ensure advice remains relevant. The WMCA via the Careers Hub has recently organised CPD opportunities for teachers, offering a model to build on. The WMCA is looking to attach ‘teacher encounters’ to other events to raise awareness – e.g. Midlands Nuclear Skills Hub events. Expanding such opportunities to a wider range of schools and colleges is likely to be crucial to ensuring local young people in have stronger AI skills and better suited to employer needs. Activities could include improving how schools and colleges in the city teach coding, digital content creation and responsible AI tool use, as well as likely future trends in employment and employer skills requirements. Alongside a strong emphasis on earlier and more targeted intervention, particularly to prevent young people becoming NEET, interviewees emphasised the importance of ensuring young people develop skills that complement AI, including confidence, communication, and the *“ability to structure an argument,”* as well as realistic expectations about early career pathways.

To help young people develop the AI skills and leadership and management identified as important in our employer survey, interviewees emphasised the need to rebalance the curriculum towards creativity, applied problem-solving, and transferable skills, alongside AI-focused skills and academic learning.

‘This report is a timely and powerful demonstrator of how place-based understanding matters so much when we talk about what we can – and are – doing to support youth opportunity. It’s clear that young people in Birmingham and the West Midlands are ambitious for their futures and employers too are committed to doing more but they need help in converting that commitment into tangible action. We all have a role to play and this report sets out with energy and focus exactly where we can lean in together. As the Executive Director for Policy and Strategy at the West Midlands Combined Authority, we are serving our region delivering on the Mayor of the West Midlands, Richard Parker’s, clear vision for youth employment through an ambitious WM Growth Plan. I thank and commend The Rigby Foundation and The Sir Peter Rigby Charitable Trust for their continued dedication to ensuring every young person has the chance to thrive as part of that vision.’

HELENE DEARN OBE,
WEST MIDLANDS COMBINED AUTHORITY AND ADVISORY GROUP MEMBER FOR THIS PROJECT





There was a strong call from all recipients for earlier and more consistent opportunities to develop 'essential' and 'soft' skills, including teamwork, communication and problem solving. As one adviser highlighted, *"we need more interventions earlier to enable those opportunities for young people to stand up, to present, to construct an argument, to respectfully disagree, to work in teams, to overcome challenges, to come up with ideas, to problem solve"*, particularly as AI is expected to take on more technical and analytical tasks.

The Futures Readiness programme – created by the Sutton Coldfield-based Arthur Terry Learning Partnership (ATLP) and entering its fourth year of delivery – provides a platform that could be expanded to support young people and their teachers to navigate the rapidly evolving AI labour market. The programme utilises an adaptive, real-time approach. Rather than offering a fixed curriculum, iterative resources are continuously updated to reflect the fast-evolving nature of AI and broader technological shifts. From 2026/27, content will be released on a three-week or half-termly cycle to ensure responsiveness to the extraordinary pace of AI development.

4.5 Local leadership

4.5.1 Prioritising youth employment and skills challenges now

Several interviewees emphasised the urgency for local leaders to take responsibility and act now on youth employment and skills challenges, rather than relying on national government. Leadership was framed as an immediate responsibility in the context of the labour market constraints facing young people. An education leader remarked: *"the challenge I keep putting out to all of us as leaders is this is happening on our watch."*

There was a call from interviewees for stakeholders to move beyond *"warm words and positive intentions"* and develop clearer strategies and practical opportunities for young people in Birmingham to access meaningful training and employment. This includes expanding work experience, apprenticeships, and entry-level roles, alongside improving targeted careers support.

Another key message was that leadership must extend beyond public structures, with a significant role for civic and business leaders in driving change. As one interviewee stated, *"you can't always be looking for the political leadership... you've got to look at the... ethical and civic and business leadership, which is separate and doesn't need permission."* This highlights the importance of shared responsibility across sectors, rather than reliance on public institutions alone. Our findings indicate that now is a pivotal moment for public, civic and business actors to take greater ownership of youth employment challenges in Birmingham and use devolved powers to coordinate action and translate commitment into practical, system-wide change.



Examples demonstrate how bottom-up, employer-led initiatives can be effective. The creation of the Birmingham Professional Services Academy at Birmingham Metropolitan (BMet) College was cited as illustrating how local actors can act independently where there is shared commitment. The Academy partners with Business and Professional and Financial Services (BPFS) in the West Midlands to develop and recruit talent through mentoring, internships and work placements.

There was also evidence of effective employer engagement and partnership models, particularly where businesses collaborate with voluntary sector organisations to provide training and wraparound support. For example, partnerships such as Amazon with Barnardo’s and John Lewis with delivery partners demonstrate how employers can create structured pathways and support systems for disadvantaged young people. Amazon, as an early signatory, created a dedicated recruitment channel for care leavers and partnered with Barnardo’s to develop bespoke programmes, including a target to recruit 500 young people over three years, which was achieved. However, interviewees stressed that achieving meaningful impact requires organisation-wide commitment. As one adviser put it, *“leaving this mission to one or two enthusiastic employers isn’t enough. If we’re looking for true transformation or whole-scale change, it has to be every-body’s challenge or commitment.”*

4.5.2 Devolution and local leadership

Devolution was seen as a means to act faster than national policy and to align skills, employment and wider policy; one adviser noted the potential to bring together *“employment support, skills, housing, transport and economic investment,”* and described the West Midlands as relatively advanced, a potential *“test bed for trying new things out.”* Others cautioned that regional structures can drift towards delivery and contract management rather than systemic change, and that skills planning is not yet integrated with economic growth as fully as it could be. There was a strong view that leadership must extend beyond public bodies.

4.6 Campaigns for aspirational jobs

To broaden perceptions and *“open the door”* to a wider understanding of careers among young people in Birmingham, interviewees called for a place-based campaign championing the employment opportunities available in the city.

Interviewees suggested there is potential to expand sector-focused initiatives to improve awareness, facilitate direct engagement with industry professionals, and enable young people to have a clearer idea of the relevant skills and qualifications. Examples including Discover Creative Careers, Tasty Careers, Skills Miner, and Routes into Rail demonstrate how coordinated approaches can provide clearer entry points, improve understanding, and offer *“videos, the interactive sessions, the virtual experiences... that mean we could do something at scale.”* These initiatives also challenge stereotypes, for example by demonstrating that science careers are *“not just laboratory roles,”* and by using engaging formats such as immersive gaming environments. Interviewees suggested there is a strong case for more comprehensive sector entry programmes aligned to growth sectors. One adviser stressed the need to identify key sectors where we expect either national or regional employment opportunities and growth providing young people with entry programmes which are ... *“accessible for the right people in the right places.”* Such programmes should combine clarity of progression and practical support, including wraparound provision that enables individuals to take *“that first step”* into employment.

5. Recommendations

These recommendations follow from the evidence set out above and build on existing progress and activity across Birmingham City Council and the West Midlands Combined Authority. They are grouped into four topics:

- work experience;
- AI awareness, knowledge and application;
- employer engagement and promoting local opportunities and
- comprehensive careers advice.

Recommended actions are presented under each topic, with the type of change envisaged explained. They are designed to be practical and scalable, building on existing initiatives and proven approaches within Birmingham and more widely. Place-based working pilots should be selected on the basis of opportunity (for delivery and impact) and need. Some recommendations involve exploratory or developmental activity, creating scope for young people to play a more direct role in what follows. Greater involvement in co-design could add a valuable richness to the adopted approaches.

Topic 1: Work experience

Aspiration. An inclusive, modern and scalable work experience system that moves beyond traditional placements to a blended, flexible model combining hybrid, in-school or college, and in-person experience at employers’ premises. By seamlessly connecting young people, educational institutions and employers, it would achieve an integrated, balanced offer across key sectors that widens access to experiences of the workplace for all young people and reflects the reality of contemporary workplaces, while supporting employers to take part in ways that match their capacity.

Type of change. System change; behavioural change; relational change.

Recommended actions:

1.1 An independent review of the work experience initiatives and practices that already exist, using existing WMCA, Birmingham City Council and Careers and Enterprise Company networks to explore better signposting and access for a broader group of young people. While provision is already in place across the system, it is not yet consistently reaching all young people; the review should therefore focus on identifying gaps in access and participation, and the types of support required to strengthen delivery. This should include targeted analysis at local level and within schools/colleges, particularly those that require additional support to meet Gatsby Benchmark 6. The twelve-week review should recommend a way forward grounded in the financial constraints of the combined authority, local authorities and local philanthropy.

1.2 A centralised, dedicated Work Experience Brokerage Service. Partners to develop a service to match students to work experience opportunities, reducing the administrative burden on schools, colleges and employers. This should be developed with input from Birmingham City Council, the WMCA and the Greater Birmingham Chambers of Commerce to ensure regional alignment and employer reach and should align with the Birmingham City Council Careers and Participation Service, the Careers and Enterprise Company Careers Hub, the Birmingham Employment Access Team and the East Birmingham and North Solihull Mayoral Development Zone pilot, including South and City College Birmingham and other partners, and can be linked to the Work Experience Passport (outlined in recommendation 1.5). By the end of 2026, establish a small board, including these organisations and employers from key sectors, to develop the service, potentially outsourced, and to track progress once established. Modern technology should be deployed to use AI as a mechanism for service delivery.

1.3 Partners, including Birmingham City Council, the WMCA and the private sector, **to create pathways for school and college students in Birmingham’s key growth industries**, including advanced manufacturing, digital, health and life sciences, creative industries and green energy, ensuring placements are purposeful, aligned to labour market demand and linked to progression routes into further learning, apprenticeships and employment. This is separate from, but needs to be linked to, the Youth Guarantee Sector-based Work Academies.

1.4 A Parent and Carer Engagement Programme. Partners to explore philanthropic funding for a sustained programme, prioritising diverse communities in a pilot phase, to raise awareness of high-value roles in non-traditional sectors. This could build on existing parental engagement through Family Hubs and school collaborations, providing a basis for embedding parental engagement across more careers and educational support programmes. Develop a set of guidelines, best practice and materials.

1.5 A Birmingham Work Experience Passport. With an investment of £50,000 from The Rigby Foundation, and in consultation with a group of young people, employers, Birmingham City Council, multi-academy trust and college representatives, design and build a portable, verified digital record that travels with each young person, logging placements, skills demonstrated, young people’s reflections and employer feedback, usable in job and college applications. The Passport should be a multi-media depository, designed to enable young people to provide evidence of what they can actually do/have done, not simply what grades they have achieved. Existing solutions should be assessed before commissioning a new system, and the involvement of employers is necessary to support their recognition of the Passport. Trial the approach with 20 schools in the 2026–27 academic year, with independent evaluation of its impact on placement completion, student confidence and progression.

1.6 A Work Experience Travel Pass. Building on WMCA work on existing free travel passes, by the end of 2026 the WMCA to explore a dedicated, free pass for young people travelling to work experience and work placements across the WMCA area and consider integrating it into the Work Experience Passport.

1.7 A formal employer reimbursement mechanism. The WMCA and partners to explore with central government the potential to compensate businesses, particularly SMEs, for the time, supervision and resource costs of hosting quality work experience, making participation financially viable. How this could be aligned with Growth and Skills Levy flexibilities focused on engaging more young people in apprenticeships, alongside future changes needed for AI skills, should be considered, and a regional pilot could offer a demonstrable way forward.

Topic 2: AI awareness, knowledge and application

Aspiration. A future-ready education and employment system that equips all young people with the skills, awareness and pathways needed to succeed in an AI-shaped labour market, and a workforce confident in the safe and ethical use of AI to meet the challenges and opportunities of the current and future world of work.

Type of change. Practice change.

Recommended actions:

2.1 An AI for Educators training fund. In collaboration with the Department for Education and the Department for Science, Innovation and Technology, via TechFirst, explore, with philanthropic funding, establishing a pilot in 20 secondary schools and one college, providing comprehensive training for Birmingham teachers on how to teach AI skills effectively and how to use AI to reduce the administrative burden of their own work. Focus the pilot on deeply training one colleague in each school as an AI champion whose role is to upskill the rest of their school.

2.2 Deployment and scaling of an AI literacy module. Build on the now fully-funded Futures Readiness programme (supported by Atos) to deliver AI literacy content across all schools and colleges in Birmingham and Solihull during 2026/27. In line with the Curriculum and Assessment Review, which highlights the growing importance of digital and AI literacy, work with local authorities and multi-academy trusts to test and refine delivery models, ensuring the content is effective, scalable, and responsive to local needs. The module should cover how AI systems work, their responsible use, and the implications of automation for the future world of work. This testing phase can inform wider rollout and continuous improvement. Alongside this, engage more employers and partners to extend access to similar provision across other WMCA local authorities, enabling broader regional reach. Technology volunteers from major companies could support both testing and expansion, helping to ensure consistency and quality.

2.3 After-school AI and digital skills clubs. The WMCA to consider using the Skills Innovation Fund, supported through other adult skills funding reserves, to set up a network of clubs across Birmingham secondary schools, giving students hands-on experience of coding, AI tools and digital content creation in an informal, accessible setting. Industry sponsorship and delivery options should be explored, for example through the Birmingham East Mayoral Development Corporation, with volunteers and mentors from industry providing authentic exposure, and blended or virtual delivery used to reduce cost.

Topic 3: Employer engagement and promoting local opportunities

Aspiration. Greater awareness among young people of the opportunities available in Birmingham to embark on fulfilling careers that offer a good quality of life free from financial precarity. This requires a connected, inclusive local employment and skills ecosystem in which employers are active partners in shaping pathways into work, and where all young people, particularly those from disadvantaged backgrounds, have clear, equitable access to visible, high-quality local opportunities that lead to sustainable employment.

Type of change. System and practice change.

Recommended actions:

3.1 Employer or Entrepreneur in Residence roles. The WMCA and Birmingham City Council, with the private sector, to promote the establishment of one or more such roles from high-growth sectors to join every school and college governing body, on a rotational basis, to foster business engagement. Ensure appropriate links to Young Futures Hubs and Technical Excellence Colleges, capitalising on links to employers in priority sectors, with arrangements in place by the 2027-28 academic year.

3.2 A Works in Birmingham campaign. In 2027 the WMCA, Birmingham City Council and the private sector, including the Chambers of Commerce and sector organisations, to launch a marketing campaign to schools and colleges celebrating local successful, inspiring, role model technical and vocational professionals, such as engineers, coders and tradespeople, and purpose-driven careers in healthcare, the green sector and the non-profit sector, highlighting career pathways in Birmingham and dispelling the myth that a good job or fulfilling career requires leaving the area.

3.3 Promote the current 0 per cent National Insurance for under-21s, to encourage employers to take on young people in the context of increases in employer National Insurance and the minimum wage. The Chambers of Commerce, CBI, WMCA and Birmingham City Council to work together on this.

3.4 A philanthropically-led clothing campaign. Consider a campaign with major retailers to provide work experience and interview clothing for under-19s.

3.5 Social value in procurement. Consider aligning employer incentives to offer work experience with wider social goals through public sector procurement, including scoring social value in WMCA and local authority procurement contracts.



Topic 4: Comprehensive careers advice

Aspiration. A coherent, integrated careers system that reaches every young person earlier, keeps pace with a labour market reshaped by AI, and is grounded in realistic information, so that no pupil reaches the end of compulsory schooling without structured, employer-informed guidance.

Type of change. System, behavioural and practice change.

Recommended actions:

4.1 Build on Birmingham's careers offer, including the transition to, and launch of, the redesigned Careers and Participation service. Utilise partnerships with the Careers and Enterprise Company, insights from current pilots, and youth voice and evaluation, drawing on the University of Birmingham-led Inspire project in Sandwell and East Birmingham and on a youth-led review of careers and employment provision.

4.2 Deliver the full Gatsby Benchmarks in all secondary schools, with Birmingham City Council oversight and public reporting on compliance, so that no pupil reaches Year 11 without structured, employer-informed careers guidance. This would allow the Council to coordinate the careers offer across the city and secure this level of provision in all schools as part of its school improvement plan.

4.3 Train and upskill careers advisers across the Birmingham careers service on AI, automation trends and labour market forecasting, through a mandatory programme co-designed with West Midlands employers and the WMCA Skills Team.

4.4 Complete a system-wide review of careers education, including market-based provision, to enable the integrated approach needed for significant change. This should encompass recent investments and initiatives, such as Young Futures Hubs and the planned DWP Jobs and Careers Service reform and keep a strong focus on the changing nature of the labour market in a post-AI era.

4.5 Trial more directive pathways. Consider moving away from a wholly broad, keep-all-options-open model towards a more directive approach in which young people are actively supported to identify and commit to a pathway, academic, vocational or technical, with the right support around each route.

4.6 Scale up realistic careers data provision. Better align careers advice with realistic expectations by giving pupils data on typical starting salaries, progression timelines and the day-to-day realities of different careers, countering a distorted picture sometimes presented by social media and popular culture.



6. Conclusion

The evidence in this report leads to one conclusion: the barriers facing young people in Birmingham are structural, not personal, and they will not clear on their own. Entry-level employment has contracted by almost half in a decade. AI is speeding up that contraction while raising the skills threshold for the jobs that survive. Work experience, apprenticeships and the informal routes that once built readiness for work have fallen away. Careers guidance is patchy and shaped by social background. Recruitment itself has become an obstacle. Behind it all sits a system in which responsibility is dispersed and no one is accountable for whether a young person moves successfully into work.

The diagnosis is not in doubt. The NEET rate has not fallen below 10 per cent in twenty-five years, the UK now has one of the highest youth NEET rates in Europe. On current trends they get worse, and the bill, already at £125 billion a year nationally and billions in lost output regionally, grows with them.

What makes this moment different is the scale of the opportunity to put things right. Birmingham and the West Midlands have the youngest and most diverse population outside London, a growing professional and industrial base, and a new devolution settlement that places skills and employment investment under regional control. The region also has employers who want to hire young people, and young people who want to work. The ingredients for change are in place.

SECTION SIX

What is missing is coordination and direction. The report presents a compelling case for significant improvements in how the system operates and connects and delivers outcomes. The recommendations do not call for the system to be rebuilt; they call for it to be connected and pointed at the right outcomes.

Three commitments should anchor the response:

1. Every young person should have the opportunity for real exposure to the world of work before leaving education.
2. Every young person should have the opportunity to leave school/ college with the skills, confidence and AI literacy to make their way in a fast-changing economy.
3. Every employer, particularly SMEs, should find it easier to take on and invest in young talent.

Delivering this will take leadership at every level: national government setting the framework and the incentives, the Combined Authority commissioning and coordinating, the local authority commissioning, coordinating and delivering, colleges plotting a path forward, and the private and philanthropic sectors investing alongside the public sector.

Funding and accountability that currently reward competition over collaboration will have to change and success should be judged not by the number of programmes launched, so called 'announceables', but by whether more young people enter and progress in good work.

The choice is between continuing to pay for the consequences of disengagement and choosing to invest in preventing it.

The evidence, the costs and the opportunity point the same way. This report should be read not as the close of an analysis, but as the start of a coordinated response, one this generation cannot afford for us to put off.

The Rigby Foundation is prepared to stand up alongside the West Midlands Combined Authority and Birmingham City Council. Together, we will commit resources to deliver the change required, with a shared commitment to report on progress and impact against recommendations within this report. The Rigby Foundation looks forward to working with Birmingham City Council and the WMCA in plotting a course that changes the direction of travel to support the great city in which it was founded.



This report was commissioned by the Rigby family charities.



THE RIGBY FOUNDATION



Steve Rigby,
Chair of The Rigby Foundation

Steve Rigby is CEO of Rigby Group and Chair of The Rigby Foundation, a charity dedicated to place-based giving across the West Midlands. Through the Foundation, he works to ensure the Group's success translates into meaningful support for local communities and long-term regional growth.

A respected business leader and vocal advocate for the West Midlands and wider UK economy, Steve champions policies across business, education, social mobility and AI that create opportunities for individuals, organisations and communities to thrive.

Alongside this report, he has commissioned research into how employers and employees can successfully adapt to increasingly AI-enabled workplaces. He has also established a private-sector taskforce on AI sovereignty and is planning work exploring effective approaches to AI taxation.



The Sir Peter Rigby
Charitable Trust



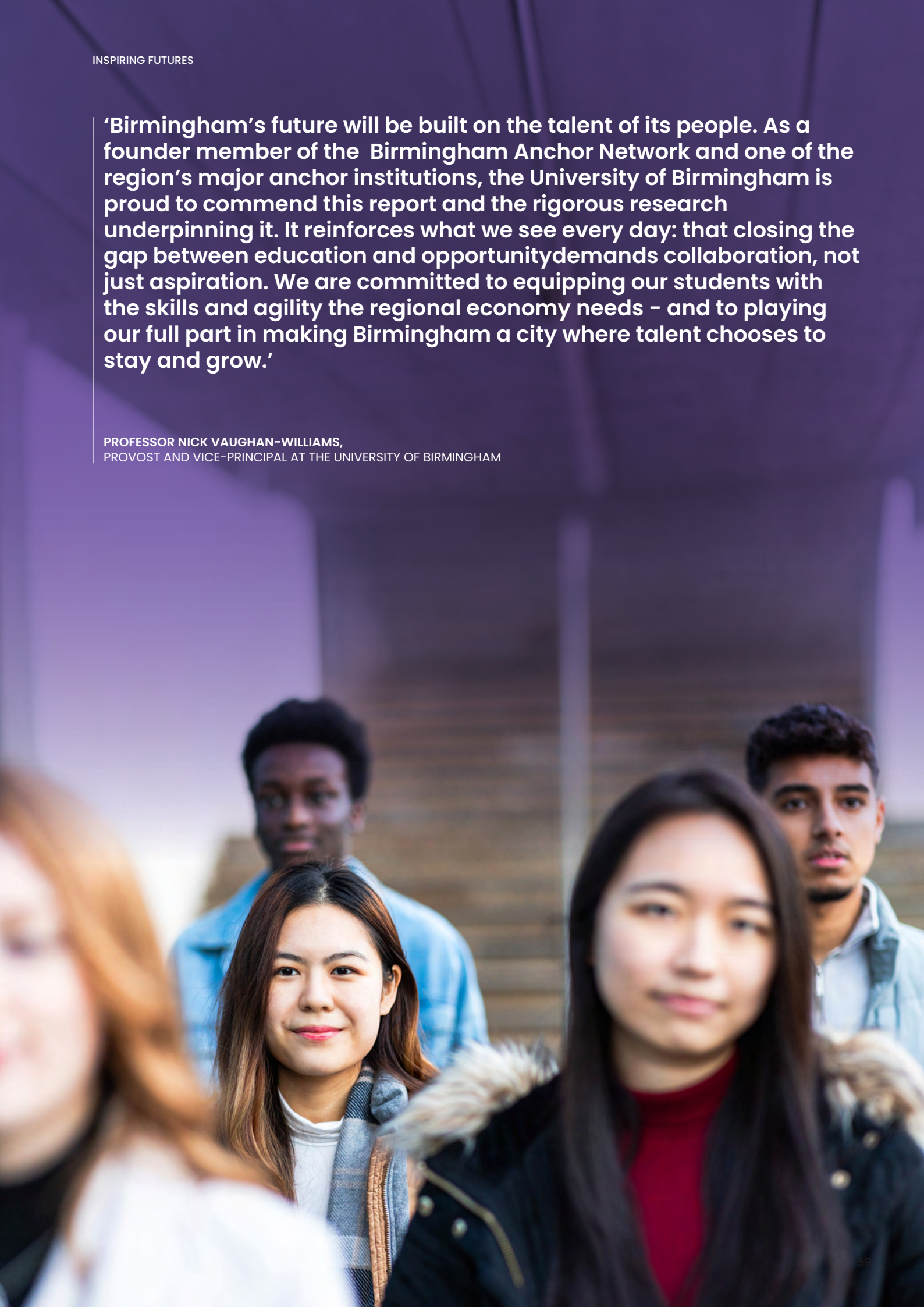
Sir Peter Rigby,
Chair of The Sir Peter Rigby
Charitable Trust

One of the UK's most respected and successful business leaders, Sir Peter launched the founding technology company for Rigby Group with a £2,000 loan in 1975, growing it into one of the country's largest privately owned business groups, with a turnover of £4bn.

Sir Peter is committed to giving back through The Rigby Foundation, founded in 1992, and The Sir Peter Rigby Charitable Trust. Sir Peter is passionate about the transformative power of digital innovation and through his Trust has funded the Sir Peter Rigby Digital Futures Institute at Aston University, which aims to bridge the gap between academic research and industry applications in fields such as health and social care, AI-driven business solutions, and enhanced customer experiences.

'Birmingham's future will be built on the talent of its people. As a founder member of the Birmingham Anchor Network and one of the region's major anchor institutions, the University of Birmingham is proud to commend this report and the rigorous research underpinning it. It reinforces what we see every day: that closing the gap between education and opportunity demands collaboration, not just aspiration. We are committed to equipping our students with the skills and agility the regional economy needs – and to playing our full part in making Birmingham a city where talent chooses to stay and grow.'

PROFESSOR NICK VAUGHAN-WILLIAMS,
PROVOST AND VICE-PRINCIPAL AT THE UNIVERSITY OF BIRMINGHAM



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‘Birmingham is home to so many talented, capable and ambitious young people however as this report highlights too many face barriers when entering the world of work.

Against the backdrop of a rapidly changing labour market, we must continue to work alongside partners across the city and region to ensure that potential is never limited by a lack of opportunity.

By improving access to work experience, strengthening careers guidance and creating clear pathways into employment, we can help our young people thrive, build rewarding careers and realise their full potential.’

CLLR JULIAN PRITCHARD
DEPUTY LEADER OF BIRMINGHAM CITY COUNCIL

Inspiring Futures

Launched in 2025, The Rigby Foundation's Inspiring Futures programme is a ground-breaking social mobility project which aims to support 11 to 25-year-olds from under-served backgrounds in the West Midlands to succeed in education and secure meaningful employment. The initiative launched with a programme pairing ten schools and colleges from Birmingham and North Solihull with eleven leading charities who provide activities like Maths and English tutoring, mental health support, essential skills training, debating skills and support to prepare for employment and aims to help more than 1,000 young people per year to achieve goals and aspirations that otherwise would not be within their reach.

City-REDI, University of Birmingham

This report has been prepared by a team from City-REDI (City-Region Economic Development Institute) comprising Anne Green, Abigail Taylor, Chloe Billing, Charlotte Hoole, Maryna Ramcharan, Johannes Read and Matthew Lyons. City-REDI is a research institute at the University of Birmingham focused on analysing and shaping inclusive, sustainable regional economic growth. Established in 2015, City-REDI works with policymakers and businesses to bridge the gap between academic research and real-world policy.



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