



South Tyneside Council



Young People & Work (Milburn Review)

Interim Findings

Health & Wellbeing Board

22nd July 2026



TO WORK FOR SOUTH TYNESIDE

Context

- Independent review (led by former Darlington MP + Health Sec Alan Milburn) examining **the increase in the number of young people who are not in education, employment, or training (NEET)**.
- **'Diagnostic' report** published in May 2026 drawing on data, engagement and system analysis to understand the **rise in the number of young disabled people and those with a health condition who are NEET**.
- **Nationally**, nearly **1 million 16-24-year-olds NEET** (≈ 1 in 8).
- **Final report** exploring potential areas of reform expected in Autumn.

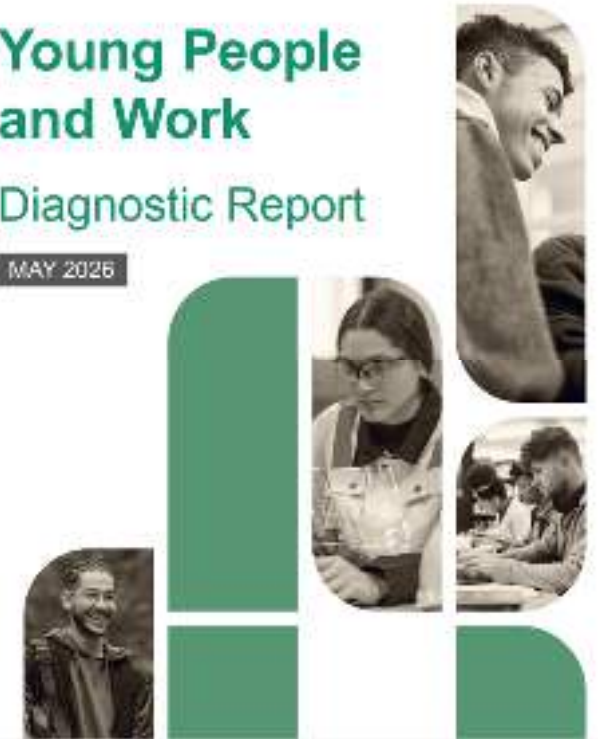


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Young People and Work

Diagnostic Report

MAY 2026



South Tyneside Context



- There isn't one dataset that tells us how many 16-24 year olds in South Tyneside are NEET.
- In December 2025 , there were **1,770 18-24s claiming Universal Credit in South Tyneside** who were not in employment ([Stat-Xplore](#)). This is 16.8% **of all 18-24s in South Tyneside** (a v small number of **16 and 17 year olds claim UC**).
- UC health element data tells us that in December, **890 claimants aged 18-24 had declared that they had a mental/physical health condition or a disability** which prevents, or limits, their ability to work ([Stat-Xplore](#)).
- In December, **6.5% of the post 16 cohort** (223 mainly 16/17 year olds) **were NEET / Not Known**. Around 1 in 5 were NEET due to illness, mainly mental health (internal data)
- 1,770 UC claimants 18-24 not in employment + 223 NEET/NK = **an estimated 1 in 7** 16-24 year olds in South Tyneside

Findings (1)



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- The issue is structural and the **institutions supporting young people into adulthood are not fit for purpose.**
- **Young people face multiple overlapping barriers** including rising mental ill health, housing and financial insecurity, family context and inaccessible system for disabled young people.
- **Health has become central to who becomes NEET and who stays NEET**, increasingly linked to economic inactivity rather than unemployment.
- **The labour market has changed making entry into work harder.** Weaker routes into employment, AI, narrowing of entry level opportunities, apprenticeships drifting upward in age/level, and the cost and regulatory burden of employing young people has risen.

Findings (2)



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- **For over 20 years, policy has focused mainly on improving the supply side** , building young people's skills, job readiness and reforming benefits. That approach is no longer enough on its own.
- **Education and skills systems are geared towards qualifications rather than successful transitions into work.** Destination measures don't drive Ofsted judgments / funding, the system struggles to learn what works, further education has weakened and there is a post 16 cliff -edge.
- **The system remains too focused on what a young person cannot do vs helping them move towards what they could do.** The welfare system produces a poor combination of outcomes, while the health system doesn't treat work as a key health outcome.

Findings (3)



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- **A growing number of young people are in genuine distress, while the system is struggling to respond.** The current model, based on diagnostic thresholds as the gateway to support and care organised in clinical silos, is failing to convert either diagnosis or treatment into sustained participation.
- **Responsibility is spread across many organisations,** but shared accountability is missing, incentives are misaligned and support ends at arbitrary boundaries rather than following a young person's needs.

Summary



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- **Clearly an area the Government intends to reform.** Decisions on the [proposal to delay access to UC health until the age of 22](#) are pending Milburn's final review + announcements last year [linked engagement In Youth Guarantee Support to benefit sanctions](#). Interim report of [review into Personal Independent Payment](#) just published, with final report due this Autumn.
- **The review is balanced and highlights the complexity of the issue.** It sets out the structural nature of the NEET challenge, calling for a system reset.
- **The Policy & Insight team will analyse the implications of recommendations made in the final report,** due in the Autumn.