Young People and Work Report: Call for Evidence

Submission from Communities that Work

January 2026

Introduction

Communities that Work (CtW) is the national body in England focused on social housing and employment. We bridge the gap between housing, employment and government to drive better job and earnings outcomes for working-age tenants and residents across our communities.

CtW is led by our members – social landlords who own and manage 1.6 million homes across England – who play a vital role in supporting people to thrive through meaningful and sustainable employment.

We welcome the initiation of this report and its focus on establishing the barriers to participation in employment, education and training among young people and exploring policies that would make the biggest difference to support them into work. Tackling these challenges will be essential to meeting the ambition of an 80 per cent employment rate and unlocking the potential of people across our communities.

This Call for Evidence marks a critical and timely opportunity to reimagine how employment support is delivered to millions of young people currently out of work, many of whom face complex barriers to sustainable employment. Young people who live in social housing are more likely to have labour market trajectories that are concerning[1], and must therefore be central to the Report's recommendations.

As set out in our *Building Opportunity* report[2], people living in social housing tend to be more likely to have a characteristic associated with poorer labour market outcomes than the population as a whole. As of 2022, they are more like to be disabled (41 per cent vs. 17 per cent), from an ethnic minority (21 per cent vs. 14 per cent), or have no qualifications (18 per cent vs. 5 per cent). That's why efforts to increase overall employment rates (i.e., to reach 80 per cent) must take account of, and effectively reach, social housing tenants. They are a significant proportion of the population, more diverse than the population as a whole, and more likely to have low incomes and live in poverty.[3]

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[1] Lydia Isherwood (2023), 'NEET: Young people not in education, employment or training and violent crime'. Available at young-people-not-in-education-employment-or-training-research.pdf (accessed 20 January 2026)

[2] Institute for Employment Studies, *How social housing can support skills, talent and workforce development*, December 2022, https://www.communitiesthatwork.co.uk/images/pdf/Building_Opportunity_Final_Report_v_final_2_011222.pdf (accessed 10 June 2025)

[3] Ibid., p.15

1. What is stopping more young people from participating in employment, education or training?

Poor mental health is one of the most significant barriers preventing young people from engaging in employment, education or training. Research published in 2022 by the Learning and Work Institute and The Prince's Trust found that the proportion of people aged between 16 and 24 not in education, employment or training (NEET) reporting a mental health problem increased from 11 per cent in 2011 to almost 30 per cent in 2022.[4] Anxiety, depression and low confidence make it difficult for people to attend appointments, sustain employment or navigate formal systems. In our members' experience, traditional employment support services, like Jobcentre Plus (JCP), are poorly equipped to respond to these challenges, with support often prioritising compliance and rapid job search over the sustained, relationship-based engagement that young people with mental health issues require.

Evidence from the Social Mobility Commission highlights that these challenges are often compounded by place-based factors, including poor transport connectivity, limited access to local opportunities and weak alignment between support services. Young people in disadvantaged areas are more likely to disengage where systems are fragmented and support is difficult to access, thereby reinforcing patterns of economic inactivity and disengagement from the labour market.[5]

To that end, fear of losing benefits remains a significant deterrent to young people trying work or training. JCP plays a crucial, statutory role in the employment support ecosystem, yet its function as both a gateway to benefits and a provider of employment services creates challenges in public perception. Our experience suggests that many young jobseekers view JCP primarily as a compliance and enforcement agency, rather than as a source of impartial employment support. This tension can sometimes deter individuals from engaging fully and proactively in its services, particularly when they worry that disclosing personal barriers to work could result in changes to benefits entitlements. This is compounded by the fact that JCP's infrastructure and operating model is not necessarily designed to foster personalised and community-based engagement critical to achieving long-term, sustainable employment outcomes.

We are encouraged by the Government's commitment to preventing young people from falling through the gaps in the system via the introduction of a Youth Guarantee. However, we are concerned that under the new rules, young people in receipt of Universal Credit (UC) in supported housing who take on work may see their benefit

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[4] Learning and Work Institute and The Prince's Trust (2022), 'Supporting the future of 'NEET' young people in the labour market.' Available at The Power of Potential Supporting the future of 'NEET' young people in the labour market - Learning and Work Institute (accessed 21 January 2026)

[5] Social Mobility Commission (2025), Regional Insights: Creating fairer chances across the regions. Available at 2025-11-25 - Regional Insights: Creating fairer chances across the regions - OFFICIAL (accessed 26 January 2026)

income subjected to two taper rates, as a result of them paying rent via Housing Benefit (HB). Even a modest increase in working may lead to a drop in overall income, thus putting them at risk of rent arrears, debt and event potential eviction. Ultimately, this system presents a potential disincentive for young people to enter and progress in work.[6]

2. What would make the biggest difference to support more young people to participate?

Young people, particularly those living in social housing, are far more likely to engage with support that is embedded in their communities and delivered by organisations that they trust. In our experience, the common features of effective employment support are rooted in trusted, community-led and holistic approaches.

In its recent report, the Social Mobility Commission has emphasised the importance of place-based leadership, local partnerships and a strong sense of belonging in improving young people's engagement with education and work. When they can see visible pathways to opportunity within their own communities, participation and aspiration increase.[7]

Social landlords are well placed to reach those who are further from work, to work effectively in partnerships, and to deliver effective, personalised employment support. As trusted anchor institutions at the heart of communities, they are uniquely positioned to support residents into employment: a 2018 IPPR report calculated that this support is worth £70 million every year.[8] Their wide community reach also enables them to coordinate services effectively and ensure that support mechanisms are available and accessible to people who need them most. These include core employment support – such as one-to-one CV coaching and job-searching assistance – as well as specialist support for more vulnerable tenants. In many instances, this is complemented by wider holistic support, including guidance on navigating the benefits system and helping people to sustain their tenancies. Given this established role, the Government should incentivise the sector to partner with them to reach people across our communities, deliver local and effective employment support that draws on long experience, and establish relationships with people, households and communities.

To that end, the JobsPlus pilot offers valuable insights into how community-led employment support can empower people to secure decent work and progression

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[6] National Housing Federation (NHF), Response to the *Pathways to Work: reforming benefits and support to get Britain working*, June 2025

[7] Social Mobility Commission (2025), Regional Insights: Creating fairer chances across the regions. Available at 2025-11-25 - Regional Insights: Creating fairer chances across the regions - OFFICIAL (accessed 26 January 2026)

[8] Institute for Public Policy Research, *Building communities that work: the role of housing associations in supporting employment*, July 2018, https://www.ippr.org/articles/building-communities-that-work#:~:text=Many%20housing%20associations%20provide%20employment,engage%20effectively%20with%20housing%20associations. (accessed 25 June 2025)

opportunities. Backed by a strong evidence base in the United States, this model is now being replicated in ten sites across England, funded by the Department via HM Treasury's Labour Market Evaluation and Pilots Fund. The Learning and Work Institute, Communities that Work and the Institute for Employment Studies are supporting and evaluating the programme sites in Stockton, Maltby, East Finchley, Swale, Leyton, Penge, Borehamwood, Toxteth, Wirral and Wybourn.

Fundamentally, JobsPlus provides intensive and holistic employment support, combined with financial incentives - a one-off 'into work bonus', once participants have sustained new employment or self-employment for at least two months. Support is delivered through an integrated local place that brings together housing, employment, and other local partners. It is open to all of those in the neighbourhood, thereby removing formal barriers and stigma to participation.

JobsPlus takes an explicitly community-led approach. This means that residents play an active role in shaping provision, championing engagement and providing peer support. Evidence from the United States showed that this helps to build trust and engagement in the service, as well as addressing challenges around stigma and access.

Above all, JobsPlus has so far demonstrated that independent, community-based employment hubs can create an environment where people feel comfortable seeking advice, disclosing challenges, and exploring career opportunities without fearing financial repercussions. Similarly, JobsPlus' explicitly community-led approach means that support is embedded within the communities they serve, enabling them to deliver truly tailored support to those in vulnerable or hard-to-reach groups, including young people living in social housing.

An independent evaluation of JobsPlus has already begun to demonstrate its success as an effective, community-led model for tackling economic inactivity, particularly among young people. Key findings include:

1. Engagement and delivery

    - Strong partnership working facilitated by housing associations, using existing staff and community networks to ensure visibility and trust.
    - Effective local outreach (via community events and door-knocking) has resulted in high engagement rates and minimal drop-out: only 9 per cent of participants disengaged during the first four weeks.
    - Participants reported high satisfaction with the programme, with caseworker relationships and community hub accessibility cited as key factors in positive experiences.

2. Reaching those furthest from work

- Over 80 per cent of participants were out of work at the point of programme registration.
- 28 per cent of participants had no or low educational qualifications, and 28 per cent reported a long-term health conditions.
- The programme effectively reached young people (25 per cent were aged 16-24), parents and carers (36 per cent) and ethnic minority groups (27 per cent). People in these groups are more likely to be disadvantaged than others, and are likely to face multiple disadvantages and needs.[9]

3. Outcomes and value

- 18 per cent of participants secured employment, with over half of these entering work within two months of registration.
- Over 50 per cent of employment outcomes resulted in permanent contracts.
- Participants also reported improved confidence, reduced social isolation and better mental health outcomes.
- JobsPlus has fostered long-term local partnerships, enhancing collaboration between housing, employment and health services.

In addition to this clear evidence of early success, the Social Mobility Commission has identified JobsPlus as a good example of joint working between government departments and third-sector organisations.[10] In addition, the Work and Pensions Select Committee recently recognised the pilot as an effective model for better integrating housing and employment support in its inquiry into 'Reforming Jobcentres'[11], recommending that the Department formally make outreach work – with staff taking Jobcentre services into the community and to locations that people trust – a core part of the new service.

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[9] Institute for Employment Studies (2022), 'Building Opportunity: How social housing can support skills, talent and workforce development. https://www.communitiesthatwork.co.uk/images/pdf/Building_Opportunity_Final_Report_v_final_2_011222.pdf (accessed 13 October 2025)

[10] Social Mobility Commission (2025), Regional Insights: Creating fairer chances across the regions. Available at 2025-11-25 - Regional Insights: Creating fairer chances across the regions - OFFICIAL (accessed 26 January 2026)

[11] Work and Pensions Select Committee (2025), Get Britain Working: Reforming Jobcentres'. Get Britain Working: Reforming Jobcentres (accessed 13 October 2025)

JobsPlus therefore represents a template for the future of inclusive, community-based employment support. Continued and expanded investment would build on this early progress, enabling the programme to mature, demonstrate its full potential, and inform the design of future national employment policy.

Recommendations

1. Scale the JobsPlus model nationally, prioritising areas of high economic inactivity and deprivation to ensure that regions across England can benefit.
2. Better integrate the core principles of Jobsplus – co-location with housing, local partnership and community leadership – into mainstream employment support and future Jobcentre Plus reform.
3. Recognise social landlords as strategic partners in the employment ecosystem and provide ring-fenced funding for housing-led employment initiatives.

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