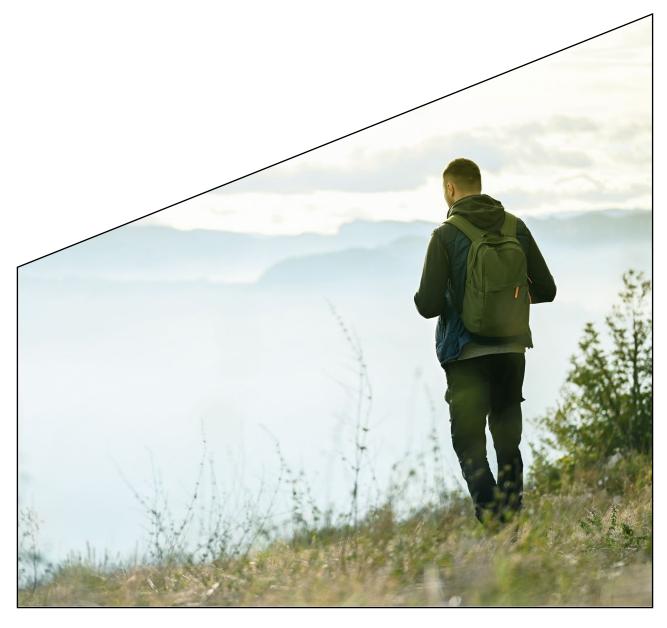




We've only just begun

Action to improve young people's mental health, education and employment

Charlie McCurdy & Louise Murphy February 2024



Acknowledgements

This is the final report of a three-year research programme here at Resolution Foundation, funded by the Health Foundation and part of their Young person's future health inquiry. We would like to thank Cara Leavey, Martina Kane and Mariah Kelly from the Health Foundation for their advice and support throughout.

This report has benefited from comments provided on early drafts by Sam Avanzo Windett, Ben Baumberg Geiger, Mariah Kelly, Alex Kennedy, Katherine Merrifield and April Whitworth. We are grateful to all for their time and expertise.

Many thanks also go to colleagues at the Resolution Foundation for their research direction and support throughout, in particular Torsten Bell, Mike Brewer, Lindsay Judge, Hannah Slaughter and James Smith. We are also grateful to our ex-colleagues Rukmen Sehmi and Esiri Bukata for their invaluable contributions to this programme.

Thanks also go to Young Minds, and in particular Kim Markham Jones, for safeguarding support in arranging and facilitating two focus groups with young people with mental health problems in January and February 2024. Finally, we thank the 22 participants who took part in these and other discussions for sharing their experience of, and insights into, the transition to adulthood so candidly with us.

All that said, any errors or omissions are the authors' own.

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C. McCurdy & L. Murphy, We've only just begun: Action to improve young people's mental health, education and employment, Resolution Foundation, February 2024

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Executive Summary

The transition to adulthood is a tumultuous time: leaving education, entering the labour market, living independent of family and managing one's finances all come with their stresses and strains. But this crucial part of the life course can be especially challenging for young people with mental health problems who are more likely to struggle in the adult world than their healthier peers. Poor mental health can blight young people's experience of education, for example; hamper their finding a job in the first instance; and constrain their ability to flourish in the labour market thereafter. This matters not just for young people's living standards in the here and now: it is well-established that a bumpy start to adulthood can have a 'scarring' effect on one's long-term life chances.

This report is the culmination of a three-year research programme exploring the relationship between the mental health and work outcomes of young people, funded by the Health Foundation and part of their broader Young people's future health inquiry. Over that time, we have examined issues such as how mental health and insecure work collide; why low hours are so prevalent for young workers today; and the intersection between young people's mental health, employment and geography. Here, we bring that body of work, new quantitative analysis and the findings from three focus groups we held in early 2024 together to answer the critical question: what policy change is required for the growing number of young people with mental health problems to thrive in the world of work today?

There has been a worrying increase in the share of young people reporting mental health disorders in recent years

When it comes to young people's mental health, the numbers affected alone should be enough to make policy makers sit up and pay attention. In 2021-2022, more than one-in-three (34 per cent) young people aged 18-24 reported symptoms that indicated they were experiencing a 'common mental disorder' (CMD) such as depression, anxiety or bipolar disorder. That is significantly higher than in 2000, when that figure stood at less than a quarter (24 per cent). Young people today have the undesirable attribute of having the poorest mental health of any age group; two decades ago, young people had the lowest incidence of CMDs across the age spectrum.

This upward trend has been turbocharged by an especially stark rise in the share of young women with poor mental health. As a result, young women today are over one-and-a-half times as likely to experience a CMD as young men (41 per cent compared to 26 per cent). And there are other groups with protected characteristics that have a worryingly high incidence of mental health problems. Young people aged 14-19 who identify as LGBTQ+, for example, are almost three-times more likely to have a probable mental disorder than those who identify as heterosexual (35 per cent compared to 13 per cent). But there is a more nuanced picture when it comes to ethnicity, with young people from many (but not all) ethnic minorities reporting lower levels of mental health problems than their White counterparts.

There is abundant evidence that the youth mental health crisis is having real-world impacts

Although the pandemic had a disproportionately negative effect on young people's mental health, this is not just a Covid-19 phenomenon: the uptick in the share of 18-24-year-olds with mental health problems clearly pre-dated 2020. Likewise, international evidence suggests the rise in CMDs among young people is a secular trend. Research has identified several potential reasons why this is the case. Some studies, for example, foreground the rise of social media, arguing that excessive use

is fuelling anxiety and depression, and enabling online bullying. Others highlight the increased pressure that young people experience today to perform in their studies and at work. And still others point to UK-specific explanations like cuts to vital services in the austerity era which, they argue, have made a bad situation worse.

Of course, there could be a more benign explanation. The (very welcome) decline in stigma attached to mental health problems over the years may mean that young people today are more likely to report (especially lower-level) symptoms than they were in the past. But regardless of whether the underlying incidence of mental health problems has increased, or young people today just are more likely to report issues than in the past, the upward trend in CMDs is having real-world impacts. For example, in 2016, there were just over 8,000 new claims for Personal Independence Payment (PIP) made by 18-24-year-olds with a psychiatric condition; in 2023 that number is estimated to have almost trebled to 23,000. Likewise, over a similar time period, the share of young people prescribed anti-depressants increased from 9 per cent to 12 per cent; more than half a million 18-24-year-olds were prescribed this type of medication in 2021-22.

Mental health problems have a significant effect on young people's employment outcomes

Clearly, then, policy makers have cause to be worried by these trends. Mental health problems are first and foremost personally distressing, but they also have a detrimental impact on employment outcomes, costing individuals, employers and the state dear. Unsurprisingly, young people with mental health problems are more likely to be out of work than their healthy peers: between 2018-2022, one-in-five (21 per cent) 18-24-year-olds with mental health problems were workless, compared to 13 per cent of those without. No wonder, then, that as the share of young people with struggling with their mental health has risen over the last decade, so too has the number who are out of work due to ill health. In 2013, that figure stood at 93,000; today, it has more than doubled to 190,000. As a result, in 2023, one-in-twenty (5 per cent) young people (excluding full-time students) were economically inactive due to ill health.

Until recently, however, this dramatic increase went largely unnoticed by the policy world, obscured by falling overall youth worklessness in the same period. As more young women have entered the labour market due to falling birth rates, and participation in higher education has risen, the number of NEETs (young people not in education, employment or training – a leading indicator of young people's economic well-being) has fallen too. But buried beneath that good news story is the telling fact that today, those in their early twenties are more likely to be workless due to ill health than those in their early forties, a radically different picture to that of the past: twenty-five years ago, there was a clear pattern that the older you were, the more likely you were to be not working because of ill health.

But poor mental health has employment effects beyond a young person's chance of being in work in the first place. Over the past decade, those with mental health problems have been consistently more likely to be in low-paid work than those without: in 2022, for example, two-in-five 18-24-year-olds with mental health problems (40 per cent) who were in work were in a low-paid job, compared to their healthier peers (35 per cent). But here, perhaps, we should not rush too quickly to judgment: we heard loud and clear in our focus groups that some young people with poor mental health find the relatively undemanding nature of some low-paying jobs compatible with their conditions, and value the flexibility that temporary or even zero-hours contracts can offer. The question for policy when it comes to this issue is arguably much the same as for all young people: how to ensure that low-paid or contingent work does not become a prospect for life?

Among those with poor mental health, graduates are less disadvantaged in the labour market than those without degrees

If we focus just on employment, however, we miss a large part of young people's reality today. Between 2018-2022, one-third (33 per cent) of 18-24-year-olds were in full-time study, and the vast majority of them in higher education (HE). But over the last decade, universities have become hotbeds for mental health

problems: the share of young full-time students with a CMD has increased at a far faster rate than that of working or out-of-work young people (up 37 per cent, compared to 15 per cent and 23 per cent respectively). Given this, it is unsurprising that so much attention has been given to the mental health of students in recent years.

But a focus on students risks overlooking the fact that once these young people graduate, their degrees still give them a significant advantage in the labour market compared to their non-graduate peers. Over the period 2018-2022, for example, 17 per cent of graduates with CMDs were workless, compared to 9 per cent of graduates without mental health problems, a gap of 8 percentage points. At the same time, 33 per cent of young non-graduates with mental health problems were workless, compared to 19 per cent without mental health problems, a much more concerning gap of 14 percentage points.

There are a number of potential reasons why poor mental health may not impede young graduates' employment outcomes as much as it does those without degrees. Those on the university track benefit from a clear pathway into early adulthood, for example, in marked contrast with young people outside of universities who often face a much more chaotic transition. Likewise, while NHS mental health support for adults is overstretched, university students also have the safety net of mental health services provided by their institutions – estimated to be equivalent to £39 per student per year. And added to this, employers in graduate-dense sectors tend to offer greater flexibility in the workplace than sectors such as retail and hospitality which largely employ workers without degrees. In 2022, for example, 67 per cent of graduate workers worked from home at some point in the last week, compared to just 32 per cent of non-graduate workers.

Mental health problems are blighting young people's education to a significant degree

There is, however, another reason why policy makers should be especially mindful of the plight of those young people with mental health problems who do not go on to HE: there is evidence to suggest that their poor mental health has disrupted their education to a damaging effect. Indeed, when we look at the skills levels of those young people who are not working because of health reasons, the picture is striking: four-in-five (79 per cent) 18-24-year-olds who are workless due to ill health only have qualifications at GCSE level or below, compared to a third (34 per cent) of all people in that age group.

It is hard not to conclude, then, that another reason why many young people with mental health problems are so disadvantaged in the labour market is that their health blights not only their ability to find and then flourish in work, but also their education. One-in-eight (12 per cent) 11-16-year-olds with poor mental health missed more than 15 days of school in the autumn term of 2023, for example; that figure was one-in-fifty for their healthier classmates. Small surprise, then, that children aged 11-14 experiencing poor mental health are three-times more likely not to pass five GCSEs including maths and English compared to their healthier peers.

Given this, the growing share of schoolchildren with mental health problems is of serious concern. In 2017, 17 per cent of 11-16-year-olds in England had a probable mental disorder; in 2023, that figure had shot up to 23 per cent. At the same time, young people's mental health services are notoriously overstretched and vary considerably by place. In 2022, 17-18-year-olds in the most income-deprived quintile of English neighbourhoods who requested support from specialist mental health services were twice as likely to still be waiting for, or never receive any, help compared to those in the least-deprived quintile (39 per cent versus 18 per cent).

Further education colleges need more investment to help those at the sharpest end of the youth mental health crisis

The rising prevalence of mental health problems among the under-18s demands first and foremost a health response: reducing the number of young people entering adulthood

with a mental health problem must be the number one policy priority. Interestingly, educational settings are the place where children most commonly seek help when they have issues with their mental health: in 2023, three-quarters (74 per cent) of young people aged 8-16 with mental health problems turned to someone in their school, far higher than the share who sought help from the health service (49 per cent) or friends and family (42 per cent). And when support is offered in educational settings, young people find it as effective as that provided by specialist health services.

Given this, it is good news that there has been significant investment in recent years in Mental Health Support Teams (MHSTs) in schools and colleges to help students with mild-to-moderate mental health issues. But there is bad news too. In 2023, only 44 per cent of all learners in England in secondary schools or post-16 settings had access to a MHST; but even more worryingly, less than one-in-three (31 per cent) of those in post-16 settings could access such support compared to almost half (47 per cent) of those in secondary schools. Put together the facts that young people not bound for university are seriously disadvantaged in the labour market by a mental health problem and are over-represented in FE colleges as opposed to schools, and the evidence strongly suggests not only that all-round investment in MHSTs needs boosting, but that FE colleges must be the first in line for additional support.

Policy must ensure meaningful second chances for young people when they are still in compulsory education

Early intervention should not just be limited to additional health support within schools and colleges, however: it is also critical to do more to help young people who have failed to gain basic qualifications because their education has been disrupted by their poor mental health. Although it is obligatory for 16-18-year-olds to resit maths and English GCSEs if they fail these exams in Year 11, resit success rates are currently woeful: in 2023, only one-quarter of those who resat GCSE English, and one-in-six of those who resat GCSE maths, achieved a pass. Once young

people leave compulsory education, however, their chances of a successful resit are even slimmer: the share of young people with 5 GCSE passes (or equivalent) plateaus after the age of 21.

Making it easier to achieve GCSE and A level equivalent qualifications at any point in adult life is of course a laudable objective, and the Lifetime Skills Guarantee announced in 2020 is a welcome step in this direction. But when it comes to helping young people with mental health problems successfully transition into and then flourish in the labour market, the evidence points strongly to significant investment in intensive support for those who have failed maths or English at GCSE level while they are still in compulsory education. As one young person in our focus groups powerfully put it: "The chance to retake my GCSEs was ... a chance to improve, but there was no help for me there, there was nothing." It is time to do better than this.

Young people need improved advice and opportunities when it comes to non-university pathways

The transition from childhood into adulthood can be hard for anyone, but this period is particularly unnerving for young people not on the higher education (HE) track who have far less guidance about what comes next compared to those who are university-bound. Young people that are not proceeding on to HE receive less careers advice from their school or college than those who are going to university for example (24 per cent compared with 44 per cent respectively in England in 2022). And as our focus groups made clear, those with mental health problems are particularly hard hit by the uncertainty this lack of guidance engenders.

So how could this inequitable situation be improved? One plausible option would be to expand DWP Youth Hubs that currently offer access to work coach support to young people claiming means-tested benefits in 'one-stop-shop' locations such as libraries or youth centres. This model has clear advantages: Youth Hubs, if properly rolled out and funded, could offer young people holistic support including for their mental health, and

neatly side-step the negative associations so many young people attach to Jobcentre Plus. But large numbers of young people cannot currently access this valuable source of support given that 62 per cent of out-of-work 18-24-year-olds are not in receipt of income-related benefits. Expanding the Youth Hubs offer and allowing all young people to access this would be a very welcome step indeed.

'Mental health-aware' managers are a must in sectors that employ large numbers of young people

Policy interventions that weaken the impact that poor mental health has on young people's educational and employment outcomes are critical but so, too, is action to enable those who are in work to sustain employment and thrive. Good management is valued by everyone, but especially by those with mental health problems. Workers with anxiety are more likely than their healthier peers to report that a good relationship with their manager is important to them (89 per cent versus 83 per cent), for example, but also less likely to say that their manager provides them with helpful support (58 per cent compared to 65 per cent). But when we asked young people with mental health problems what good management looked like in our focus groups, they did not ask for much: as one participant put it, they wanted a manager that understood "you're not just a robot at work".

Given this, it is time that policy makers treated mental health problems in the workplace with as much seriousness as they did back pain in the 1990s and early 2000s: after all, stress, depression and anxiety overtook musculoskeletal disorders as the leading cause of work-related illness in 2016. Here, it is informative to look back at 'manual handling' regulations that were introduced in the 1990s obliging employers to undertake a risk assessment and take mitigating action when the risk is high. This analogy suggests that employers should be required by law to ensure their managers are mental health-trained: we propose that retail and hospitality – where 36 per cent of 18-24-year-olds currently work, and where one-third of these young workers report mental health problems – be the sectors that lead the way.

In a world of tight resources, evidence-based policies to tackle the youth mental health crisis are more important than ever

Although there have been a number of very welcome initiatives in recent years, the policy world has only just begun to grapple with the true nature and scale of the youth mental health crisis in the UK today. Now is the time to look to the evidence and listen to young people about what policies would really help them flourish. Our ultimate aim should, of course, be to prevent future generations of young people growing up in a world where one-in-three (or in the future, potentially even more) have a CMD. But there is also much that needs to be done to improve the educational and employment outcomes of young people when they do have poor mental health.

Tackling mental health issues at the earliest opportunity; providing second chances to get vital qualifications while still in compulsory education; boosting advice and opportunities for those not bound for university; and ensuring that managers in key sectors undertake mandatory mental health training: together, these four priority areas for action could be gamechanging for many young people today. Of course, implementing a comprehensive programme like this would not be cost-free. But failing to act in the face of the youth mental health crisis can only bring further costs in the future: to the state (in the form of benefits and foregone taxes); to employers (who miss out on potential workers and risk higher absenteeism); and most importantly, to all the young people whose future living standards are currently compromised by their poor mental health.

Section 1

Introduction

This report marks the end of a three-year research programme here at the Resolution Foundation, funded by the Health Foundation as part of their Young people's future health inquiry. Over that time, our focus has been squarely on young people's experiences of employment and mental health, and the interactions between the two. We have looked at, for example, how mental health and insecure work collide; why low hours are so prevalent for young workers today; and the intersection between young people's mental health, employment and geography.

In this report, we draw together our previous research findings with new evidence on the rising prevalence of mental health problems among young people and the ways in which this is having damaging effects on their education and employment outcomes. But this report is not just about highlighting the problems; it is also about identifying actions that should be prioritised by policy makers if the growing number of young people with poor mental health in the UK today are to flourish when they enter the world of work.

With this in mind, in January and February 2024 we convened three focus groups of young people aged 18-24 to listen to their views on how policy could improve their lives.³ We heard from young people with mental health problems studying full time or with a university degree; young people with mental health problems who were not on the university track; and to help us ensure that the issues these young people raised were not simply a function of their age, a group of young people without mental health problems who were not university-bound.⁴ (Each group also contained a good mix of

¹ See: www.health.org.uk/what-we-do/a-healthier-uk-population/young-peoples-future-health-inquiry, accessed 20 February 2024.

² See Annex 1 for a summary of the seven previous reports written as part of the Resolution Foundation's stream of work focusing on young people's mental health and employment.

³ For safeguarding purposes, we worked with the charity Young Minds in the design and delivery of the two focus groups with young people with mental health problems. See: www.youngminds.org.uk for more information on this organisation.

Although the young people in this latter focus group did not disclose any health problems, many participants did in fact raise mental health problems during our discussion. Given this, on occasion we do use quotes from this focus group when reflecting on the experiences of young people with mental health problems. In our other two focus groups, all young people with poor mental health had ongoing conditions at the time of the discussions. However, we recognise that our focus groups were unlikely to contain young people with certain severe mental health problems, whose conditions would preclude participation in the first place. Therefore, we acknowledge that this group's perspectives are most likely not fully reflected in this report.

young people by sex, ethnicity and work status.) Their insightful thoughts and ideas are woven through this report.

The remainder of this report is structured as follows:

- Section 2 sets the scene by looking at trends relating to young people's mental health in recent years.
- Section 3 focuses on the links between young people's mental health and various employment outcomes.
- Section 4 considers how mental health problems can affect children and young people's education.
- Section 5 concludes with a programme of priority policy actions that the evidence suggests would make it far easier for young people with mental health problems to enter and then thrive in the world of work.

Section 2

The rise in mental health problems for young people

In this section we explore the rise in mental health problems among young people. We show that this upward trend has left a particularly high proportion of 18-24-year-olds reporting symptoms that indicate they were experiencing a common mental disorder such as depression, anxiety or dipolar disorder. We also highlight that there are differences in the prevalence of mental health problems between groups of young people. What sits behind this worrying trend is beyond the scope of this report, but whatever the cause may be, the rise in mental health problems is having real-world impacts. For example, we show that rising mental health problems for young people is showing up in the benefits system and in the number of young people receiving antidepressant drug prescriptions.

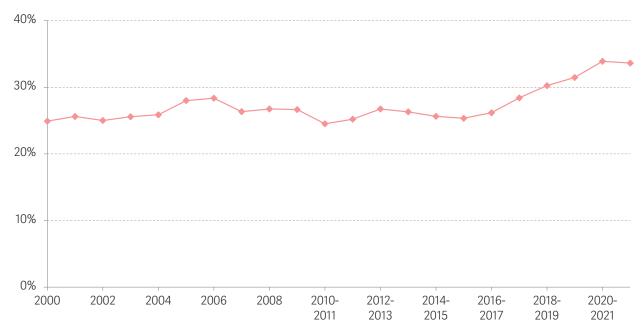
Young people's mental health has deteriorated since the mid-2010s

It is clear that there has been an alarming rise in mental health problems for young people in the past decade or so. In Figure 1, we present the share of 18-24-year-olds who cross the threshold at which they are considered to have a probable 'common mental disorder' (CMD), such as depression, anxiety, or a bipolar condition (see Box 1 for more details on how this measure is constructed). The share of young people with CMDs has increased sharply since the mid-2010s – rising from one-in-four (24 per cent) in 2000 to one-in-three (34 per cent) by 2021-2022. In fact, young people today have the undesirable attribute of having the highest CMD rate of any age group, in stark contrast to two decades ago when they had the lowest incidence of CMDs across the age spectrum.⁵

⁵ R Sehmi & H Slaughter, <u>Double Trouble: Exploring the labour market and mental health impact of Covid-19 on young people,</u> Resolution Foundation, May 2021.

FIGURE 1: One-third of 18-24-year-olds cross the threshold at which they are considered to have a common mental disorder (CMD)





NOTES: Respondents are classified as having a 'Common mental disorder' if they have a GHQ-12 score of three or more. Data presented as a two-year rolling average combining the wave shown and the previous wave. Waves up to and including 2008 are from the British Household Panel Survey (BHPS) and cover a single calendar year. Waves from 2009-10 onwards are from the Understanding Society (the successor to the BHPS) and cover two calendar years.

SOURCE: RF analysis of ISER, British Household Panel Survey; ISER, Understanding Society.

BOX 1: The General Health Questionnaire approach to identifying common mental disorders

There are a range of mental health problems or disorders. The most common are known as 'common mental disorders' (CMD), a term that covers major depression and anxiety disorders such as generalised anxiety disorder, bipolar disorder and panic disorder. In this report we use the 12 standardised questions from the General Health Questionnaire (GHQ), which asks individuals about their experiences and general feelings, to construct a

binary variable identifying individuals with a probable CMD.⁶ This method of assessing the mental health of the general population is our preferred measure, and is one of the most validated and widely used approaches for screening common mental health disorders. In this report we focus on the share of individual with CMDs (via the GHQ), but in some cases we use alternative metrics when this measure is unavailable. For example, NHS

⁶ For a full discussion of the GHQ, see Box 2 in R Sehmi & H Slaughter, <u>Double Trouble: Exploring the labour market and mental health impact of Covid-19 on young people</u>, Resolution Foundation, May 2021.

surveys tend to report 'probable mental disorders' and the ONS Labour Force Survey asks individuals to self-report

whether or not they have a mental health problem.

This deterioration in mental health of young people has been especially striking for young women: young women today are over 1.6 times as likely to experience CMDs than young men of the same age (41 per cent vs 26 per cent). As Figure 2 makes clear, this gap has increased since 2010-11, when young women were only 1.4 times as likely to experience a CMD compared to young men (28 per cent vs 21 per cent respectively).

FIGURE 2: Young women have experienced a particularly striking rise in the share with a probable common mental disorder

Proportion of 18-24-year-olds with a common mental disorder (CMD), by sex: UK



NOTES: Respondents are classified as having a 'Common mental disorder' if they have a GHQ-12 score of three or more. Data presented as a two-year rolling average combining the wave shown and the previous wave. Waves up to and including 2008 are from the British Household Panel Survey (BHPS) and cover a single calendar year. Waves from 2009-10 onwards are from the Understanding Society (the successor to the BHPS) and cover two calendar years.

SOURCE: RF analysis of ISER, British Household Panel Survey; ISER, Understanding Society.

There are other demographic characteristics of young people that might also display varying risks in the prevalence of mental health problems. As we discuss in Box 2, different ethnic groups and sexual identities may experience higher rates of mental health problems, for example.

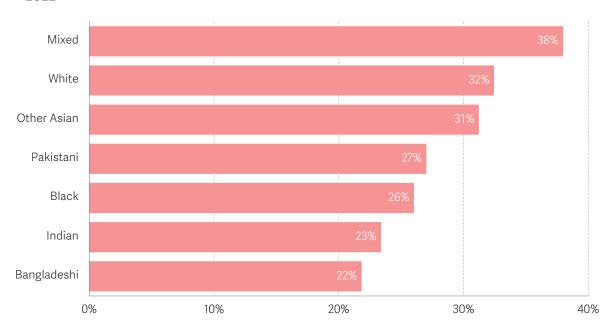
BOX 2: Differences in the prevalence of mental health problems between groups of young people

Young people are far from a homogeneous group and have varying risks in the prevalence of mental health problems depending on different personal characteristics. There are differences by ethnicity, for example. As Figure 3 highlights, two-fifths (38 per cent) of young people with a mixed ethnicity are likely to have CMDs compared to just one-fifth of young people from Indian (23 per cent) or

Bangladeshi ethnic groups (22 per cent). These differences in the rates of mental health disorders by ethnic group are also evident when looking at other survey data. For example, NHS England survey data shows that the incidence of any mental disorders in 5-19-year-olds tends to be higher for White British youth and for those with a mixed ethnicity than those who were Black or Asian.⁷

FIGURE 3: Young people with a mixed ethnicity are most likely to experience a common mental health disorder

Proportion of 18-24-year-olds with a common mental disorder, by ethnic group: UK, 2017-2022



NOTES: Respondents are classified as having a 'Common mental disorder' if they have a GHQ-12 score of three or more. SOURCE: RF analysis of ISER, Understanding Society.

Moreover, there are differences in the prevalence of mental health problems

by sexual identity. NHS England survey data highlights that young people aged

⁷ NHS Digital, Mental Health of Children, 2017: Summary of key findings, November 2018.

14-19 in 2017 (the latest year these demographic cuts were available) who identify as LGBTQ+ were far more likely to have a mental disorder (35 per cent) than those who identified as heterosexual (13 per cent).8 Other evidence shows higher rates of self-harm and psychological distress among young people whose sexual identity is not heterosexual.9

Finally, when it comes to gender identity there is significant evidence that young people who identify as non-binary report very high rates of psychological distress. ¹⁰ Bullying, discrimination and harassment related to an individual's identity is particularly common for this group of young people, and this can have a particularly damaging effect on a young non-binary person's mental

health.¹¹ Indeed, one of our focus group participants expressed that they had found it difficult to be open about who they were and had been at the receiving end of bullying.

"... with being trans in my school and having my name on the register being [name] and my deadname on email being [name], it made me a subject of bullying in my class since people will often have opinions, especially with how politics is lately with this kind of topic. I feel scared a lot to open about who I am. Really teaching people acceptance would be nice."

(Young person, not university-educated, with mental health problems)

Young people who are out of work have high rates of common mental health disorders

Aside from differences by sex, ethnicity or sexual identity (as discussed in Box 1), there are other characteristics which appear to heavily influence young people's risk of poor mental health. In particular, there is a clear link with employment. Young people who are neither working nor studying are the most likely to have mental health problems, as shown in Figure 4: almost half (45 per cent) of out of work 18-24-year-olds who aren't students are likely to have a CMD – compared to a quarter (27 per cent) of working young people. Of course, there is likely to be a two-way relationship between mental health and work. Being in employment, for example, can improve mental health via improved

⁸ NHS Digital, Mental Health of Children, 2017: Summary of key findings, November 2018.

⁹ E Holt-White et al., <u>Briefing No.1 – Mental and physical health</u>, COVID Social Mobility & Opportunities Study, November 2023.

¹⁰ E Holt-White et al., Briefing No.1 – Mental and physical health, COVID Social Mobility & Opportunities Study, November 2023.

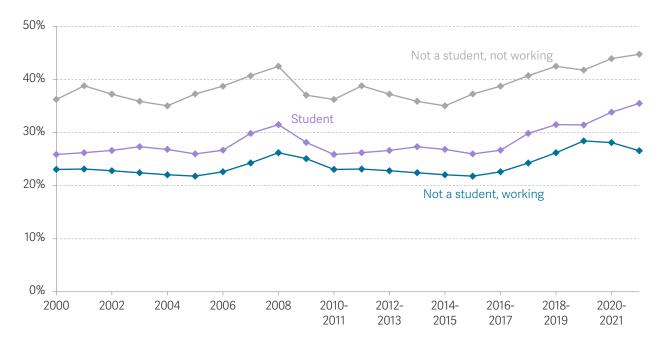
¹¹ K Rimes et al., Non-binary and binary transgender youth: Comparison of mental health, self-harm, suicidality, substance use and victimization experiences, International journal of transgenderism 20(2-3), September 2017; E Holt-White et al., Briefing No.1 – Mental and physical health, COVID Social Mobility & Opportunities Study, November 2023.

¹² R Sehmi & H Slaughter, <u>Double Trouble: Exploring the labour market and mental health impact of Covid-19 on young people</u>, Resolution Foundation, May 2021.

self-esteem and a sense of purpose.¹³ At the same, time there is a range of evidence that mental health directly influences whether or not someone can gain and sustain employment.¹⁴

FIGURE 4: Young people who are out of work have high rates of common mental disorders

Proportion of 18-24-year-olds with a common mental disorder (CMD), by whether in work or full-time education: UK



NOTES: Respondents are classified as having a 'Common mental disorder' if they have a GHQ-12 score of three or more. Data presented as a two-year rolling average combining the wave shown and the previous wave. Waves up to and including 2008 are from the British Household Panel Survey (BHPS) and cover a single calendar year. Waves from 2009-10 onwards are from the Understanding Society (the successor to the BHPS) and cover two calendar years.

SOURCE: RF analysis of ISER, British Household Panel Survey; ISER, Understanding Society.

Although the workless young group has the highest concentration of young people with probable CMDs, the rise in mental health problems for full-time students also stands out. The share of young students with CMDs has risen from 26 per cent in 2010-11 to 36 per cent by 2021-22. Over this period the share of young students with a CMD has

¹³ R Drake & M Wallach, Employment is a critical mental health intervention, Epidemiology and Psychiatric Sciences 29 (175), November 2020. Of course, not all aspects of work are positive: there are some more pernicious aspects of work, like having insecure working hours, that can induce anxiety, and a lack of control or high job demands can lead to a greater risk of developing common mental health problems. See: N Cominetti et al., Low Pay Britain 2023: Improving low-paid work through higher minimum standards. Resolution Foundation, April 2023; S Harvey et al., Can work make you mentally ill? A systematic meta-review of work-related risk factors for common mental health problems, Occupational and Environmental Medicine 74(4), April 2017.

¹⁴ H Wilson & D Finch, <u>Unemployment and mental health: Why both require action for our COVID-19 recovery</u>, The Health Foundation, April 2021.

¹⁵ A number of reasons might explain this, including increased financial pressure due to rising tuition fees and cuts to mental health services under austerity. See: C Thorley, Not by degrees: Improving student mental health in the UK's universities, Institute for Public Policy Research, April 2017.

¹⁶ And this rise is also showing up in the number of Higher Education enrolments who report a mental health problem. This number has almost quadrupled (+357 per cent) between 2014/15 and 2021/22. See: HESA, <u>Higher Education Student Data: UK domiciled student enrolments by disability and sex 2014/15 to 2021/22</u>.

increased at a far faster rate seen in working or workless young people (up 37 per cent, compared to 15 per cent and 23 per cent respectively). Again, young women stand at as having notably high rates of CMDs: in 2021-22, young women who were studying were 1.4 times as likely to have CMDs compared to the equivalent group of young men (53 per cent vs 38 per cent).

So, could an increase in the number of students, with their higher likelihood of probable CMDs (as shown in Figure 4) help explain the rising prevalence of mental health problems among young people? The simple answer is no. Previous research indicates that changes in the overall composition of young people – including shifts towards higher education – provides limited explanatory power when it comes to young people's deteriorating mental health.¹⁷

What sits behind the worrying recent rise in mental health problems for young people?

If not students, then, what else could sit behind the worrying recent rise in mental health problems for young people? Research has identified a number of possible explanations for the recent rise in mental health for young people – all of which could in reality be playing some role.

First, the Covid-19 pandemic certainly led to a sharp rise in mental health problems across the whole population – and this was particularly the case for young people compared to older age groups. Although the most worrying rates of mental health problems experienced during the early stages of the pandemic have abated, CMD rates among young people have remained elevated compared to pre-pandemic levels. But, although the pandemic did disproportionately affect young people's mental health, the trend of rising mental health problems for 18-24-year-olds clearly predates the Covid-19 pandemic (as shown in Figure 1).

Other explanations include the rapid rise in social media – with the advent of problems like online bullying and those associated with excessive use.²⁰ Some point to evidence that young people are increasingly put under pressure to perform under stressful circumstances (like exams and tight deadlines) during their studies and at work.²¹ And others argue that several years of austerity – including cuts to vital services such as

¹⁷ See Figure 11 in: R Sehmi & H Slaughter, <u>Double Trouble: Exploring the labour market and mental health impact of Covid-19 on young people</u>, Resolution Foundation, May 2021.

¹⁸ R Sehmi & H Slaughter, <u>Double Trouble: Exploring the labour market and mental health impact of Covid-19 on young people</u>, Resolution Foundation, May 2021.

¹⁹ R Sehmi & H Slaughter, <u>Double Trouble: Exploring the labour market and mental health impact of Covid-19 on young people</u>, Resolution Foundation, May 2021.

²⁰ I Kwan et al., <u>Cyberbullying and children and young people's mental health: a systematic map of systematic reviews</u>, Cyberpsychology, behaviour and social networking 23(2), February 2020.

²¹ T Steare et al., The association between academic pressure and adolescent mental health problems: A systematic review, Journal of Affective Disorders 339, July 2023.

children and adolescent health support – have led to a rise in young people growing up in poverty, or reduced the support available to young people with poor mental health.²² Indeed, there is a large body of literature detailing the ways in which economic hardship can increase the risk of mental health problems: for example, by delaying financial independence and therefore a sense of control over their life.²³

Of course, there is also a narrative that the rising incidence of mental health problems is a function of wider (very welcome) societal awareness and acceptance – leading to more comfort in reporting mental health symptoms today than in the past. It is indeed true that there is better understanding of – and less stigma attached to – many mental health problems, and this may result in more people reporting that they are struggling, especially for milder conditions.²⁴

The exact causes of the recent youth mental health spike (one which has also occurred in many other English-speaking countries) is, however, beyond the scope of this report.²⁵

Regardless of the cause, the share of young people that classify as disabled with mental health problems has risen

Whatever sits behind the youth mental health crisis, we next turn to evidence that shows the share of young people that classify as disabled with mental health problems has risen sharply (shown in the left-hand panel of Figure 5). In 1998 those in their 40s, 50s and 60s were most likely to report a disability because of mental health. By 2022, those in their 20s were more likely to classify as disabled with mental health problems than those in their 40s to 60s. Indeed, around one-in-eight people in their late 20s to early 30s now report a disability with a mental health.

²² I Cummins, The Impact of Austerity on Mental Health Service Provision: A UK Perspective, International Journal of Environmental Research and Public Health 15(6), June 2018.

²³ R Marcus & M Gavrilovic, The Impacts of the Economic Crisis on Youth Review of Evidence, Overseas Development Institute, October 2010.

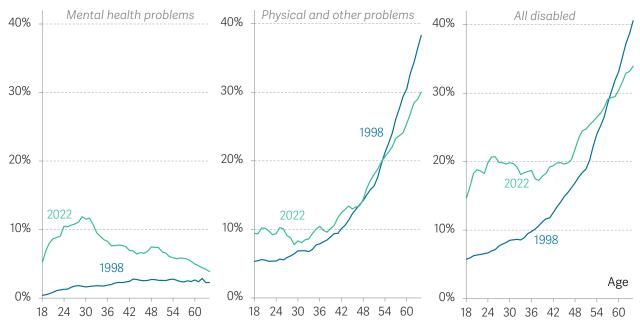
²⁴ This second route to the rise in reporting of CMDs could both be inflating rates of mental health problems but also be leading to a genuine increase in the prevalence of mental health disorders (because of the self-fulfilling nature of labelling individual struggles as something more severe). For a full discussion of whether or not mental health awareness efforts are contributing to the rise in reported mental health problems, see: L Foulkes & J Andrews, <u>Are mental health awareness efforts contributing to the rise in reported mental health problems? A call to test the prevalence inflation hypothesis</u>, New Ideas in Psychology (69), April 2023.

²⁵ J Haidt, Z Rausch & J Twenge, <u>Adolescent mood disorders since 2010: A collaborative review</u>. Unpublished manuscript, New York University, ongoing.

²⁶ And it should not be overlooked that in order to classify as disabled (using the 2010 Equality Act) an individual must state that a health problem lasts 12 months or is likely to last the rest of a person's life, and that the condition limits their ability to carry out day-to-day activities (either a little or a lot).

FIGURE 5: There is no longer such a steep age-disability gradient

Proportion of the working-age population that classify as disabled, by main health problem and single year of age: UK



NOTES: Data presented as three-year averages by single year of age. Physical problems refer to arms, hands, legs or feet. Other health problems refer to progressive illnesses, learning difficulties, diabetes, sight, hearing and speech, organ problems and internal illnesses and anything else. Mental health problems refer to depression or other mental illnesses (which could include phobia, panics or nervous disorders).

SOURCE: RF analysis of ONS, Labour Force Survey.

The rise of young people who classify as disabled with mental health problems combined with the (welcome) trend of fewer older adults classifying themselves as disabled primarily for physical and other reasons (the middle panel of Figure 5) has changed the overall relationship between age and disability. When we combine these two trends together (the right-hand panel of Figure 5) there is no longer such a steep age-disability gradient as there was in the late 1990s: indeed, those in their 20s today are more likely to report a disability than those in their 40s were in 1998.

The rise in youth mental health problems is having real-world impacts

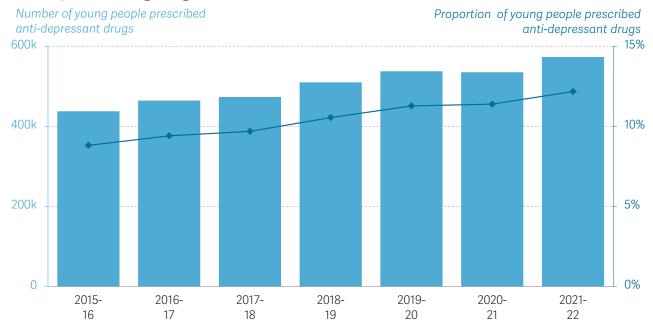
Finally, there is a significant amount of concrete evidence that the rise in youth mental health problems is having real-world impacts. For example, the number of young people (aged 18-24) prescribed antidepressants has risen sharply from 440,000 in 2015-16 to 570,000 in 2021-22 – a rise of 31 per cent, and equivalent to a rise from 8 to 12 per cent of all young people who are in receipt of a prescription.²⁷ And there has been a rise in other

²⁷ NHS Business Services Authority, Medicines Used in Mental Health: England 2015/16 to 2021/22, July 2022.

medical prescriptions used in mental health. For example, the number of 20-24-year-olds prescribed drugs used for psychoses and related disorders has increased by 18 per cent between 2015-16 and 2021-22 – up from 29,000 to 35,000.²⁸

FIGURE 6: The number of young people prescribed anti-depressant drugs has increased by almost a third since 2015-16

Number (left axis) and proportion (right axis) of 18-24-year-olds who are prescribed antidepressant drugs: England



SOURCE: RF analysis of NHS, Medicines Used in Mental Health; ONS, mid-year population estimates.

The deterioration of young people's mental health is also showing up in the number of young people claiming and being awarded disability benefits on the grounds that they are not able to undertake normal 'day to day' activities without assistance. In 2016, for example, there were just over 8,000 new claims for Personal Independence Payment (PIP) made by 18-24-year-olds for psychiatric conditions; in 2023, that number is estimated to have almost trebled to 23,000.²⁹ Indeed, the average number of monthly awards in 2023 has stabilised at three-times the 2019 monthly average. Even though the pandemic turbocharged the number of young people making new claims for psychiatric conditions, the number of claims has remained elevated even in the period thereafter.

Overall, then, there is a worryingly large number of young people with probable CMDs and this is having real-world impacts: for example, placing increased demands on the benefits system and the health service. Moreover, this trend clearly predates the Covid-19 pandemic, stretching back to the early 2010s. Next, we turn to assess what this rise means for young people's prospects in the labour market.

²⁸ NHS Business Services Authority, Medicines Used in Mental Health: England 2015/16 to 2021/22, July 2022.

²⁹ These figures cover England and Wales and only cover new claims. Source: RF analysis of DWP, Stat-Xplore.

Section 3

The impact of young people's mental health on employment

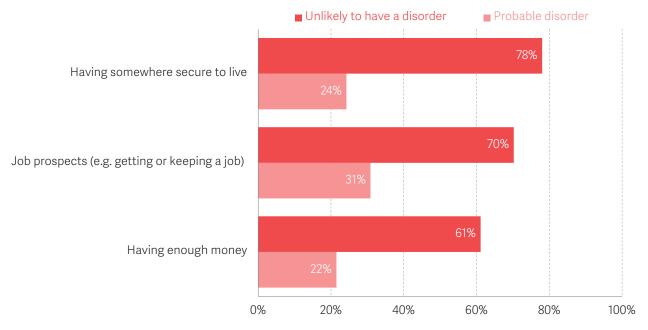
In this section, we explore how the youth mental health crisis is affecting young people's labour market outcomes. We consider how those with mental health problems compare to their healthier peers when it comes to being in work in the first place, and also draw on findings from our focus groups to compare their qualitative experience of the world of work. Importantly, we show that the employment outcomes of young people with mental health problems look radically different for those with and without university degrees, suggesting that policy makers should be particularly concerned about the latter group.

Mental health problems impact young people's ability to enter and flourish in the labour market

In the previous section, we showed that the youth mental health crisis is not just showing up in self-report surveys, but also having material impacts on measures such as disability benefit claims and anti-depressant prescriptions. But having a mental health problem has knock-on impacts on various parts of young people's lives. Young people with mental health problems are less likely than their healthy peers to feel hopeful about their future. As Figure 7 shows, this is true across a variety of measures, including how young people feel about their future financial situation and housing security. And it is also true when we look at how young people feel about their future employment prospects. Less than a third (31 per cent) of young people aged 17-23 who have mental health problems feel optimistic about their future job prospects, whereas more than two-thirds (70 per cent) of young people without mental health problems feel optimistic about their future careers.

FIGURE 7: Less than a third of young people with mental health problems feel optimistic about their future employment prospects

Proportion of young people aged 17-23 who feel optimistic about the future, by topic and mental health of young person: England, 2023



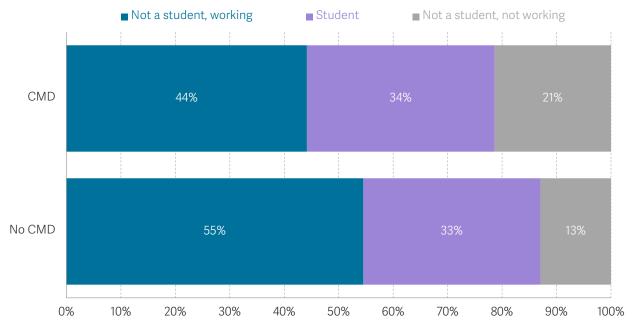
NOTES: The Strengths and Difficulties Questionnaire was used to assess different aspects of mental health and estimate the likelihood that a child has a probable mental disorder. SOURCE: RF analysis of NHS England, Mental Health of Children and Young People in England.

Unfortunately, the lack of optimism reported by young people with mental health problems reflects reality: having a mental health problem does impact young people's chances of finding and flourishing in work. In Section 2, we showed the rates of mental health problems among young people in and out of work, and in Figure 8 we analyse that relationship the other way around to show that young people with mental health problems are more likely to be workless than their healthy peers. Between 2018-2022, one-in-five young people with mental health problems (21 per cent) were workless, compared to 13 per cent of young people without mental health problems. This pattern continues into later adulthood: among 25-34-year-olds, 22 per cent of those with mental health problems were workless, compared to 14 per cent of those without.³⁰

³⁰ The employment 'gap' between those with and without mental health problems is well evidenced. See, for example: Department for Work and Pensions, Employment of disabled people 2022, January 2023; M Bryan et al., Exploring mental health disability gaps in the labour market: the UK experience during COVID-19, Labour Economics, Volume 78, October 2022.

FIGURE 8: One-in-five young people with common mental disorders are workless

Employment status of 18-24-year-olds, by whether or not they have a common mental disorder (CMD): UK, 2018-2022



NOTES: Respondents are classified as having a 'Common mental disorder' if they have a GHQ-12 score of three or more.

SOURCE: RF analysis of ISER, Understanding Society.

It is also clear from Figure 8 that it is important to think about full-time education when focusing on young people aged 18-24, with a third (33 per cent) of young people in full-time study between 2018-2022. We explore this in in Box 3 below.

BOX 3: The number of young people in full-time education has risen dramatically over the past few decade

When thinking about the employment prospects of young people, it is important to recognise a major change that has occurred over the past few decades: the increasing number of young people remaining in full-time education (largely university) in their late teens and early twenties. Between 1995 and 2021, the total

proportion of young people aged 18-24 in full-time education (including those unemployed, economically inactive and in employment) has increased from 21 per cent in 1995 to 35 per cent in 2021.³¹

Later in this report we consider the importance of young people's educational background and how education and mental health interact

³¹ L Murphy, Not working: Exploring changing trends in youth worklessness in the UK, from the 1990s to the Covid-19 pandemic, Resolution Foundation, June 2022.

to affect young people's employment prospects. However, we largely exclude full-time students from our analysis, and we do not count full-time students as being workless. This is because, although many full-time students are out of work, their student status is associated with positive effects on their future employment prospects, and so their experience of being out of work is different to those who are workless and not in full-time education.

Similarly, while full-time students have concerningly high rates of mental

health problems, they also benefit from having university-provided mental health support services (such as on-site counsellors) to plug the gaps left by patchy NHS mental health services. For example, in 2022, it was estimated that universities spent an average of £39 per student on mental health support.³² In comparison, young people with mental health problems who are not at university often have little support to fall back on.

The heightened prevalence of worklessness among young people with mental health problems is concerning, since spells of worklessness in early adulthood not only impact people's living standards in the moment, but also have scarring impacts on young people's future employment prospects and lifetime living standards.³³ And these scarring impacts are likely to be even more pronounced for young people with mental health problems: between 2012-2019, half (51 per cent) of young people with mental health problems who became workless remained out of work for two or more years – compared to only two-in-five (40 per cent) of young people without mental health problems.³⁴

But the links between mental health and employment go further. Not only are young people with mental health problems less likely than their healthy peers to be in work – they are also less likely to be in well-paying work. Although the prevalence of low pay has been declining in recent years, largely thanks to the fast-rising minimum wage, young people with mental health problems are consistently more likely to be in low hourly pay than those without. ³⁵ Among non-students in 2022, 40 per cent of employees aged 18-24 with mental health problems were in low hourly pay, compared to 35 per cent of employees without mental health problems (as shown in Figure 9).

³² BACP, University mental health funding will only scratch the surface for support, June 2022

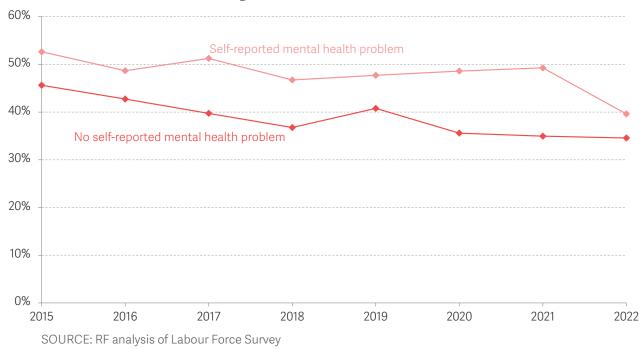
³³ There is abundant literature exploring the scarring impact of youth unemployment on people's future labour market outcomes; see, for example: A Schmillen & M Umkehrer, The scars of youth: Effects of early-career unemployment on future unemployment experience, International Labour Review, Volume 156, December 2017.

³⁴ L Murphy, Not working: Exploring changing trends in youth worklessness in the UK, from the 1990s to the Covid-19 pandemic, Resolution Foundation, June 2022.

³⁵ E Bukata & L Murphy, Narrowing the youth gap: Exploring the impact of changes to the minimum wage on the incidence of low pay among young people, Resolution Foundation, December 2023.

FIGURE 9: Young people with mental health problems are more likely to be in low hourly pay than those without

Proportion of 18-24-year-old employees who are in low hourly pay, by self-reported mental health status (excluding full-time students): UK



Pay is, of course, not the only aspect of work that looks different for those with and without mental health problems. Young people with mental health problems are also more likely than their healthier peers to be in so-called 'insecure' or 'low-quality' work, for example with 11 per cent of young non-student employees with mental health problems being on zero-hours contracts in 2022, almost double the proportion of young non-student employees without mental health problems (6 per cent).³⁶ As with the overall link between employment and mental health, the direction of cause and effect could run in either, or perhaps both, directions, meaning that disentangling the relationship between the types of jobs that people do and their health status is not straightforward. For some young people with mental health problems, being employed on a so-called 'insecure' contract may be a choice, and something that helps them strike a balance between work and other parts of life.³⁷ Indeed, during our focus groups, young people expressed this exact sentiment.

"I think it's important that there are jobs out there that offer maybe zero hours contracts or flexible working hours."

(Young person, university-educated, with mental health problems)

³⁶ RF analysis of ONS, Labour Force Survey.

³⁷ This is explored in more detail in: L Murphy, <u>Constrained choices: Understanding the prevalence of part-time work among low-paid workers in the UK</u>, Resolution Foundation, November 2022.

So, we should not conclude that working in so-called 'insecure' jobs is a problem for all young people with mental health problems, but it is worth reflecting on the different attitudes towards, and experiences of, work between those with and without mental health problems. For example, we heard from young people with mental health problems that full-time work often feels like "too much", and that part-time work is often the best way to work without worsening their mental health.³⁸

"I personally can't do a job for so many hours, it's just too much for me."

(Young person, university-educated, with mental health problems)

"You're there five hours, you leave. And it's not something you have to reflect on afterwards, it's not something you think about, you literally go in, do your five hours, leave, and that's it, done."

(Young person, university-educated, with mental health problems)

But young people's mental health also impacts wider, less tangible aspects of work. Some young people spoke openly about experiences of unfairness or discrimination at work, and a feeling that employers have negative impressions of workers with mental health problems.³⁹

"That one-week period [of not facing prejudice] was the only time I got treated like the rest of the staff and not someone dragging them down, and it was a brilliant time, I'd happily work like that again. The money was £11 an hour so it was good money as well, but I would have done it for half that price just so I can actually have a working environment I'm comfortable in, instead what I've had to put up with."

(Young person, not university-educated, with mental health problems)

"I don't wanna be thrown into the category of the mental health persona, and there's a stigma that people with mental health are always doing bad, you'll take off those extra days..."

(Young person, university-educated, with mental health problems)

³⁸ The latter quote first appeared in: L Murphy, <u>Constrained choices: Understanding the prevalence of part-time work among low-paid workers in the UK</u>, Resolution Foundation, November 2022.

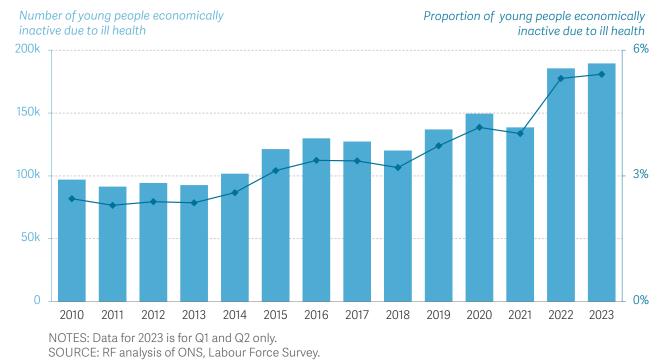
³⁹ For example, workers with disabilities (including mental health problems) face high rates of discrimination across multiple grounds. See: H Slaughter, <u>Policing prejudice: Enforcing anti-discrimination laws in the workplace</u>, Resolution Foundation, November 2022.

The youth mental health crisis is translating into a youth employment challenge

With young people's mental health and employment so clearly linked, it is unsurprising that the youth mental health crisis is translating into a youth employment challenge. In the past decade, between 2013 and 2023, the number of young people aged 18-24 who were out of work due to ill health has more than doubled, rising from 93,000 to 190,000. As Figure 10 shows, among the non-student population, one-in-twenty (5 per cent) young people were economically inactive due to ill health in 2023.⁴⁰

FIGURE 10: The number of young people who are economically inactive due to ill health has doubled in the last decade

Number of 18-24-year-olds who are economically inactive due to ill health (left axis) and proportion of 18-24-year-olds who are economically inactive due to ill health (right axis) (excluding full-time students): UK



This rise in youth worklessness due to ill health has occurred at a tumultuous time: over the past decade and a half, the youth labour market has been marked by the financial crisis and Covid-19 pandemic (both of which disrupted young people's employment prospects), as well as longer-term trends, such as a decline in young women being out

⁴⁰ Of course, it is also possible that changes in how we label and describe mental health problems is having an impact on these trends. For example, it could be that some people who would previously label themselves as unemployed (i.e. who did not link their well-being or mental health to their economic status) now label themselves as workless due to ill health.

of work to care for family.⁴¹ Indeed, the rise in young people who are workless due to ill health has largely gone unnoticed since overall youth worklessness is far lower than a decade ago. For example, the total number of young people who are workless and 'NEET' (not in education, employment or training) stood at 720,000 in the first three months of 2023 – this was down from 1.0 million a decade earlier in 2013.⁴²

Of course, mental health problems are not the only reason why young people are workless due to ill health: physical health problems (including mobility problems), learning difficulties and progressive illnesses (e.g. cancer or MS) also play a role. But it is important to focus on mental health problems for three main reasons. First, mental health problems make up a plurality of health problems among young people who are workless due to ill health. Between 2020-2023, two-in-five young people (42 per cent) who were workless due to ill health stated that a mental health problem was their main health problem – more than any other single category. Second, the importance of mental health problems is rising: a decade ago, at the start of the 2010s (i.e. between 2010-2013), only 31 per cent of young people who were workless due to ill health had a mental health problem as their primary health problem. Finally, mental health problems also affect those whose primary reason for being out of work is another health problem, leaving young people even further from the labour market. This means that, between 2012 and 2019, two-thirds (65 per cent) of young people who were economically inactive due to ill health had a mental health problem – this is much higher than the proportion of those who were unemployed (38 per cent) or in employment (23 per cent).⁴³

The importance of this trend should not be understated. The rise in economic inactivity due to ill health among young people, combined with a decline among older adults, means there is no longer a simple relationship between economic inactivity due to ill health and age (just as we showed for rates of disability overall, in Figure 5 in the previous section). In fact, by 2023, those in their early twenties were more likely to be economically inactive due to ill health than those in their early forties (see Figure 11).

⁴¹ For an in-depth discussion of trends in youth worklessness, see: L Murphy, Not working: Exploring changing trends in youth worklessness in the UK, from the 1990s to the Covid-19 pandemic, Resolution Foundation, June 2022. For more on the impact of the Covid-19 pandemic, see: K Henehan, Class of 2020: Education leavers in the current crisis, Resolution Foundation, May 2020; M Brewer, C McCurdy & H Slaughter, Begin again? Assessing the permanent implications of Covid-19 for the UK's labour market, Resolution Foundation, November 2021.

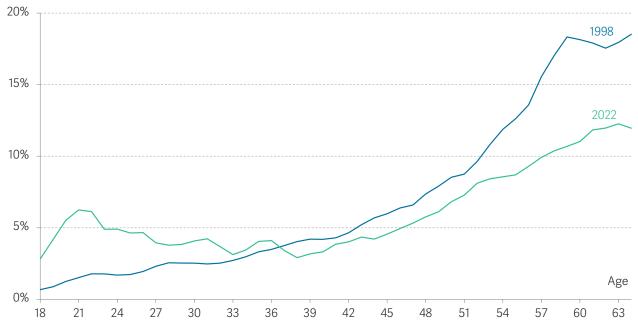
⁴² RF analysis of ONS, Young people not in education, employment or training (NEET) data. See also: L Murphy, Not working:

<u>Exploring changing trends in youth worklessness in the UK, from the 1990s to the Covid-19 pandemic</u>, Resolution Foundation, June 2022

⁴³ L Murphy, Not working: Exploring changing trends in youth worklessness in the UK, from the 1990s to the Covid-19 pandemic, Resolution Foundation, June 2022.

FIGURE 11: By 2022, people in their early twenties were more likely to be economically inactive due to ill health than those in their early forties

Proportion of the working-age population who are economically inactive due to ill health, by single year of age: UK



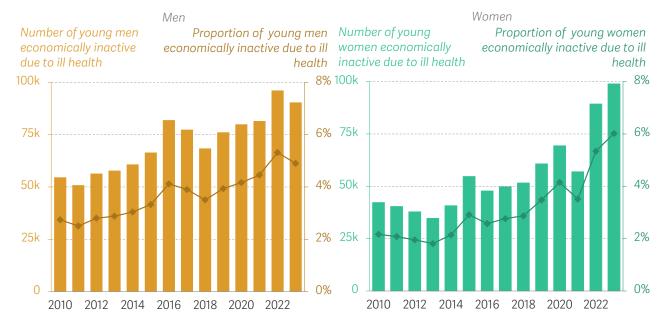
NOTES: Data presented as three-year averages of each single year of age. SOURCE: RF analysis of ONS, Labour Force Survey.

There are surprisingly high numbers of young men reporting being workless due to ill health

Given the striking differences in the prevalence of mental health problems between men and women, we might expect the impact on the labour market to look similar. But Figure 12 shows that this is not the case. As we showed in Section 2, young women are more than one-and-a-half times as likely to experience a mental health problem than young men, but young men and young women face remarkably similar rates of worklessness due to ill health. Worklessness due to ill health among young women has picked up dramatically since the mid-2010s, but throughout the 2010s it was young men who were more likely than young women to be workless due to ill health. For example, in 2018, there were 68,000 young men workless due to ill health, compared to 52,000 young women.

FIGURE 12: Both young women and young men have seen a sharp increase in worklessness due to ill health

Number of 18-24-year-olds who are economically inactive due to ill health (left axes) and proportion of 18-24-year-olds who are economically inactive due to ill health (right axes), by sex (excluding full-time students): UK



NOTES: Last data point relates to 2023. Data for 2023 is for Q1 and Q2 only. SOURCE: RF analysis of ONS, Labour Force Survey.

Part of the explanation is that young women are more likely than young men to be economically inactive for reason other than ill health (namely: to care for family), and many of these young women also have mental health problems. But differing educational outcomes for young men and women also plays a role, as we discuss in the next subsection.

Non-graduates with mental health problems are particularly disadvantaged in the labour market

Young people's educational background has a clear impact on their labour market outcomes, with higher-qualified young people more likely to be in employment, and more likely to have higher wages, than their lower qualified peers. 44 So when thinking about the ways in which mental health problems influence young people's employment trajectories, it is worth exploring how this interacts with young people's educational background.

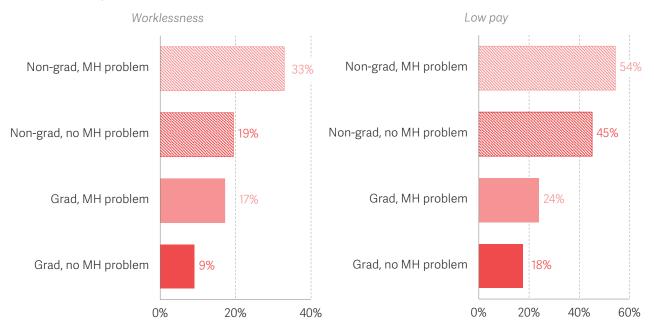
Figure 13 shows an obvious trend: young people with mental health problems who are non-graduates and have mental health problems are doubly disadvantaged in the labour market. This group are more likely than their healthy or degree-educated peers to be workless and in low hourly pay.

There are two important trends to note. First, non-graduates are generally disadvantaged in the labour market, with non-graduates more likely to be workless and in low pay than graduates, regardless of whether or not they have mental health problems. This extends to non-pay aspects of work too: for example, employers in graduate-dense sectors offer greater flexibility in the workplace than sectors such as retail and hospitality which largely employ workers without degrees. In 2022, for example, 67 per cent of graduate workers worked from home at some point in the last week, compared to just 32 per cent of non-graduate workers.⁴⁵

Second, we can see clearly that having a mental health problem has a much stronger impact on young non-graduates' labour market outcomes than it does on graduates' labour market outcomes. For example, 33 per cent of young non-graduates with mental health problems are workless, compared to 19 per cent of non-graduates without mental health problems – a gap of 14 percentage points. Meanwhile, 17 per cent of young graduates with mental health problems are workless, compared to 9 per cent of graduates without mental health problems – a gap of 8 percentage points. As Figure 13 shows, a similar pattern is true when we look at low pay.

FIGURE 13: Young non-graduates with mental health problems are more likely than their healthy peers to be workless

Proportion of young people aged 18-24 who are workless (left) and in low hourly pay (right), by graduate status and 'common mental disorder' (CMD) (excluding full-time students): UK, 2018-2022

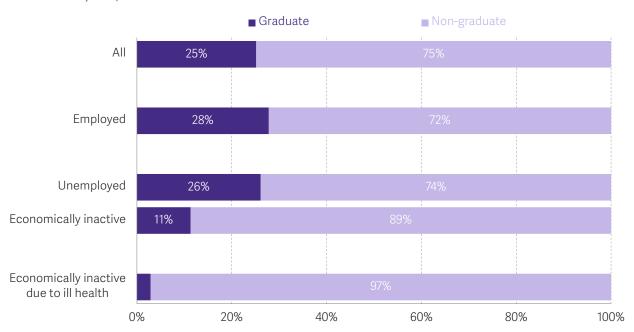


NOTES: The left panel uses data Understanding Society data, where a mental health (MH) problem refers to a common mental disorder (CMD). Respondents are classified as having a CMD if they have a GHQ-12 score of three or more. The right panel uses data from the Labour Force Survey, where a mental health (MH) problem refers to a self-reported mental health problem. For more details, see Box 1. SOURCE: RF analysis of ISER, Understanding Society; ONS, Labour Force Survey.

Although we should be concerned about the rise of mental health problems among full-time students (the share of young students with mental health problems has risen from 26 per cent in 2010-11 to 36 per cent by 2021-22), there is less reason to be worried about the knock-on impact on their future employment prospects. Not only do graduates have a lower prevalence of mental health problems than full-time students or their nongraduate working peers, but it is also the case that young graduates with mental health problems are less likely to face employment challenges than their non-graduate peers. Indeed, as Figure 14 shows, the rising problem of youth worklessness is almost entirely a story about non-graduates, with less than one-in-twenty young people (3 per cent) in this group being graduates.

FIGURE 14: The vast majority of young people who are workless due to ill health are non-graduates

Graduate status of 18-24-year-olds, by current economic status (excluding full-time students): UK, 2020-2022



SOURCE: RF analysis of ONS, Labour Force Survey.

And this evidence helps explain the differences by sex in rates of worklessness due to ill health shown above. For example, girls outperform boys at GCSE and A Level, with 48 per cent of female pupils achieving grades 5 or above in GCSE English and mathematics in 2023, compared to 43 per cent of male pupils.⁴⁷ This trend follows through into young adulthood, with young women being more likely than young men to attend university: in

⁴⁶ That is, graduates are more advantaged than non-graduates because their education gives them greater power in the labour market, for example by having access to a greater pool of jobs, including those with greater flexibility. For more on this theme, see: B Baumberg, From Impairment to Incapacity – Educational Inequalities in Disabled People's Ability to Work, Social Policy & Administration Vol. 49, No. 2, March 2015.

⁴⁷ explore-education-statistics.service.gov.uk/find-statistics/key-stage-4-performance/2022-23, accessed 20 February 2024.

2023, there were 68,000 more women than men accepted (311,000 women and 243,000 men were accepted via UCAS, a gap of 28 per cent).⁴⁸

Taken together, the evidence is clear. Youth worklessness due to ill health is a real – and growing trend; it is worrying that young people in their early 20s, just embarking on their adult life, are more likely to be out of work due to ill health than those in their early 40s. But it is evident that not all young people are at risk: the vast majority (97 per cent) of young people who are workless due to ill health are not university graduates. This raises questions about the ways in which mental health and education are linked – this is the topic we turn to in the next section.

Section 4

The impact of young people's mental health on education

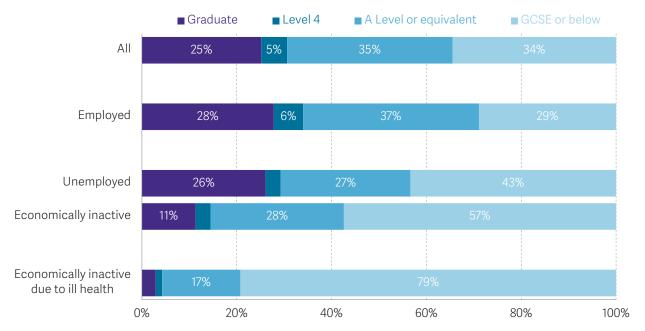
In this section we explore the impact that young people's mental health is having on their education. This is important not least because those not working due to ill health also tend to be those with lower levels of educational attainment. Mental health problems seem to be strongly associated with lower levels of attendance in school and difficulties in learning among children when they do attend. It is no surprise, then, that children with mental health problems have poorer educational outcomes compared to their healthier classmates. Given this, the growing share of children with mental health problems is particularly concerning. But at the same time, children's mental health services are notoriously overstretched and provision varies considerably by place.

Young people who are workless due to ill health are being left behind when it comes to educational attainment

In the previous section we highlighted that mental health problems have more profound labour market implications for young non-graduates than those who go on to university. This is consistent with convincing evidence that ill health has not disrupted the education of this group so severely. But, as shown in Figure 15, there is a strong relationship between ill health and educational attainment: four-in-five 18-24-year-olds (79 per cent) who are workless due to ill health only have qualifications at GCSE-level or below, compared to one-third (34 per cent) of all young people.

FIGURE 15: Four-in-five 18-24-year-olds who are workless due to ill health only have qualifications at GCSE-level or below

Highest qualification level of 18-24-year-olds, by current economic status (excluding full-time students): UK, 2020-2022.



NOTES: Level 4 qualifications include higher apprenticeships, higher national certificates (HNCs) and certificates of higher education (CertHEs).

SOURCE: RF analysis of ONS, Labour Force Survey.

Although the focus of our programme of work has largely been on those aged over 18, looking further back to earlier years is important for two reasons. First, educational outcomes shape young people's career and life trajectories.⁴⁹ And second, mental health problems often begin in childhood with around half of mental health problems arising before the age of 14 (and three-quarters before the age of 24).⁵⁰ So, how do mental health and education interact during the school and college years?⁵¹

Mental health problems are blighting young people's education

The evidence presented in Figure 15 suggests that one of the reasons many young people with mental health problems struggle in the labour market is that their health also blights their education to a significant degree. Indeed, many young people experiencing mental health problems find school a significant challenge and experience educational disruption. For example, an estimated one-in-eight (12 per cent) 11-16-year-olds with mental health problems missed more than 15 days of school in the autumn term of 2023

⁴⁹ R Breen, The stubborn persistence of educational inequality, IFS Deaton Review of Inequalities, August 2022.

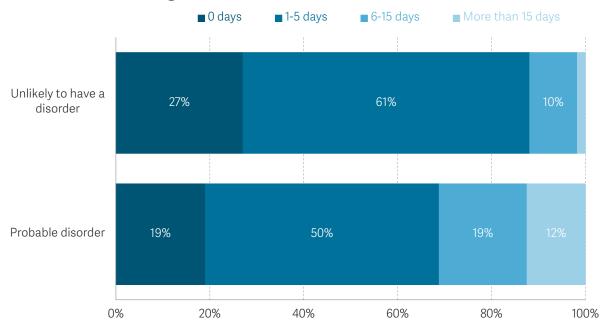
⁵⁰ Mental Health Taskforce, The five year forward view for mental health, NHS England, February 2016.

⁵¹ Following legislation raising the participation age in 2013, young people in England are legally required to continue in education, employment or training until the age of 18. The vast majority of young people remain in some form of education after the age of 16 today: 90 per cent of 16-18-year-olds were in education or on an apprenticeship in 2022. See: Department for Education, Participation in education, training and employment age 16 to 18, October 2023.

compared to just one-in-fifty (2 per cent) of their healthier classmates (Figure 16).⁵² At a time when concerns have been raised about school attendance levels across England, it is worrying that a range of evidence highlights that children with mental health problems are more likely to miss school than their healthier peers.⁵³

FIGURE 16: Children with mental health problems are more likely to miss school than their healthier classmates

Number of days of schooling missed during the Autumn term among 11-16-year-olds, by mental health status: England, 2023



NOTES: The Strengths and Difficulties Questionnaire was used to assess different aspects of mental health and estimate the likelihood that a child has a probable mental health disorder. SOURCE: RF analysis of NHS England, Mental Health of Children and Young People in England.

In our focus groups, young people described both how difficult moments with their mental health led to extended periods of absences, but also that aspects of school – in particular, teachers drawing attention to time off – made the transition back to school more difficult.

"Year 8 onwards, I would take about ... at least a term or two [off every year], I would miss quite a lot."

(Young person, university-educated, with mental health problems)

⁵² In this section we generally refer to children as those aged under 16 and young people aged 17-19.

⁵³ R Long, S Danechi & N Roberts, <u>School attendance in England Research Briefing</u>, House of Commons Library, February 2024; L Macmillan & J Anders, <u>Rising school absence: what do we know and what can we do?</u> UCL's Faculty of Education and Society, January 2024.

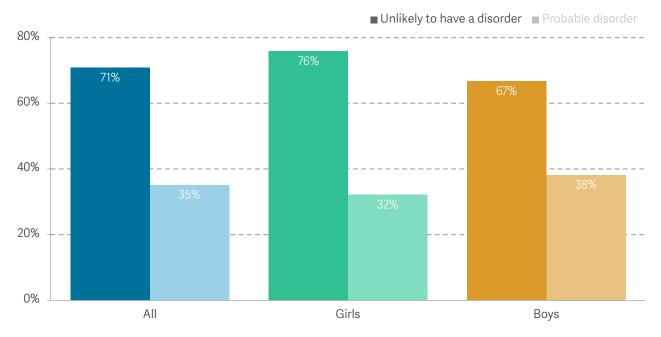
"I spent a lot of time off because of my mental health, and I always found that when I'd come back, teachers would point out that I'd finally come back to the class, and I'd spend more time thinking that that had been pointed out and everyone else was thinking that why had I been off school, that I couldn't then focus on my school work, and I was just panicking about what everyone else was suddenly thinking about me."

(Young person, not university-educated, with mental health problems)

For some children, the school environment can be a difficult one, and trying to fit in can lead to a substantial amount of stress. It's perhaps unsurprising, then, that children with mental health problems are less likely to enjoy learning at school. Figure 17 shows that 11-16-year-olds with probable mental disorders were much less likely to enjoy learning at school compared to their healthier classmates (35 per cent versus 71 per cent), and that this was an especially acute problem for girls.

FIGURE 17: Children with mental health problems are less likely to enjoy learning at school

Proportion of 11-16-year-olds who enjoy learning at school, by mental health status and sex: England, 2023



NOTES: The Strengths and Difficulties Questionnaire was used to assess different aspects of mental health and estimate the likelihood that a child has a probable mental disorder.

SOURCE: RF analysis of NHS England, Mental Health of Children and Young People in England.

A range of factors can make school a particularly challenging environment for children struggling with their mental health. In our focus groups, we heard very candid

explanations of some particularly difficult experiences: for example, bullying in schools and teachers actively making young people's experience worse.

"There were lots of comments like "You're fat", or "You're not even doing real sport, you're doing table tennis", like making fun of you, and I just think the school culture itself facilitates poor mental health."

(Young person, university-educated, with mental health problems)

"I think, actually, schools make mental health worse. And I don't think it's just the students and the bullying, I think it's the teachers."

(Young person, university-educated, with mental health problems)

Taking a step back, there is strong reason to believe that children and young people's mental health holds them back from learning and achieving at school.⁵⁴ Children aged 11-14 with mental health problems are, shockingly, three times more likely not to pass five GCSEs including maths and English compared to their healthier peers.⁵⁵ And, when young people were asked what they thought stopped young people achieving their ambitions when they grow up, mental health was the second most cited topic, and the area that children and young people were most likely to be unhappy about.⁵⁶

Children and young people's mental health has deteriorated over time

Given mental health problems seem to be having adverse effects on educational attainment, the growing prevalence of mental health problems for children and young people is a serious concern. Indeed, the share of 11-16-year-olds in England with a probable mental disorder has risen from 17 per cent in 2017 to 23 per cent by 2023. Over the same time period, the share of young people (aged 17-19) with probable mental disorders has more than doubled (from 10 to 23 per cent). Even though life has largely returned to normal after the Covid-19 pandemic, it is striking that the pre-pandemic trend of deteriorating mental health for children and young people has continued.⁵⁷

As the left-hand panel of Figure 18 makes clear, this rise leaves school-age boys and girls with comparable rates of probable mental disorders.⁵⁸ Given the differences by

⁵⁴ Public Health England, The link between public health and wellbeing and attainment: A briefing for head teachers, governors and staff in education settings, November 2014.

⁵⁵ N Smith et al., <u>Adolescent mental health difficulties and educational attainment: findings from the UK household longitudinal study</u>, BMJ Open 11(7), July 2021.

⁵⁶ Children's Commissioner, The Big Ask: The Big Answer, September 2021.

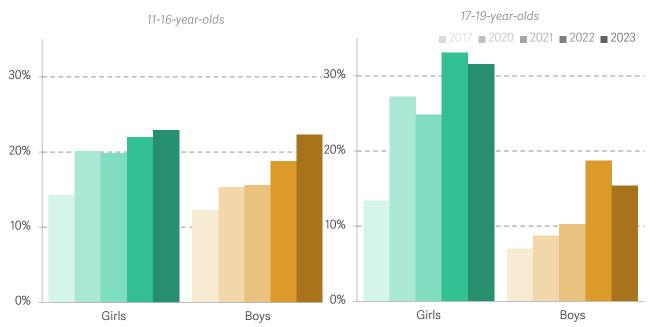
⁵⁷ There is additional evidence that details the longer-term increase in the share of young people (in this case referring to 16-17-year-olds) with high psychological stress over 2007 (23 per cent), 2017 (35 per cent) and 2021 (44 per cent). See: E Holt-White et al., Briefing No.1 – Mental and physical health, COVID Social Mobility & Opportunities Study, November 2023.

⁵⁸ As some studies have highlighted, there has been a particularly large rise in ADHD diagnoses for boys, symptoms of which tend to develop during childhood, see: D McKechnie et al., <u>Attention-deficit hyperactivity disorder diagnoses and prescriptions in UK primary care</u>, 2000-2018: population-based cohort study, BJPsych Open 9 (4), July 2023.

sex identified in Section 1 it is unsurprising that 17-19-year-old women have seen such a considerable deterioration in their mental health: the share of young women in this age group who report probable mental disorders has nearly trebled between 2017 and 2023. The result is that by 2023 one-third (32 per cent) of young women aged 17-19 had a probable mental disorder, compared to 15 per cent for young men of the same age.

These unsettling results for girls and young women are mirrored by other worrying evidence on the deterioration in mental health that, once again, predates the pandemic. For example, the number of girls aged 13-17 who have self-harmed has doubled between 2010-11 and 2021-22 (up by nearly 20,000).⁵⁹ And other survey evidence highlights that girls aged 16-17 are particularly likely to report elevated rates of psychological stress, self-harm and suicide attempts when compared to boys, for example.⁶⁰

FIGURE 18: **Children and young people's mental health is worsening over time** Proportion of 11-16-year-olds (left) and 17-19-year-olds (right) with a probable mental disorder, by sex: England



NOTES: The Strengths and Difficulties Questionnaire was used to assess different aspects of mental health and estimate the likelihood that a child has a probable mental disorder.

SOURCE: RF analysis of NHS England, Mental Health of Children and Young People in England.

Young people with mental health problems often flourished more in college than at school

Children and young people's mental health is clearly a growing problem and one that is impacting their educational experience and attainment. But the interplay between education and mental health appears to differ depending on the educational setting.

⁵⁹ Source: RF analysis of NHS Digital, Hospital Episode Statistics.

⁶⁰ E Holt-White et al., Briefing No.1 - Mental and physical health, COVID Social Mobility & Opportunities Study, November 2023.

Even though there is often a tendency to talk about school and college as if they are one and the same, one of the central findings from our focus groups is that young people with mental health problems have considerably different experiences in these two types of institutions.⁶¹

In all three of our discussions, young people with poor mental health highlighted many aspects of school that made them feel anxious and the whole process of learning more challenging. Being undermined by teachers and talked down to were cited as key ways in which the school environment negatively affected their well-being and mental health and held back their ability to learn.

"I feel like if you would get one question wrong the teachers they would start saying, "You have no hope, you're going to fail, you have no future."

(Young person, not university-educated, no stated health problems)

"When you undermine a child or question their ability, it really does defeat the child as well. Like I would say if you see that the child needs support ... I wouldn't say "you're not going to make it far" or anything like that."

(Young person, university-educated, with mental health problems)

Unlike school, many of the young people we spoke to who had not performed well at school generally described college life as a better fit. Post-16 education in college offered more independence and practical learning opportunities for young people that had found school life particularly hard going. And there were supportive aspects to college life that young people valued including a more grown-up style of teaching, the importance of relationships with teachers and emotional support. Participants from our three focus groups generally referred positively to the type of support received in college compared to school.

"The biggest difference between high school or college is in high school, they think if you don't get straight As in GCSEs your life's over, they kind of like scare you a little bit, being like "Oh you need to get As or 9s in English and maths or you're not going to get anywhere". Whereas like in college ... they don't push you as hard, but they still push you enough to be good at things. Like you weren't as scared as you were in high school."

(Young person, not university-educated, no stated health problems)

⁶¹ The distinction between school and college is not without its subtleties, however. Of the 225 colleges in England, 158 are general further education (FE) colleges and 44 are sixth form colleges. Those who do not go down the university pathway are overrepresented in FE colleges compared to sixth forms attached to schools and dedicated sixth form colleges. Given that we are most concerned about the group which has struggled academically and not gone down the university route, when we refer to colleges hereafter we mean FE colleges. See: C Rodeiro, Which students benefit from retaking Mathematics and English GCSEs post-16? Research Matters: A Cambridge Assessment publication, March 2018; and E Lisauskaite et al., Going further: Further education, disadvantage and social mobility, Sutton Trust, October 2021; D Higginbotham, Overview of the UK's further education sector, Prospects, October 2023.

"College had smaller groups so you felt like you were connecting more with your tutor or your teacher, more than the high school ones that were taking care of 30, 40 kids at one time."

(Young person, not university-educated, no stated health problems)

Young people that we spoke to often felt inadequately supported when it came to resitting key exams

In our focus groups, young people who suffered with their mental health during their secondary school years spoke openly about the fearful side to retaking qualifications. It was clear resits have a certain level of stigma attached to them and young people felt 'uncomfortable' and 'embarrassed' being in classrooms where they felt old or where teachers made it obvious they were retaking. More generally, young people felt that there was a lack of support when it came to these critical resits.

"I had to come off school for the whole of the year, so now I'm back retaking Year 13 and, I don't know, being in the environment again is a bit difficult because, as someone said before, teachers point out this kind of stuff."

(Young person, not university-educated, with mental health problems)

"In regards to the college side of things. People often put a stigma on retaking and being a Year 12 retake, I was 18 in a class of 16-year-olds and felt embarrassed about that. Now that I'm 19 in Year 13, I don't have my friends anymore since they all graduated, and [I] feel uncomfortable in my classroom with people who judge based off looks alone."

(Young person, not university-educated, with mental health problems)

Where young people resit their key exams is important too. In general, it is colleges rather than schools that are most likely to be the setting where resits take place. FE colleges took five- and six-times more English (54 per cent vs 10 per cent) and maths (60 per cent vs 13 per cent) GCSE resit students, respectively, compared to schools in 2013. Indeed, we heard some young people draw on positive experiences of retaking in college as opposed to sitting the exams in school.

"After, in college, I retook my English cause I failed it. But I feel like the way my English teacher taught in college, I understood her."

(Young person, not university-educated, no stated health problems)

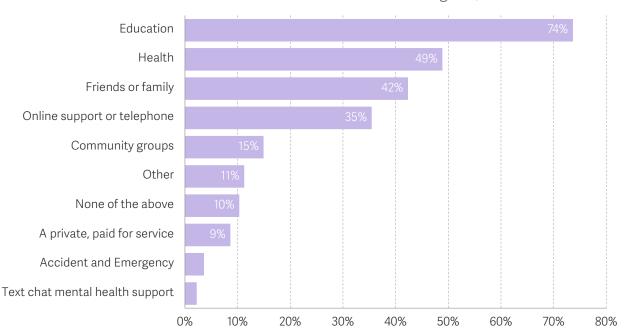
⁶² J Simons, <u>Crossing the Line: Improving success rates among students retaking English and maths GCSEs</u>, Policy Exchange, August 2015.

Educational settings and health services provide crucial mental health support for children and young people

Schools and colleges are not just performing an education function today; they also play a front-line role in promoting and protecting young people's mental health.⁶³ Indeed, three-quarters (74 per cent) of 8-16-year-olds with mental health problems have sought out help or support from an educational setting, far higher than the share who sought help from the health service (49 per cent) or friends and family (42 per cent).

FIGURE 19: Three-quarters of children with mental health problems sought support from an educational setting

Proportion of 8-16-year-olds with a probable mental disorder who have sought help or advice from the listed sources for a mental health concern: England, 2023



NOTES: The Strengths and Difficulties Questionnaire was used to assess different aspects of mental health and estimate the likelihood that a child has a probable mental health disorder. SOURCE: RF analysis of NHS England, Mental Health of Children and Young People in England.

Moreover, when students access counselling and support via their schools it can be to real effect.⁶⁴ For young people in Year 13 (aged 17-18) who sought out mental health support from their school or college, two-in-five (41 per cent) received the support and stated it was beneficial (see left-hand panel of Figure 20).⁶⁵ These figures are comparable

⁶³ D Finch, <u>Building resilience: Six takeaways on the importance of prevention</u>, The Health Foundation, February 2023; House of Commons Education and Health Committees, <u>Children and young people's mental health – the role of education</u>, May 2017.

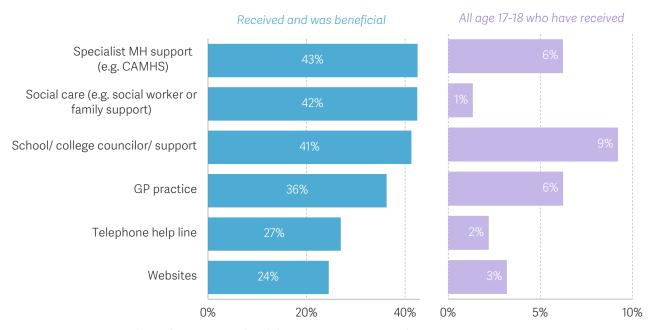
⁶⁴ School counselling and support via schools also plays an important role in early intervention and support for mental health problems. Department for Education, <u>Counselling in schools: a blue print for the future</u>, Departmental advice for school leaders and counsellors, February 2016.

⁶⁵ Here we use data from the COVID Social Mobility & Opportunities Study – a major national youth cohort study which focuses educational inequality, social mobility, well-being and mental health. For more information see https://cosmostudy.uk/about/about-the-study.

to the share of young people in Year 13 who sought and received beneficial mental health support from specialist mental health services, social care or GPs.⁶⁶ In addition, as shown in the right-hand panel of Figure 20, young people first and foremost receive mental health support in educational settings: one-in-ten 17-18-year-olds (9 per cent) have received mental health support from their school or college.

FIGURE 20: Young people find the mental health support provided by schools and colleges as effective as specialist mental health support

Proportion of young people in Year 13 (aged 17-18) who sought mental health support and received beneficial support (left) and proportion of all 17-18-year olds who received mental health support (right), by type of support: England, 2022



SOURCE: RF analysis of COVID Social Mobility & Opportunities Study.

There is patchy provision of support for under-18s with mental health problems

So, children and young people clearly value support with their mental health – particularly in a school setting. But there have been concerns raised over the patchy provision of mental health support in schools: for example, a 2017 review of children and young people's mental health services noted that it is not always available, and, in some cases, there are concerns about the quality of support on offer.⁶⁷

More generally, services to support children and young people are notoriously overstretched. Even though mental health support for children and young people has expanded in recent years, increased demand for these services has outstripped supply. In

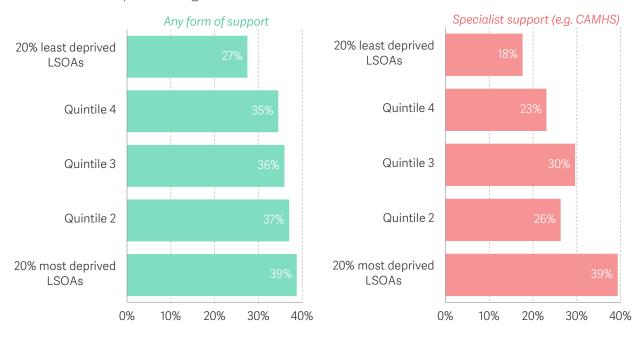
⁶⁶ This is not to suggest that school-based services are a suitable substitute for dedicated health services who most likely are dealing with the more severe presentations of mental illness.

⁶⁷ Care Quality Commission, Review of children and young people's mental health services: phase one report, October 2017.

2021-22, of the 1.4 million children estimated to have a mental health disorder potentially requiring treatment, less than half (48 per cent) have received at least one contact with children and young people's mental health services. Moreover, waiting times for such services also vary significantly between different parts of England – standing at a high of over 11 weeks (80 days) in Sunderland compared to around two weeks in Leicester City and West Leicestershire. This postcode lottery is also reflected in spending on children and young people's mental health services: the average amount spent per child in 2021-22 ranges from a high of £141 in Norfolk and Waveney to a low of £34 in Doncaster.

FIGURE 21: Provision to support under-18s with mental health problems is weakest in the most deprived parts of the country

Proportion of young people in Year 13 (aged 17-18) who sought any form of (left side) or specialist (right side) mental health support and were still waiting/never got support, by IMD income quintile: England, 2022



NOTES: Includes the following types of support: school / college councillor support, specialist mental health support (e.g. children and adolescent mental health services or CAHMS), GP practice, websites, telephone helpline and social care (e.g. social work or family support). SOURCE: RF analysis of COVID Social Mobility & Opportunities Study; DLUHC, English indices of deprivation 2019.

Given the geographically patchy nature of support, it is of little surprise that there are differences between places when it comes to young people's experience accessing mental health support. In 2022, nearly four-in-ten (39 per cent) of 17-18-year-olds in the

⁶⁸ Children's commissioner, Children's Mental Health Services 2021-22, March 2023.

⁶⁹ RF analysis of NHS Digital, Additional statistics to support the measurement of waiting times into children and young people's mental health services 2021-22 dataset.

⁷⁰ Children's Commissioner, Children's mental health services 2021-2022, March 2023. See also: Royal College of Psychiatrists, Analysis: Child and adolescent mental health services: How much is spent in your region?, September 2017.

most deprived 20 per cent of English neighbourhoods were still waiting, or had never received any mental health support after putting in a request, compared to just less than three-in-ten (27 per cent) in the least deprived parts of the country. Looking at more specialist services (including child and adolescent mental health services or CAMHS) those in the most income-deprived areas were more than twice as likely not to have received support after applying compared to the least deprived (39 per cent versus 18 per cent).

There is clear evidence, then, that mental health problems are blighting young people's education to a significant degree. We have shown that young people find health services, as well as educational settings, effective at providing mental health support. Of course, reducing the number of young people entering adulthood with a mental health problem is first and foremost a health response. But, in the final section we take a different approach and explore what policy makers can do to weaken the link between poor mental health, education and employment.

Section 5

A policy agenda for young people with mental health problems

Throughout the earlier sections of this report, we have explored how the growing mental health crisis is having an impact on young people's experiences of education and prospects for employment. In this concluding section, we bring findings from quantitative analysis together with perspectives from our three focus groups with young people, to set out a plan of action for policy makers that the evidence suggests would truly enable young people with mental health problems to thrive in the world of work. The four key elements of this plan are: tackling mental health issues at the earliest opportunity; providing second chances to get vital qualifications while still in compulsory education; upping advice and opportunities for those not bound for university; and ensuring that managers in firms where the largest share of young people with mental health problems work undertake mandatory mental health training.

The rising number of children and young people with mental health problems is a serious issue, and one that policy makers have increasingly woken up to in recent years. But with tight public finances a reality for the foreseeable future, it is more important than ever that policy interventions are targeted on the areas that will make the most difference to the educational and employment outcomes of young people with mental health problems. So, what does the evidence suggest should be top of the priority list for policy makers today?

⁷¹ Both the Government and the opposition have made announcements relating to children's mental health in recent years. For a summary of recent Government policy, see: K Garratt, E Kirk-Wade & R Long, Children and young people's mental health: policy and services (England), House of Commons Library, January 2024. See also: The Labour Party, Labour's Child Health Action Plan will create the healthiest generation of children ever, January 2024.

Further education colleges need more investment to help those at the sharpest end of the youth mental health crisis

The youth mental health crisis is first and foremost a health issue, and struggling NHS services for children and young people must be prioritised to help reduce the number of children and young people struggling with mental health problems. This will be particularly important for those young people with severe mental health problems who are too unwell to engage with education or employment at all.

But it also makes sense to focus on addressing children and young people's mental health problems through support in schools and colleges. After all, the aim should be to provide children and young people with successful early interventions before their mental health has an impact on their key educational outcomes. Doing so would lessen the chances of entering adulthood burdened by both poor mental health and low levels of qualifications. We heard loud and clear from young people that mental health support provided within educational settings is important to them: as we showed above (see Figure 19), educational settings are where young people most often look for mental health support.

Given this, we should use schools and colleges to their full advantage and see them as a complement to – although in no way a substitute for – wider NHS-provided healthcare. There has been considerable policy change relating to mental health in schools and colleges over the past decade (see Figure 22).⁷² First, there have been changes relating to teaching about mental health (for example, the introduction of statutory health education introduced in 2018 that ensures all pupils learn about well-being and mental ill health).⁷³ Second, there have been changes with respect to referrals from schools and colleges to specialist mental health services (for example, the Link Programme which connected schools and colleges with single points of contact within NHS mental health services).⁷⁴

But as Figure 22 also suggests, the most significant changes relate to the provision of mental health support and guidance within schools and colleges themselves. There have been two noteworthy developments in recent years. First, schools and colleges have been incentivised to identify and train a Senior Mental Health Lead: the funding for this training was increased in 2022⁷⁵, and by January 2024, over 14,400 educational settings had claimed a training grant. Second, new Mental Health Support Teams (MHSTs) have been created and gradually rolled out across England. These have three core functions:

⁷² For an overview of how schools and colleges currently approach mental health and well-being, see: www.gov.uk/guidance/mental-health-and-wellbeing-support-in-schools-and-colleges, accessed 16 February 2024.

⁷³ Department for Education, Press release: New relationships and health education in schools, July 2018.

⁷⁴ www.england.nhs.uk/mental-health/cyp/trailblazers/link-programme/, accessed 16 February 2023.

⁷⁵ Department for Education et al., <u>Press release: Increased mental health support for children and young people</u>, May 2022.

⁷⁶ UK Parliament, Students: Mental Health, Question for Department for Education, UIN 8129, January 2024.

to deliver support to those with mild-to-moderate mental health issues, to support Senior Mental Health Leads to introduce or develop a 'whole school' or 'whole college' approach to mental health, and to give advice to school or college staff and liaise with externalservices.⁷⁷

FIGURE 22: There has been considerable policy change relating to mental health in schools and colleges over the past decade

Summary of recent policy announcements relating to mental health in schools and colleges, by year: England

Teaching about mental health	Referring to NHS mental health support	<u>Providing</u> mental health support within schools and colleges
 2017: The Transforming children and young people's mental health provision green paper included: Providing mental health awareness training to staff, Consulting on mental wellbeing within PSHE. 	2014: Introduction of the new Special Educational Needs (SEN) Code of Practice, with a focus on referrals from schools and colleges to CAMHS.	 2017: Mental health first aid training offered to every secondary school. 2017: The Transforming children and young people's mental health provision green paper was launched. Proposals included:
	2015: A pilot was introduced to link schools with single points of contact in CAMHS.	 Incentivising schools and colleges to identify and train Designated Senior Leads for Mental Health, Funding new Mental Health Support Teams (MHSTs).
2018: Introduction of statutory health education. The guidance came into force in 2020, with school pupils expected to learn about mental health and wellbeing.	2018: The Govenrment committed to rolling out this Link Programme. The programme concluded in 2022, and over 3,000 schools and colleges had been involved.	2022: Additional funding was announced for schools and colleges to train a Senior Mental Health Lead.
		2023: MHSTs to be expanded to cover at least half of pupils in England by 2025.

SOURCE: RF analysis of GOV.UK; K Garratt, E Kirk-Wade & R Long, Children and young people's mental health: policy and services (England), House of Commons Library, January 2024.

But, to date, only around one-third (35 per cent) of all pupils and learners (including primary schools) benefited from a MHST in April 2023, and this is only set to reach 50 per cent by the end of March 2025. When we heard from young people, there was a general reflection that resource constraints were limiting the amount (and quality) of mental health support on offer within schools and colleges.

"The support that I had in younger years wasn't especially helpful for me, and I think that's not necessarily the school system's fault, I think it was just very, very overwhelmed and underfunded."

(Young person, university-educated, with mental health problems)

⁷⁷ Early evaluations of MHSTs have been largely positive: both schools and colleges and children and young people value this form of support. See: www.england.nhs.uk/mental-health/cyp/trailblazers/, accessed 16 February 2024. Likewise, there is some good evidence that MHSTs are successfully 'joined up' with other support services. See, for example: J Ellins et al., <a href="Early evaluation of the Children and Young People's Mental Health Trailblazer programme: a rapid mixed-methods study, Health and Social Care Delivery Research, 11(8), June 2023. There is also evidence that MHSTs are cost effective, with a cost benefit analysis of a Barnardo's MHST service in Swindon finding that every £1 invested in services led to a return of £1.90 to the state. See: Barnardo's, 'It's Hard to talk'; Expanding Mental Health Support Teams in Education, January 2023.

⁷⁸ UK Parliament, Education: Mental Health Services, Question for Department for Education, UIN 8259, January 2024.

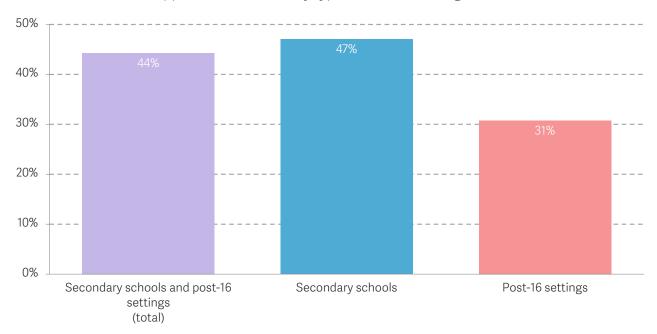
"They weren't interested unless it was really severe."

(Young person, university-educated, with mental health problems)

There is also a widespread tendency to treat secondary schools and colleges as one and the same, without paying due attention to the different ways in which these institutions operate and the different types of children and young people that they serve.⁷⁹ In reality, there is a crucial difference: those young people not bound for university who are most likely to be disadvantaged in the labour market are overrepresented in colleges rather than secondary schools. Yet when we consider the current landscape of mental health support within educational settings, young people in colleges are at a disadvantage.

FIGURE 23: Less than one-third of young people in post-16 settings are covered by Mental Health Support Teams – compared to almost half of those in secondary schools.

Proportion of pupils/learners in secondary schools or post-16 settings covered by a Mental Health Support Team (MHST), by type of institution: England, March 2023



NOTES: Data covers institutions participating in the Mental Health Support Teams (MHST) programme up to waves 5 and 6 which became operational in March 2023.

SOURCE: RF analysis of DfE, Transforming Children and Young People's Mental Health Implementation Programme data release.

By March 2023, post-16 settings were less likely than secondary schools to have applied for a Senior Mental Health Lead training grant (with 60 per cent of eligible post-16 settings making an application, compared to 73 per cent of eligible secondary schools)

⁷⁹ A similar point was raised in 2018 by the Education and Health and Social Care Committees in their report on the Government's Green Paper on mental health. The Committees concluded that: "The Government often referred to schools and colleges interchangeably, and did not adequately recognise the substantial differences between schools and colleges. We recommend the Government utilise the potential of a further education sectoral approach in implementation alongside other approaches.". See: Education and Health and Social Care Committees, The Government's Green Paper on mental health: failing a generation, May 2018.

and were also less likely to be participating in the MHST programme. Strikingly, while more than two-in-five (44 per cent) of pupils or learners across secondary school or college were covered by a MHST in March 2023, this ranged from less than a third (31 per cent) of learners in post-16 settings compared to almost half (47 per cent) of pupils in secondary schools.⁸⁰ This is shown in Figure 23.

During our focus groups, we heard from young people who felt like there was a 'school first, college second' approach.

"I felt like in college there wasn't enough resources to sort of go and help people. I feel like there's more in school than there would be in college, because I feel that once you're in college ... they just think, like, you know it all now, like you can sort of do it all yourself."

(Young person, not university-educated, no stated health problems)

To address this, there must be increased investment in MHSTs to enable a quicker, and more evenly spread, rollout. There should also be increased engagement with colleges to understand the barriers that may prevent them from successfully engaging with MHSTs: concerningly, a 2023 survey of colleges found that just under half (47 per cent) did not know about their local MHST – and among those who did know about their MHST, over a quarter had not yet linked up with the team.⁸¹

Policy must ensure meaningful second chances for young people while they are still in compulsory education

Early intervention in the form of mental health support will help to reduce the chances of young people transitioning into adulthood with poor mental health – but we can also act early to reduce the impact that mental health problems have on young people's educational outcomes.

So, for remainder of this section, we ask: what can policy makers do to weaken the link between mental ill health and adverse educational (and then labour market) outcomes?

As we set out in Section 4, children with mental health problems are three-times more likely to not pass GCSE English and maths than their healthier peers – and this has important consequences. Passing or failing GCSEs has lasting impacts on children's futures, with those who narrowly fail their GCSEs less likely to progress with their

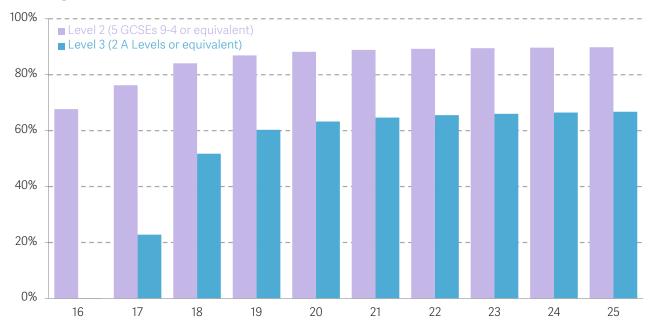
⁸⁰ Department for Education, <u>Transforming Children and Young People's Mental Health Implementation Programme: Data release</u>, May 2023.

⁸¹ Association of Colleges, AoC Mental Health Survey Report, March 2023.

education and more likely to drop out of education and be classed as NEET (not in education, employment or training).⁸²

But passing GCSEs at school is all the more important given the UK's 'one shot' approach to attainment. As Figure 24 shows, the proportion of young people with 5 GCSE passes (or equivalent) increases markedly between the ages of 16 and 18, up from 68 per cent to 84 per cent. But there is little progress from then on, with achievement plateauing at around 90 per cent from age 21 onwards. Put simply, there is little chance of young people 'catching up' and achieving their key GCSE qualifications later in their adult life.

FIGURE 24: **After 18, few young people achieve GCSE or A level qualifications** Proportion of young people with Level 2 or Level 3 qualifications, by single year of age: England, 2012/2013-2021/22



SOURCE: RF analysis of DfE, Level 2 and 3 attainment age 16 to 25 data, academic year 2021/22.

Our priority should be to create meaningful early second chances for children and young people as soon as possible after they fail important qualifications – and this will involve providing wraparound support to these students while they are still in full-time education. In practice, this means focusing on 16-17-year-olds: while 95 per cent of 16-year-olds and 92 per cent of 17-year-olds are in education or training, this drops dramatically to 68 per cent by the time that young people turn 18.83

⁸² For example, narrowly failing GCSE English has a large impact on young people's future education, with those students more likely to drop out of education early and less likely to achieve a good upper secondary education. See: S Machin, S McNally & J Ruiz-Valenzuela, Entry through the narrow door: The costs of just failing high stakes exams, Journal of Public Economics, Volume 190, October 2020. It is also true that GCSE achievement is particularly important in understanding young people's chances of progressing to university – for example, after accounting for GCSE performance, young people from richer families are no more likely to attend university than those from poorer families. See: C Crawford et al., Higher education, career opportunities, and intergenerational inequality, Oxford Review of Economic Policy, Volume 32 issue 4, October 2016.

⁸³ R Layard, S McNally & G Ventura, <u>Applying the Robbins Principle to Further Education and Apprenticeship</u>, Resolution Foundation, October 2023.

We must do more than the status quo: although children (aged under 18) who fail these important GCSEs are required to resit them, in reality, resit pass rates are shamefully low. In 2023, only a quarter (26 per cent) of students aged 17 and over who resat GCSE English passed, and even fewer (16 per cent) of those who resat GCSE maths passed.⁸⁴ As we heard clearly in our focus groups, the chance to resit GCSEs often felt like a missed opportunity, with many students feeling inadequately supported during this important period.

"I think the chance to retake my GCSEs was that sort of like a chance to improve but there was no help for me there, there was nothing. It was just, like, "Okay well you've failed", basically."

(Young person, not university-educated, no stated health problems)

To do better, we must provide these students with intensive educational support, 85 as well as wraparound pastoral and mental health support, not least because the experience of failing and resitting exams can be upsetting and demotivating in itself.86 We are currently letting down this group of students: by wasting a key opportunity to improve young people's future educational and employment outcomes, we are in effect forcing them to resit exams when, in reality, the majority will 're-fail'.

Finally, it should go without saying that we should also aim for a better future where second chances aren't so slim and achieving GCSE or A level qualifications (Levels 2 and 3) later in life is a real possibility.⁸⁷ The Lifetime Skills Guarantee, introduced in 2020, is a step in the right direction: this funding allows adults aged 19 and over who do not already have a Level 3 qualification to study towards one for free.⁸⁸ But there is more to be done – for example, ensuring that there is sufficient supply of these Level 3 courses on offer across the country.⁸⁹

Young people need improved advice and opportunities when it comes to non-university pathways

The transition into adulthood can be hard for anyone, but it is harder still for young people not bound for university, who have much less certainty about their next steps. In our focus groups, we heard about two aspects of this problem. One reason for this is that

⁸⁴ feweek.co.uk/gcse-resits-2023-maths-and-english-pass-rates-down-again/, accessed 16 February 2024.

⁸⁵ For more on the barriers which impede the delivery of educational support to students doing GCSE resits, see: B Crisp et al., Post-16 Resit Practice Review, CfEY, July 2023.

⁸⁶ For a detailed discussion of GCSE resits, see: C Vidal Rodeiro, Which students benefit from retaking Mathematics and English GCSEs post-16?, Research Matters 25, March 2018.

⁸⁷ For a broader discussion, see: Resolution Foundation & Centre for Economic Performance, LSE, <u>Ending Stagnation: A New Economic Strategy for Britain</u>, Resolution Foundation, December 2023.

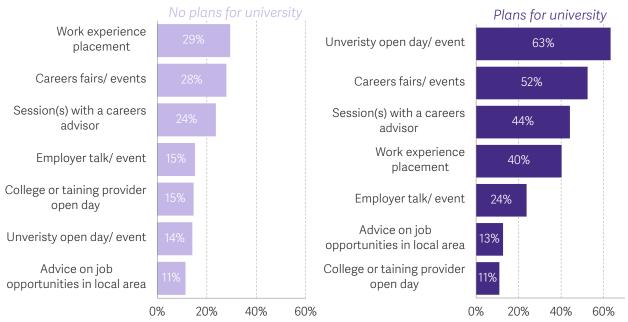
⁸⁸ HM Government, <u>Major expansion of post-18 education and training to level up and prepare workers for post-COVID economy</u>, September 2020.

⁸⁹ R Layard, S McNally & G Ventura, <u>Applying the Robbins Principle to Further Education and Apprenticeship</u>, Resolution Foundation, October 2023.

those on non-university pathways are less likely to receive careers information or advice than their peers who wish to attend university (Figure 25). Indeed, more than nine-inten (91 per cent) of 17-18-year-olds who are planning to attend university received career information, advice or guidance at school or college – compared to less than three-quarters (70 per cent) of their peers not planning to go to university.⁹⁰

FIGURE 25: Young people who don't plan to go to university are much less likely to receive careers guidance than those who plan to go to university

Proportion of young people in Year 13 (aged 17-18) who accessed career information, advice or guidance from their school or college, by university plans: England, 2022



NOTES: For young people with no plans for university, 91 per cent received any of the above forms of career information, advice or guidance at school or college. For young people with plans for university, 70 per cent received any of the above forms of career information, advice or guidance from their school or college. SOURCE: RF analysis of COVID Social Mobility & Opportunities Study.

Although feelings of uncertainty about the future weigh down young people not set for university more generally, it is likely that those with mental health problems are particularly hard hit. During our focus groups, young people with mental health reported that not only did they feel confused and often afraid about the future; they also had to deal with uncertainty about their health and well-being and how this might change as they move into adulthood.

"There are kids that know what they want to do and know that they're of sound of mind to do that, and I didn't feel like that."

(Young person, university-educated, with mental health problems)

⁹⁰ RF analysis of COVID Social Mobility & Opportunities Study.

"I didn't know whether to accept that job, I didn't know whether to stay in college. It was also a little bit fearful as well I think because I just didn't know what was going to happen."

(Young person, not university-educated, no stated health problems)

The evidence suggests, then, that boosting careers advice and guidance to young people not set for university would clearly help across the board, but would be especially beneficial to those with mental health problems. One sensible way of achieving this would be to extend and expand the existing DWP Youth Hub model, allowing young people to access this support after leaving school or college. Youth Hubs currently offer DWP-led employment support to young people in receipt of Universal Credit (include those not working due to ill health), but this support is provided in a non-Jobcentre (such as a library or youth centre) and alongside wider support from charities, training providers and local councils.⁹¹

This approach has much to recommend it. By locating Youth Hubs in 'neutral' spaces, for example, they engage young people who may be put off by the Jobcentre 'brand' and the many negative connotations that come with it. 92 But it is also crucial that Youth Hubs provide wider careers advice and guidance – as well as support for young people's mental health – alongside the 'core' DWP job search offer.

"It's [the Jobcentre] just not a good place to be. So just sending like kids fresh out of school there probably isn't the best idea."

(Young person, not university-educated, no stated health problems)

"From what I've experienced, getting an interview is like very easy, but then once you're in the interview, it's like a whole different game."

(Young person, university-educated, with mental health problems)

Finally, it is vital that the eligibility criteria for Youth Hubs are changed to allow all young people – even those not claiming income-related benefits – to receive support. This is crucial: in 2019, more than three-in-five (62 per cent) of workless young people were not receiving any income-related benefits.⁹³ It makes little sense, then, to exclude the

⁹¹ Department for Work and Pensions, <u>Press release: Over 110 new Youth Hubs offer job help</u>, June 2021; Department for Work and Pensions, <u>Press release: 150 new jobcentres and Youth Hubs now open</u>, February 2022; Department for Work and Pensions, <u>Press release: Government announces employment support boost for over 30,000 economically inactive young people</u>, September 2023.

⁹² Unfortunately, there are no published evaluations about Youth Hubs, and there is remarkably little public information about Youth Hubs overall, e.g. how many exist and commonalities and differences between locations. We would urge the DWP to publish this information. In absence of this information, we rely on evaluations of older (but similar) youth employment support offers. See: K Ray, O Crunden & H Murphy, Liverpool City Region Youth Employment Gateway (YEG) Evaluation: Final Report, Learning and Work Institute, March 2018; L Bennett et al., MyGo Evaluation: Final report, Learning and Work Institute, September 2018.

⁹³ RF analysis of DWP, Households Below Average Income and Family Resources Survey. See also Figure 27 in: L Murphy, Notworking: Exploring changing trends in youth worklessness in the UK, from the 1990s to the Covid-19 pandemic, Resolution Foundation, June 2022.

majority of workless young people from receiving support to help them enter education or employment.

Finally, we should, of course, aim to improve the quality and availability of non-academic pathways: for example, by boosting funding for FE colleges so that all suitably qualified young people can be guaranteed a place, and by ring-fencing two-thirds of the apprenticeship levy for young people aged under 25 to create an apprenticeship system that acts a genuine stepping stone into the world of work.⁹⁴

'Mental health-aware' managers are a must in sectors like retail and hospitality that employ large numbers of young people

So far, we have focused on what the state can do to help young people with their health and education, to strengthen their chances of finding good work. But we now turn to the role that employers can play. This is important not least because almost half (44 per cent) of young people aged 18-24 with mental health problems are already in employment. In our focus groups, we asked young people about what 'good work' looks like to them and how workplaces can be supportive of their mental health. One theme came back loud and clear: young people did not ask for the world – by and large, they simply wanted a good manager who cares, and who is aware of, and sensitive about, mental health.

"I've been struggling with my mental health in a different way, and I think it's really important that you have good management. I think a good manager goes a long way."

(Young person, not university-educated, no stated health problems)

"It's that communication and kind of understanding as well that you're not just a robot at work."

(Young person, not university-educated, no stated health problems)

"There's been other jobs where the manager's been absolutely amazing ... we arranged a meeting every week just to catch up, and I found that really, really helped, because it was just taking 10 minutes out of my day, away from everyone, away from everything, and that was my own little space with the manager."

(Young person, not university-educated, with mental health problems)

⁹⁴ For more detail, see: R Layard, S McNally & G Ventura, <u>Applying the Robbins Principle to Further Education and Apprenticeship</u>, Resolution Foundation, October 2023.

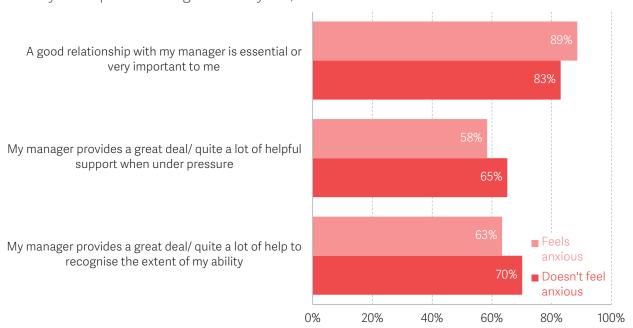
⁹⁵ RF analysis of ISER, Understanding Society.

⁹⁶ Of course, the UK suffers with a wider problem of poor-quality management, with too few businesses investing in this crucial skill. For a wider discussion of management in the UK, see, for example: N Bloom et al., <u>JEEA-FBBVA Lecture 2013: The New Empirical Economics of Management</u>. Journal of the European Economic Association, Volume 12, Issue 4, August 2014; Department for Business, Innovation & Skills, <u>Constrains on Developing UK Management Practices</u>, BIS Research Papers No. 58, November 2011.

The data backs this up. As Figure 26 shows, in 2017, almost nine-in-ten (89 per cent) of workers who experience anxiety state that a good relationship with their manager is important to them, compared to 83 per cent of those who do not experience anxiety. But, concerningly, Figure 26 also shows that workers with mental health problems are less likely to feel like their manager is helpful. For example, only 58 per cent of workers with anxiety feel like their manager provides them with helpful support when they are under pressure, compared to two-thirds (65 per cent) of workers without anxiety.

FIGURE 26: Workers who experience anxiety value good management – but don't always get it

Proportion of employees aged 20-65 who agree with statements about management, by self-reported feelings of anxiety: GB, 2017



SOURCE: RF analysis of Skills and Employment Survey.

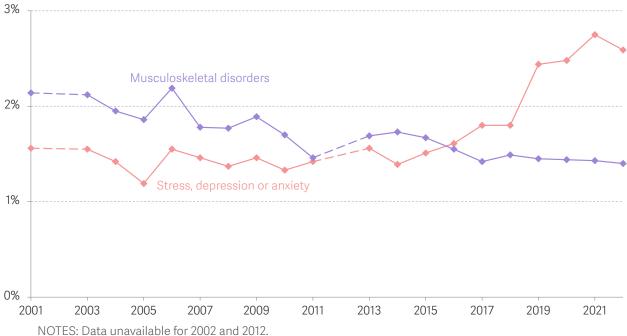
So how can we ensure that managers do better in the future? We should treat mental health problems in the workplace with as much seriousness as we did physical health problems like back pain in the 1990s. For example, the Manual Handling Operations Regulations were introduced in 1992 to create rules for businesses to follow to minimise the risks relating to manual handling – in recognition that it is one of the most common ways in which workers end up with musculoskeletal disorders. The current mental health crisis is just as big of an issue which necessitates us to mandate businesses to do better. As Figure 27 shows, in 2016, stress, depression and anxiety overtook musculoskeletal disorders to be the most common type of work-related ill health, accounting for half (49 per cent) of all cases in 2022.

⁹⁷ HSE, The Manual Handling Operations Regulations 1992, www.hse.gov.uk/foi/internalops/ocs/300-399/313_5.htm, accessed 20 February 2024.

⁹⁸ Health and Safety Executive, Historical picture statistics in Great Britain, 2023, November 2023.

FIGURE 27: Mental health problems have overtaken musculoskeletal problems as the leading type of work-related ill health

Proportion of workers suffering from an illness which they believed was caused or made worse by work, among those with musculoskeletal disorders and stress, depression or anxiety: GB



SOURCE: RF analysis of Health and Safety Executive data.

In practice, this will involve focusing on priority sectors with a high proportion of young workers with mental health problems.⁹⁹ When it comes to young people overall, retail and hospitality are key: between 2017-2022, these sectors employed over one-third of all young workers (36 per cent), and around one-third of young people working in these sectors in had mental health problems (33 per cent in retail and 36 per cent in hospitality).¹⁰⁰

Alongside this, we also heard from young people that the nature of work in these sectors can be especially demanding and stressful given often long shifts and customer-facing roles.¹⁰¹ But there is also evidence that some employers are already doing well.

"I think I missed out on the good mental health support, because in my previous job it was a hospitality job, a bar/ restaurant thing ... it got quite stressful. You're usually understaffed, so you need to be there for a lot of hours, so I don't think I

⁹⁹ This will involve concerted action from the Health and Safety Executive, local authorities, employer bodies and unions. Local authorities are likely to play an especially important role given they are responsible for enforcement action relating to health and safety in most workplaces in the retail and hospitality sectors, e.g. shops, restaurants and pubs and clubs. For more information on enforcement of workplace health and safety, see Box 1 in: L Judge & H Slaughter, Failed safe? Enforcing workplace health and safety in the age of Covid-19, Resolution Foundation, November 2020.

¹⁰⁰ RF analysis of ISER, Understanding Society.

¹⁰¹ See also: K Shah & D Tomlinson, Work experiences: Changes in the subjective experience of work, Resolution Foundation, September 2021.

felt like I had someone to really go to, or like a break room to just take a breather if customers are being demanding."

(Young person, not university-educated, no stated health problems)

"The area manager's come in, and has made a mental health plan with me, of my triggers and things they can notice if I start getting anxious ... now we've got that in place, it's in the safe so only the managers can see it, but then they've just got that there and it's so much nicer...so much nicer than being told kind of 'grow a pair or get out'."

(Young person, university-educated, with mental health problems)

Ensuring better management practices relating to mental health is a big ambition, and this should be viewed as a long-term aim rather than a quick fix. But this issue is too big to ignore – the reality is that our next generation of workers are much more likely than their predecessors to be struggling with poor mental health, and it is in everyone's interests to help them manage these conditions at work.

In a world where resources are limited, evidence-based policy decisions are more important

Over the past three years, we have shed light on a number of key aspects of the mental health crisis affecting young people and how this interacts with the world of work. But the policy world is still only just beginning to understand the nature and scale of the problem. Our ultimate aim should, of course, be to prevent future generations of young people growing up in a world where one-in-three (or more) have a mental health problem in early adulthood. But we must also act now to improve the educational and employment outcomes of young people with poor mental health.

Tackling mental health issues at the earliest opportunity; providing second chances to get vital qualifications while still in compulsory education; upping advice and opportunities for those not bound for university; and ensuring that managers in firms where the largest share of young people with mental health problems work undertake mandatory mental health training: together, these four priority areas reflect where the evidence shows additional investment would be most effective.

Implementing such a programme is not an easy task, and would be far from cost free. But failing to act in the face of the youth mental health crisis can only bring further costs in the future: to the state (in the form of benefits and foregone taxes); to employers (who may struggle to fill roles); and most importantly, to all the young people whose future living standards are currently so compromised by their poor mental health.

Annex 1: Reports and key findings

R Sehmi & H Slaughter, Double trouble: Exploring the labour market and mental health impact of Covid-19 on young people, May 2021.

This was the first report in our three-year research programme investigating the links between the labour market and mental health outcomes of young people. In it, we examined how young people have fared on both accounts through the pandemic period. To do so, we looked to the past and showed that a number of structural changes over the past 20 years made young people especially vulnerable to the current crisis. For example, pre-pandemic, young people were more likely to be in an insecure job, and substantially more likely to have a mental health problem, than ten years ago. This report also looked forward, and identified the risks young people could face in the wake of the Covid-19 pandemic. Concerningly, young people with a mental health problem in 2010-2011 (when unemployment was high following the financial crisis) were more likely to be out of work four years on than those without, at 14 per cent and 8 per cent respectively.

R Sehmi, Out of the woods? Exploring the labour market and mental health impact of Covid-19 on young people, July 2021.

This note provided an update on how young people were faring in terms of their labour market and mental health during the Covid-19 pandemic in May 2021. It found that the proportion of economically-active young adults either unemployed or fully furloughed had halved since May 2020, to around 16 per cent at the end of May 2021. But young people remained harder hit than older people, being two-and-a-half times more likely to be out of work. Young people were also highly aware that their economic circumstances and mental health are closely linked. They were most concerned of all age groups that their ability to find – and progress in – a job would be hindered by their mental health.

L Murphy, Leaving lockdown: Young people's employment in 2021: improvements and challenges in the second year of the Covid-19 pandemic, January 2022.

Similarly, this note explored young people's employment trajectory during the Covid-19 pandemic up to the end of 2021. In it, we showed that although young people were disproportionately likely to lose their jobs at the start of the Covid-19 pandemic, young people's employment prospects began to improve from spring 2021, and by early autumn 2021, the 18-24-year-old unemployment rate was lower than it had been just before the pandemic. But despite this good news, we highlighted some key areas of concern.

For example, one-third of younger respondents who had fallen out of work during the winter 2021 lockdown had since returned to work on insecure contracts; and despite the fact that unemployment was relatively low, the share of 18-24-year-olds who were economically inactive and not in full-time study was on the rise, especially among men

L Murphy, Not working: Exploring changing trends in youth worklessness in the UK, from the 1990s to the Covid-19 pandemic, June 2022.

In this report, we provided a long-term view of what's been happening to youth worklessness. We showed that youth worklessness has fallen since the 1990s, an important success story of recent decades that has almost entirely been driven by young women. But more concerningly, there has been an increase in the number of young men and women who are economically inactive due to sickness or disability, including mental health problems. To push back on the risk of rising youth worklessness in the 2020s, policy makers will want to focus their efforts on engaging young people who are economically inactive.

L Murphy, Constrained choices: Understanding the prevalence of part-time work among low-paid workers in the UK, November 2022.

This report discussed the concentration of part-time work among low-paid workers (including young people), and explored the reasons why low-paid workers work part-time. It drew on findings from four focus groups carried out in October 2022. It concluded that policy should target some of the drivers of shorter-hour working amongst lower earners – namely those that constrain workers' choices – while recognising both the real benefits it can bring and the complexities of lives that sit behind decisions about how, and for how long, we work.

L Murphy, Left behind: Exploring the prevalence of youth worklessness due to ill health in different parts of the UK, June 2023.

This briefing note explored the prevalence of youth worklessness due to ill health in different parts of the UK. We found that there are considerable differences between places, with young people living in areas dominated by small towns and villages more likely to be workless due to ill health than those living in large cities such as Glasgow, Liverpool and London. Importantly, we found that worklessness due to ill health is heavily concentrated among those with low levels of skills, with four-in-five young people who are too ill to work only have qualifications at GCSE-level or below.

E Bukata & L Murphy, Narrowing the youth gap: Exploring the impact of changes to the minimum wage on the incidence of low pay among young people, December 2023.

In this note, we explored how big changes to the minimum wage impact young people. Although young people aged 18-24 are more than twice as likely to be in low hourly pay than older workers aged 25-64, minimum wage policy can make a big difference, both directly and through spill-over effects. Between 2021 and 2023, for example, the proportion of 22-24-year-olds in low pay halved, from 25 per cent to 13 per cent. But more action is needed to reduce the incidence of low weekly pay, by boosting the working hours of young people alongside their hourly wages.





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