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The effort made to engage vulnerable young adults in education

1. Introduction and conclusion

1.1. Purpose and conclusion

1. This report concerns the effort made by the Danish Ministry of Employment and the Danish Ministry of Children and Education to engage vulnerable young people in education.

2. In this study, the term vulnerable young people refers to young people between the ages of 18 and 29 who are considered ready for education or activation and who are, or have been, recipients of financial support for education. These young people need support to start on an education and subsequently find employment.

Following a broad political agreement to reform the Danish cash benefit system, cash benefits for young people under 30 years of age were abolished in 2014 and replaced with financial support for education. The purpose of the reform of the cash benefits system was to engage more young people in education and improve their chances of becoming part of the labour market. The objective of the reform of vocational training in 2015 was much the same, namely to ensure that more young people completed an education. Both reforms aim to ensure a smooth transition for young adults into education.

3. In 2019, approx. 60,000 young people received financial support for education (the equivalent of 34,400 people employed full-time). The Danish Finance Act for 2019 included an allocation of DKK 843.3 million for reimbursement of the municipalities' expenditure for education support. The Ministry of Employment has estimated the cost of an average programme for a young adult receiving financial support for education in 2019 at DKK 140,000. To this should be added derived costs.

In a report published by the research unit of the Rockwool Foundation, it is estimated that vulnerable young adults with no education and no strong foothold in the labour market cost the Danish society DKK 12 – 15 billion annually. In the Rockwool report, the definition of the term vulnerable young adults is broader than in this report and encompasses also young adults who are not recipients of financial support for education. The report also found that Denmark's GNP could be increased by approx. DKK 4 billion over a five-year period, if 5,000 vulnerable young adults annually achieve the same level of attachment to the labour market as not vulnerable unskilled young adults. Thus, it requires an effective and coherent effort to ensure that vulnerable young adults achieve a lasting attachment to the labour market.

Financial support for education

Financial support is available to unemployed young adults under 30 with no qualifying education.

Assessment of potential recipients of financial support for education

Young adults who are *clearly ready to participate in education* face no barriers to education and therefore do not need help and support to start on and complete an education under ordinary conditions.

With support and proactive measures, young adults who are *ready to participate in education* are considered ready to start on an education within approx. 12 months and complete it under ordinary conditions.

Young adults who are *ready for activation* may have learning difficulties or be struggling with social and/or health issues. They are therefore not considered ready to participate in education. This group need support and guidance for longer than a year, before they can start on and complete an education under ordinary conditions.

4. This is a cross-departmental study intended to assess whether the Ministry of Employment and the Ministry of Children and Education have made a satisfactory effort to ensure that vulnerable young adults complete an education.

The report answers the following questions:

- Has the Ministry of Employment provided a framework for and followed up on the municipalities' statutory measures to prepare vulnerable young adults for education?
- Has the Ministry of Children and Education and the vocational schools implemented the statutory measures that enable vulnerable young adults to complete an education?
- Has the Ministry of Employment and the Ministry of Children and Education ensured that statutory information is exchanged between the municipalities and the vocational schools in order to keep the young adults in education?

Rigsrevisionen initiated the study in May 2019.



Main conclusion

The effort made by the Ministry of Employment and the Ministry of Children and Education to ensure that vulnerable young adults complete an education, has not been satisfactory. This increases the risk that the young adults do not obtain a qualification and a firm foothold in the labour market. Rigsrevisionen's study found that, in the period 2015 - 2019, only 15% of 8,000 vulnerable young adults that started on a qualifying education in accordance with the obligation imposed on them by the municipalities, completed their education. Of the total group of 26,900 vulnerable young adults, who received financial support for education and started on a qualifying education in the same period, 34% completed their education either under the obligation imposed on them by the municipalities or at their own initiative.

The effort made by the Ministry of Employment to provide a framework for and follow up on the municipalities' duty to prepare young adults for education, has been unsatisfactory.

In many cases, the municipalities are not complying with the requirements of the law. Approx. 50% of the young adults have either not received an offer of activation or not received it on time, and close to 80% of the young people have not had their reading, writing and arithmetic skills tested. Furthermore, the young adults go without being activated for 12 weeks, on average, against the maximum of four weeks prescribed by law.

The Ministry of Employment has provided the legislative framework for the municipalities' effort in the form of various specific instructions and guidelines, but some of the guidelines were available quite late in the process. The ministry has been aware of the municipalities' inadequate compliance with the regulations since 2015, but the ministry has only to a limited extent taken this issue up with the municipalities. The ministry has informed Rigsrevisionen that it will now take steps to ensure that the young adults receive the services to which they are entitled.

The statutory measures implemented by the Ministry of Children and Education and the vocational schools to enable young adults to complete an education, have been unsatisfactory.

According to the law, the vocational schools have a duty to support the young adults who need support. The schools have only provided support to the young adults in 8% of the examined cases. The schools also have an obligation to assign a teacher to help the young adults when required; the schools have done so in sixty per cent of the examined cases.

Vulnerable young adults under an obligation to start on an education

Young adults receiving financial support for education who have applied for and been admitted to an education programme, while they still receive financial support for education, are under an obligation from the relevant municipality to start on the education. It is the duty of the municipality to inform the relevant vocational school that the young person starting on the education receives financial support for education. The purpose is to inform the school that it may be difficult for the young person to complete the education.

Young people who receive financial support for education, but are not under a municipal obligation to start on an education, are in this report referred to as young people who start on an education at their own initiative. The schools do not receive any specific information about this group of young people from the municipalities.

The Ministry of Children and Education has not collected data on the vocational schools' compliance with the requirements of the law, but the ministry has been aware of the high dropout rate among vulnerable young adults. The ministry has not taken any specific steps to examine the reasons for the high dropout rate, or in other ways ensure a higher completion rate. The ministry has informed Rigsrevisionen that it will step up the effort made by the vocational schools and the ministry, based on the results of Rigsrevisionen's study.

The effort made by the Ministry of Employment and the Ministry of Children and Education to ensure that the municipalities and the vocational schools exchange statutory information, has been unsatisfactory.

The municipalities are not to the extent necessary passing on information to the vocational schools about the young adults' need for support, and when vulnerable young adults are on the verge of dropping out of school, the vocational schools only share this information with the municipalities to a limited extent. This means that the schools are unable to make allowances for the young person's needs for support, and the municipalities are unable to launch measures to prevent dropout.

The reason for the insufficient exchange of information between the municipalities and the vocational schools is the fact that the case management systems of 37 municipalities were unable to receive information about the risk of dropouts in the period 2018 - 2020. The Ministry of Employment has informed Rigsrevisionen that this problem has been resolved in July 2020.

Since 2017, the Ministry of Employment has been aware that the municipalities only pass on information about the young adults to the vocational schools to a limited extent. The Ministry of Children and Education has not systematically followed up on the schools' reporting practice, but has known about the schools' inadequate practice since 2017. The ministries will take steps to achieve better coherence of service delivery in this area, based on the results of this study.