

Citizens Advice Scotland's Response to Work and Pensions Committee inquiry: Youth employment education and training

February 2026

Summary

- **Holistic, seamless support** that effectively addresses the complexity of the lives of young people in vulnerable circumstances is mandatory if the underlying drivers of young people becoming Not in Education, Employment, or Training (NEET) are to be tackled
- The challenges being faced by young people vary both by individual and locality - this means that a **whole-person, flexible approach built on partnership working across local and national services** is needed - this includes access to **banking, digital services, local transport and childcare infrastructure in a way that recognises the impact of gender and disability.**
- The ongoing **Review of Universal Credit (UC) must deliver changes to social security to better support young people** to positive destinations – this includes:
 - ensuring **standard UC allowance is equalised for all working-age adults**
 - facilitating **access to a new Health Element of Universal Credit for people under the age of twenty-two** at the earliest opportunity
- The advice sector, characterised by high levels of trust and deep local knowledge, plays a vital role in helping young people achieve positive outcomes – the **advice sector must be supported with long-term and sustainable funding**

Citizens Advice Scotland network provides unparalleled insight on issues affecting young people across Scotland

In the year 2025-2026, the Citizens Advice network in Scotland provided advice to **almost 9,000 young people aged sixteen to twenty-four**. During this time, our network supported young people who were parents, carers, care leavers and migrants – many of these individuals were coping with relationship breakdowns, insecure housing, debt and difficulty affording essentials.

This gives our network unique, and real-time insight and evidence on the issues affecting young people across Scotland. Many of the young people that we support are struggling with insufficient income. More than one in two (5004 young people) were supported with advice about social security entitlements, mostly Universal Credit (UC) (61% of the social security advice delivered to young people) and Adult Disability Payment (ADP) (31% of the social security advice delivered to young people). 1,613 young people (18% of all young people advised by our network) were facilitated to access charitable support, mostly foodbanks.

- Linked to low income, many young people are becoming trapped in debt. 14% of the young people that advised (1,056 young people) were supported with advice about debt. The most common debt being presented by young people was Council Tax arrears (38%) followed by energy debts (35%). Energy debts and rent arrears were more common for people aged 16 to 24 than those aged 25-64.
- 12% of young people we advised (1,249 young people) were provided with advice about housing. Young people aged under 25 were much more likely than those aged 25-64 to be staying with friends or relatives (34% compared to 7%), and more likely to be homeless or living in temporary accommodation (12% compared to 6%).
- We supported more young people with advice about employment matters than other working age cohorts. Employment advice demand was primarily concerning dismissal, grievance and disciplinary procedures (49% of the employment advice delivered to young people). Those aged under 25 were more likely than those aged 25-64 to be unemployed (30% compared to 17%).
- Nearly one third (28%) of the young people that we supported, who provided information about their employment status, were in full-time, part-time or self-employment. 17% had caring responsibilities for children and 5% were caring for another adult. 15% of the young people we supported were students, and a similar proportion (16%) reported being unable to work for health reasons.

What factors lead to a young person not being in education, employment or training (NEET)? What are the long-term consequences for young people who are NEET for an extended period?

Evidence from our network shows that young people not in education, training or employment (NEET) face complex barriers to participation.

Low income can have a profound impact on the mental and physical health of young people and their ability to envisage and work towards future goals. Over the year up to October 2025, around 7% of the people that the network supported with UC were aged 18-24, and around 1% aged 16-18. This reflects the Department of Work and Pensions UK wide data, which shows that approximately 9% of people in receipt of UC were aged 16-24 in November 2025¹.

The Standard Allowance of UC for single people aged under 25 is currently just £316.98, compared to £400.14 for those over the age of 25. Increasing the Standard Allowance above inflation for all claimants from April 2026, reaching CPI +5% from April 2029, will see this rise slightly, but still leaving a wide gap in the support provided to younger people relative to their older counterparts. This lower entitlement of UC acts as a barrier to young people living a variety of low-income household types, pushing them deeper into poverty, trapping them in debt, and leaving them struggling to meet their basic needs. In this way the lower rate of the Standard Allowance prevents young people from pursuing goals and flourishing.

For young people who have experienced trauma or significant disruption to their lives, an inadequate safety net risks entrapping them in a cycle of isolation and deteriorating health. In these circumstances, pursuing education, training or employment can feel increasingly like an unscalable mountain. Young women can be disproportionately affected, since they are more likely to be lone

¹ [Stat-Xplore - Log in](#)

parents or carers, and to have experienced domestic abuse. This disproportionate impact is accentuated amongst women who are also experiencing sickness or disability.

Claire's experience: *Claire is struggling to make ends meet so she approached her local CAB for help. Claire is living in refuge accommodation with her baby daughter having fled an abusive relationship. Linked to the abuse and the experience of ending the relationship, Claire's mental health has deteriorated; she lost her job as a result. She is now trying to support her daughter and herself on the lower basic rate of Universal Credit available to adults her age, subject to deductions to repay a new claim advance and a historic overpayment. The CAB adviser expressed concern about the impact of living on such a restricted income on Claire, including a limited ability to engage in social activity and plan her future.*

Furthermore, while there is a commitment to achieving a single National Minimum Wage for adults over 18², at present 18-21 years olds are subject to the lower rate of pay, while apprentices are managing even lower rates³. Combined with lower levels of social security support, this limits opportunities for young people to earn enough to maintain independent living, creating a level of precarity that stifles progression.

For young parents like Jess, the barriers to sustaining and advancing employment can feel daunting.

Jess' experience: *Jess approached her local CAB for advice, having found herself in financial difficulties when her relationship with her child's father broke down. Jess is reliant on income from Maternity Allowance. She is struggling to maintain a three-bedroom social rented property. The property was suitable when her partner and his child from a previous relationship were part of the household but now leaves Jess vulnerable to an underoccupancy charge and elevated energy costs. The CAB supported Jess to access a Discretionary Housing Payment and Scottish Child Payment. Jess' Universal Credit entitlement will however be reduced to reflect her age and what she receives in Maternity Allowance. Jess is concerned about her ability to prepare for a sustainable return to work, which will involve childcare and transport costs.*

Meanwhile, the youngest carers need support broad enough to access opportunities to secure a future beyond caring. Most of Scotland's students are eligible for Carers Support Payment (CSP), which has replaced Carers Allowance in Scotland. Young Carers Grant is available to those young carers who are not eligible for CSP. It is hoped that this will help empower young carers to pursue education going forward in Scotland.

For young people like Katie, available financial support remains an inadequate foundation to build resilience by pursuing education, training, or employment.

Katie's experience: *Katie, a young carer under 18, approached her local CAB for advice about her financial circumstances. Due to her caring responsibilities, she is not currently in education. The CAB supported Katie to apply for UC as a carer, Carers Support*

² [Government moves to end discriminatory age bands and unfair pay - GOV.UK](https://www.gov.uk/government/news/government-moves-to-end-discriminatory-age-bands-and-unfair-pay)

³ [Minimum wage rates for 2026 - GOV.UK](https://www.gov.uk/government/news/minimum-wage-rates-for-2026)

Payment (CSP) and Carer's supplement. Katie and her mother, the cared for person, understood from the CAB advice that Severe Disability Premium entitlement will be impacted by these applications. Katie was advised that if she begins to earn more than £196/week she will lose entitlement to CSP and see a tapered reduction in her UC entitlement. If Katie chooses to progress school level education, she will be excluded from receiving CSP and UC.

Bus travel is free of charge for young people under the age of twenty-two in Scotland. However, in remote and rural parts of the country, the reliability, frequency and connectivity of public transport can act as a significant barrier to accessing and sustaining education or employment. 16% of the young people that the network supported in the last year were living in remote and rural areas. CABs located in these areas, such as Northwest Aberdeenshire, report incidences of young people leaving education due a lack of reliable public transport.

Citizens Advice Scotland (CAS) published research in 2025⁴, exploring the impact of barriers to accessing banking services it flagged that many *"young people cannot afford photographic forms of ID or have other vulnerabilities that make it challenging...Often they don't have a credit history, or they aren't on the electoral roll to prove their identity."*

Hurdles to securing a bank account introduces a further barrier to obtaining employment or financial support to pursue education or training. Amongst our report's recommendations is the introduction of a legal obligation to ensure that banking services are available to everyone, alongside targeted measures for victim survivors of abuse, and efforts by financial institutions to widen and make more flexible their ID verification requirements.

CAS Solution:

Young people who are NEET must be provided with support that is integrated into other areas of national and local policy relevant to the barriers they are experiencing where they live. This includes access to banking and digital services as well as local transport and childcare infrastructure.

The standard allowance of UC should be equalised for all working age adults. A lower rate for young people is not equitable, or consistent with a social security system that functions effectively as a safety net and springboard, supporting young people to manage life's storms and reach the right long-term destination for them.

Equalising the standard allowance must be made in the context of a review of the entire social security system, not sections in isolation. Taking this approach will ensure that the help available to young people works in harmony and is not constrained or compromised by fragmentation. Only a complete package of support that is self-reinforcing can deliver positive outcomes for young people. For example, addressing the standard allowance while not removing the barriers within UC being faced by young people in precarious and weekly paid work, or living in private rented accommodation, would be limited in its impact. The ongoing Review of Universal Credit represents an opportunity to deliver the change based on an ariel view of the payment and its interactions with other sources of support.

⁴ [Holding to Account Wider Report.pdf](#)

The UK Government should explore the recommendation of the Minimum Income Guarantee Expert Group in Scotland to pilot a Minimum Income Guarantee (MIG) for carers⁵. A MIG would empower carers to regain agency and independence. Achieving it includes steps that can and should be taken

by the UK Government immediately to strengthen flexible working, standardise emergency leave, and meaningfully prevent workplace discrimination against caring.

How can the Government, and the DWP, help prevent young people becoming NEET in the first place?

Holistic, seamless support that effectively addresses the complexity of the lives of young people in vulnerable circumstances is mandatory if the underlying drivers of young people becoming NEET are to be tackled.

Ensuring that holistic support is provided to young people at junctures at which they are vulnerable to becoming NEET through partnership working has a vital preventative role.

Olivia's experience: *Olivia connected with her local CAB through social workers; she is sixteen years old and was seeking advice about her financial circumstances and sources of support. Olivia became homeless after estrangement from her mother, yet still provides care for her brother and is attending college part-time. Olivia is struggling with her mental health; she has been receiving support from child and adolescent mental health services (CALMS) since she attempted to end her life. She is entitled to Scotland's Young Carer's grant while she is still under twenty, but this is limited to £390.25 annually. She cannot receive Carers Support Payment since her stepfather already claims it for her brother. The CAB supported Olivia to claim UC and ADP.*

However, since Olivia is embarking on a course of nonadvanced education, she will lose access the Carers Element of Universal Credit and must consider the financial implications of accessing Education Maintenance Allowance.

For young people like Rose, access to independent advice as they begin to transition into education or employment can prevent harms that can compromise their capacity to avoid becoming NEET.

Rose's experience: *Rose sought help from her local CAB after being told she had been overpaid UC and would have to pay back the money. Rose had claimed UC when she turned eighteen, but shortly thereafter returned to school level education at a local college. She informed the Jobcentre of the change and was advised that she would still be able to receive UC, based on her being a disabled person. However, Rose had not yet undergone the Work Capability Assessment, nor was she in receipt of ADP, so she could not benefit from this exemption. Rose is not eligible for a student bursary due to parental income. Discovering that she has incurred debt just as her course was progressing has been very distressing for Rose, who lives with autism and anxiety.*

⁵ [Minimum Income Guarantee: report - a roadmap to dignity for all - gov.scot](https://www.gov.scot/publications/minimum-income-guarantee-report-2019/pages/1-1-introduction.aspx)

The transition to adult life can trigger a financial shock in low-income households

For many low-income households, the transition of children into adult life can trigger an income shock. The pressure that this places on these households means that this can be a precarious time for young people endeavouring to pursue their chosen path.

Anna's experience: Anna approached her local CAB for advice concerning her financial circumstances. Anna is a lone parent working full-time on the National Minimum Wage. Her teenage daughter just started a Higher National Diploma course of further education. As this is categorised as "advanced" education, Anna will lose Child Benefit, Child Maintenance will stop, and the Child Element of Universal Credit will no longer be applicable. Anna's daughter receives a bursary £37 monthly, substantially less than Education Maintenance Allowance (available to young people completing non-advanced courses) and not close to making up for the household income loss. Anna is struggling with debts related to the separation from the father of her daughter. Anna is concerned about her ability to support herself and her daughter now that their income has fallen so significantly.

For disabled young people, the challenge of the transition to adult life can be greater still.

As the largest provider of independent advice about ADP in Scotland, we are currently drawing on our evidence to inform the development of policy concerning late submissions of ADP applications from young people. Tracey's experience is a window into the challenges being faced by families at this stage of a disabled young person's life, which is accentuated when the young person's carer is also a disabled person.

Tracey's experience: Tracey was referred to her local CAB after arriving at a food bank with just four pence left in her account. Tracey is a full-time carer for her son with complex needs. His CDP and Tracey's Carer's Allowance both stopped when he turned 18, and an overpayment of Carer's Allowance accrued. Tracey has now applied for ADP on behalf of her son; she is awaiting the outcome. Tracey has limited financial resilience and complex health needs. She has found managing social security administration overwhelming, and the situation has caused her acute financial and psychological distress. Tracey cannot access any UC budgeting or advance loan, and her son is not in a position to financially contribute at a level that would make a difference. The CAB raised safeguarding concerns with the DWP's ACSSL team who temporarily suspended the overpayment and also alerted Social Security Scotland to the urgency of Tracey's situation.

CAS Solution:

We urge the UK Government to mirror the legislation in Scotland, where those over 16 who are already in receipt of Child Disability Payment (CDP, the Scottish equivalent of Disability Living Allowance for a child) can choose to remain on CDP until they turn 18, or to make a claim for ADP⁶. This facilitates a positive transition to adulthood by providing flexibility.

⁶ [The Disability Assistance for Children and Young People \(Scotland\) Regulations 2021](#)

Delaying access to a proposed new Health Element of Universal Credit until age twenty-two would present a barrier to young disabled peoples' flourishing

Our advisers highlight that this proposal, presented in the Pathways to Work: Reforming Benefits and Support to Get Britain Working Green Paper⁷, could push many young people and young families over the edge, causing physical and mental health harm linked to financial insecurity. This includes families caring for young people with autism and learning difficulties, for example, who rely on the young person receiving the Limited Capability

for Work Related Activity (LCWRA) Element of UC when they turn eighteen. Delaying access to the new health element for four years could arrest or compromise careful efforts to transition young people with complex needs into adult life. This could put at risk their ability to sustain independent living, with potentially catastrophic consequences for families.

Angela and Kevin's experience: *Angela and her partner juggling full-time work with caring for their three children, including their son, Kevin, who has complex and lifelong needs related to learning difficulties, autism, and ADHD. Kevin is nearly sixteen and Angela is looking to the future. The family is struggling to cope; they are experiencing isolation and are concerned that home is not an ideal environment for Kevin. The family have collectively determined that Kevin will thrive best living independently with the right support in place when he turns 18; they have established a plan in partnership with the local social work team. This plan would be put in jeopardy if Kevin becomes is no longer entitled to access adequate financial support to maintain independent living, given the extra costs linked to his needs. Angela has heard that the UK Government is planning to restrict eligibility for the new health element of Universal Credit to those aged twenty-two and over. Kevin will require the support of Universal Credit, including the Limited Capability for Work and Work-related activity (LCWRA), when he turns 18 if the plan for him to move out can come to fruition. With Kevin's needs and available services changing as he enters adulthood, the family are deeply anxious that Angela may be forced to give up work to care for him at home if they are unable to establish his independence. They are haunted by the potential impact on his quality of life and future prospects.*

CAS Solution:

The UK Government should not restrict access to a new Health Element of Universal Credit for people under the age of twenty-two and should instead focus on supporting young people to break down barriers that prevent them from flourishing.

What is the most effective way of delivering support to young people who are NEET? Are there any initiatives that can be learned from, domestically or internationally?

Scotland has explicitly recognised through the Young Person's Guarantee, now integrated into the No One Left Behind strategy, that effective support is holistic, tailored, flexible, and anchored in addressing the needs and barriers being faced by individuals where they live.

⁷ [Pathways to Work: Reforming Benefits and Support to Get Britain Working Green Paper - GOV.UK](#)

Members of the Glasgow Disability Alliance (GDA) told CAS about the workplace barriers disabled people face, including the cost of adaptive technology, and the intensive, moment-by-moment support visually impaired people need to travel, navigate the workplace, and manage communication. One member explained that, of the eight employment support providers in his area, none were able to provide advice in relation to accessibility software for visual impairment called JAWS, Job Access With Speech¹⁰. Other members described experiencing discrimination.

"I used to hold down a job thirty hours a week supported by Access to Work. In the last fifteen to twenty years, I think things are getting a lot worse. The last job I applied for I faced a really, really bad attitude and discrimination." (GDA member speaking to CAS, lives with cerebral palsy and invisible disabilities including visual impairment)

A lack of understanding and flexibility from employers is one of the most significant barriers for disabled people seeking employment. This is demonstrated in the experiences of a GDA member in his twenties sharing reflections of his first job.

"My old job was a zero hours contract. I worked there for five years, four days a week. Me and a colleague who also had a disability were repeatedly passed over for a permanent contract because we couldn't commit to five days a week. Eventually we got made redundant" (GDA member, speaking to CAS, who lives with autism, ADHD and mental health conditions)

CAS Solution: A compassionate, collaborative approach that responds flexibly to individual need and circumstances is mandatory. Meeting this standard will require a significant cultural shift within workplaces. Employers must be incentivised to actively learn from best practice, including from small scale employers of young people, along with employers of disabled people such as the GDA. Employers must be obligated and supported to ensure that the voices of young people, including young disabled people, are heard and incorporated into their operational infrastructure, from recruitment processes to paid leave policies, according to the size and structure of the organisation.

How does support for young people who are NEET differ between the UK's four nations? How might the transfer of skills to DWP impact the delivery of support for young people across the UK?

Scotland's Young Person's Guarantee¹¹ initiative was widely experienced as advancing employer engagement, opening up additional training opportunities, and improving partnership working at a local level. Participants appreciated being able to tailor the funding provided to their localities and to address specific barriers being faced by young people in their areas. Participants observed less duplication of service delivery, and increased communication between the local authority and service providers.

Financial incentives, known as Employer Recruitment Incentives (ERIs), were found to have been generally well received. ERIs involved providing financial contributions to employers towards the

¹⁰ screen reader, developed for computer users whose vision loss prevents them from seeing screen content or navigating with a mouse

¹¹ [No One Left Behind and the Young Person's Guarantee: implementation evaluation - gov.scot](https://www.gov.scot/topics/young-persons-guarantee)

costs of recruiting an unemployed young person; employers reported that this freed up funds to mentor and support young employees.

ERIs were reported to have played a role in enabling Young Person's Guarantee participants to continue working with those employers who had previously offered young people placements through the DWP Kickstart programme (which closed in January 2023). We urge dialogue between the DWP and stakeholders operating devolved services to ensure that the transfer of the skills remit to the DWP will provide opportunities for partnership working, and mutual learning, reducing the fragmentation of initiatives while improving connectivity across services.

However, it was observed amongst stakeholder participants in the Young Person's Guarantee initiative that an expectation may have arisen amongst some employers that they should be paid to hire young people. This is an important learning from the initiative; targeting ERIs to young people furthest from the labour market and with the most complex needs would optimise delivery of positive outcomes related to financial incentives.

Third sector participants in the Young Person's Guarantee initiative reported challenges managing rapid timescales for the distribution of funding due to annual funding allocation not being confirmed until part-way through the financial year. Again, this is an important learning point; it is essential to ensure funding is received timeously by third sector participants.

Conclusion

The challenges being faced by young people in difficult circumstances vary both by individual and locality, meaning that a whole-person, flexible approach involving partnership working across local and national services is needed. The advice sector, characterised by high levels of trust and deep local knowledge, has a key role to play with helping young people achieve positive outcomes.

About Citizens Advice Scotland

The Citizens Advice network in Scotland is Scotland's largest independent advice provider. Advisers across all corners of the country work in Citizens Advice Bureaux (CAB) to provide free, impartial and confidential advice. Our Extra Help Unit (EHU), based in Glasgow, helps people resolve complex and time-sensitive energy problems. Each year our network supports hundreds of thousands of people, unlocking millions of pounds worth of financial gains. By looking at a person's complete circumstances, CAS gains an unparalleled insight into the scale and complexity of what's happening in communities throughout Scotland.

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