

The Rt Hon Rachel Reeves MP Chancellor of the Exchequer His Majesty's Treasury 1 Horse Guards Road London, SW1A 2HQ

25 November 2025

Dear Chancellor,

As chief executives and leaders of 10 youth homelessness charities across the UK and members of the <u>EveryYouth</u> Network, we are writing to you ahead of the Autumn Budget with key considerations to support the successful rollout of the Youth Guarantee scheme.

In September you announced that every eligible young person who has been on Universal Credit for 18 months without working or studying will be offered guaranteed paid work through a Youth Guarantee, delivered by the Department for Work and Pensions (DWP).

EveryYouth leads a UK-wide network of youth homelessness charities which reaches >40,000 young people every year, and for this reason we are fully invested in supporting the Youth Guarantee.

If we are to address record highs of youth unemployment in the UK right now, guaranteed work placements will only be successful if they lead to meaningful, full-time work for all young people and a mutually beneficial relationship between employers and their new employees. Work placements in isolation will not guarantee success.

Drawing on our extensive experience, we've identified four essential ingredients for the Youth Guarantee to succeed:

1. Participating employers must complete awareness training to better support disadvantaged young workers

Surveys of young people in homelessness services show that 65% have experienced four or more Adverse Childhood Experiences (ACEs) - such as domestic and sexual abuse, negligence, and living with parents struggling with addiction and mental illness - which indicates very significant childhood trauma that effects educational performance and brain development. Additionally, we know a disproportionate number of homeless young people are neurodivergent and may need the type of support provided by Access to Work for which waiting lists are very long. Despite these challenges we know most young people in supported accommodation services across the UK are astoundingly

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resilient, eager to work, and deeply motivated to establish independent lives. They just need a bit more help than their peers to succeed.

It is unrealistic to expect businesses to understand how to manage young people who have experienced trauma or are neurodivergent effectively without training. Because most young people experiencing homelessness cannot rely on familial support, they need guidance and moral support through a trained mentor too so they can navigate this crucial stage in their life.

EveryYouth already offers employers PIE (psychologically informed environment) introductory sessions and personal mentors through <u>Project Flourish</u>, a groundbreaking service created in collaboration with Hays, the leading recruitment and workforce solutions provider, specifically designed to help young people experiencing or at risk of homelessness into jobs that will change their lives. We would welcome the opportunity to discuss with you how this experience could inform the Youth Guarantee to ensure our least fortunate young people can benefit from your ambitious initiative.

2. Participation in the Youth Guarantee must not affect a young person's financial support with housing costs while they are living in supported accommodation

Young people living in supported accommodation must not have their housing support cut or reduced while taking on paid work under the Youth Guarantee.

Young people in our supported services normally have a monthly earning threshold before their financial support with housing costs is impacted. The cliff edge effect this creates often discourages young people from seeking full-time work because their rent in supported accommodation is unaffordable. Young people in homelessness services must be given an extended grace period of at least three months where their financial support for housing is maintained while they become established in their role.

3. Work placements must be accessible and realistic for young people

Young people supported by EveryYouth who live in rural areas often report transport as huge barrier to securing a job, including in Norfolk, Devon and Northern Ireland, where youth unemployment is high.

Work placements under the Youth Guarantee must be realistic and accessible for young people, especially in rural areas. This includes making sure there are sufficient and affordable transport options so the young person can independently travel to and from work and making sure the cost of any necessary equipment for the job is covered.

4. Wraparound employability support must be in place for young people before, during, and after any work placement

Our experience helping young people into work is most likely to succeed when young people have one-to-one employability support. These specialist support workers often fulfil the role a parent would by helping young people to identify what they want to do alongside practical support like CV writing and interview preparation.

EveryYouth has provided wraparound employability support for young people for eight years through our <u>Employed</u> programme, including one-to-one sessions with specialist job coaches and a bursary scheme to overcome the costs associated with getting into work or education. Without statutory funding, these programmes not sustainable at scale.

We urge you to use the Autumn Budget to ensure the Youth Guarantee is fit for purpose. Without our proposed investments we have grave concerns it will negatively impact the young people who need it most.

For too long vulnerable young people, especially those experiencing homelessness, have been sidelined and written off by employers and wider society. By adopting our proposals, the Government can show it is serious about tackling youth unemployment for those furthest away from the jobs market thereby reducing welfare bills and increasing tax receipts.

We look forward to your response in due course.

Yours sincerely,

- 1. Nicholas Connolly, Chief Executive, EveryYouth (UK)
- 2. Jean Templeton, Chief Executive, St Basils (West Midlands)
- 3. Dom Wood, Chief Executive, 1625 Independent People (South West)
- 4. Kate Martin, Chief Executive, MACS (Northern Ireland)
- 5. Sam Austin, Chief Executive, Llamau (Wales)
- 6. Debbie Moreton, Chief Executive, Step by Step Partnership LTD (Hampshire, Surrey, Dorset, Wiltshire, West Berkshire and West Sussex)
- 7. Ben Keegan, Chief Executive, Roundabout Ltd (Yorkshire)
- 8. Paul Rosam, Chief Executive, Amber Foundation (Kent, Wiltshire, Devon, Surrey)
- 9. Leona McDermid, Chief Executive, Aberdeen Foyer (Aberdeen)
- 10. Matt Garrod, Director of Operations, The Benjamin Foundation (East Anglia)

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