



Young People and Work Report: Call for Evidence

Place2Be response – January 2026

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

Key points:

- A rise in mental health difficulties amongst children is associated with increasing school absence and exclusion, lower attainment and rising youth economic inactivity.
- Educational attainment is one of the strongest predictors of a young person's future employment prospects, financial security and life satisfaction.
- Mental ill-health is now a primary driver of economic inactivity, especially among young people.

Mental health difficulties amongst children and young people have been rising, contributing to a rise in economic inactivity amongst young people. With over 30 years of experience working in schools to support children's mental health, we know all too well the association between poor mental health and school absence, exclusion, attainment and, ultimately, youth economic inactivity.

More children and young people in England have difficulties with their mental health: 1 in 5 children now have a probable mental health condition¹, and almost 120,000 are referred to CAMHS every month².

While this trend is not unique to the UK, the UK does lag behind other wealthy nations in terms of child wellbeing and life satisfaction. According to UNICEF, the UK ranked 21 out of 36 wealthy countries for child wellbeing and 27th for mental health³ and 33 out of 36 for life satisfaction.

¹ NHS England, 2023: <https://www.england.nhs.uk/2023/11/one-in-five-children-and-young-people-had-a-probable-mental-disorder-in-2023/>

² Independent Investigation of the National Health Service in England, Lord Darzi, 2024: <https://assets.publishing.service.gov.uk/media/66f42ae630536cb92748271f/Lord-Darzi-Independent-Investigation-of-the-National-Health-Service-in-England-Updated-25-September.pdf>

³ UNICEF, 2025: https://www.unicef.org/innocenti/reports/child-well-being-unpredictable-world?_gl=1%2Ak0q5uv%2A_ga%2AMTU4NzQ0MjcxNC4xNzY2MTM5OTQz%2A_ga_4QVKT2Z86S%2AczE3NjYxMzk5NDMkbzEkZzAkdDE3NjYxMzk5NDUkajYwJGwwJGgw



We work with around 650 schools across the UK and know that the impact of declining mental health is evident in the challenges they now face. In 2024-25 school absence rates were significantly higher than pre-pandemic levels and research conducted by the Department for Education in 2025 found that “Poorer mental health strongly predicts authorised absences...”⁴. The link between rising absences and mental health is clear: children with probable mental health disorders are seven times more likely to miss more than 15 days of school in a single term and nearly a third of UK secondary pupils avoid school due to anxiety⁵.

We can see this in our own partner schools. While most young people aged 11-18 years old that we supported had good attendance (90% or above) before counselling, a notable proportion (37%) were persistently absent (missed 10% or more school day sessions). This is significantly higher than the persistent absence rate of 24.3% across all secondary schools in England in 2024-25.

Exclusions from school have been rising for several years – doubling from 0.06% in 2013-14 to 0.13% in 2023-24 – and children with mental health issues are three times more likely to be excluded compared to other pupils⁶. There has also been a rise in children with special educational needs (SEN), with 1 in 5 children and young people now having SEN. PBE (2025) have found that a one-point improvement in SDQ score (indicating improved mental health) reduces the likelihood of needing SEN support in secondary school by 0.2–0.4%⁷.

For too many children, poor mental health is the primary dictator of educational attainment. Young people experiencing poor mental health are 3.2 times more likely not to meet the GCSE benchmark, even when prior attainment and socioeconomic factors are accounted for. A one-point increase in SDQ score, indicating poorer mental health, is associated with a drop of an

⁴ The relationship between mental ill health and absence in students aged 13 to 16, Department for Education, 2025:

https://assets.publishing.service.gov.uk/media/681b676c9ef97b58cce3e518/The_relationship_between_mental_ill_health_and_absence_in_students_aged_13_to_16.pdf

⁵ Mental Health of Children and Young People in England, 2023 - wave 4 follow up to the 2017 survey, NHS Digital, 2023: <https://digital.nhs.uk/data-and-information/publications/statistical/mental-health-of-children-and-young-people-in-england/2023-wave-4-follow-up/part-3-education-services-and-support>

⁶ IPPR, 2024: <https://www.ippr.org/media-office/revealed-school-exclusions-and-suspensions-rise-by-a-fifth-last-year-finds-new-report>

⁷ The happy childhood dividend, PBE, 2025: <https://pbe.co.uk/wp-content/uploads/2025/08/PBE-19.08.25-The-happy-childhood-dividend-report.pdf>



entire GCSE grade⁸. According to a 2025 report by Pro Bono Economics, reversing the decline in mental health over the past decade could boost GCSE attainment by 0.1-1.6 grades per child⁹.

Educational attainment is one of the strongest predictors of a young person's future employment prospects, financial security and life satisfaction:

- Persistently absent pupils (missing 10% of school) will earn £10,000 less on average over their lifetime; be 2.7 times more likely to require benefits; and are 60% less likely to be in sustained employment for 12 months¹⁰.
- Pupils who have been suspended are less likely to gain Level 3 qualifications (such as A levels); more likely to receive out-of-work or health related benefits; and 2 times as likely to not be in sustained education, employment or training at age 24¹¹.

As the *Keep Britain Working* report underscored, not building resilience early in a young person's life can have a significant impact on their ability to thrive in adulthood. The review found a 76% rise in economic inactivity among 16–34-year-olds due to mental health conditions between 2019 and 2024¹². Indeed, mental ill-health is now a primary driver of economic inactivity, especially among young people. But we know that – with the right help at the right time – children and young people can build resilience and grow up to play an active role in education and employment and positively contribute to society.

⁸ Does mental health affect educational achievement, Understanding Society, 2021: <https://www.understandingsociety.ac.uk/blog/2021/08/02/does-mental-health-affect-educational-achievement/>

⁹ The happy childhood dividend, PBE, 2025: <https://pbe.co.uk/wp-content/uploads/2025/08/PBE-19.08.25-The-happy-childhood-dividend-report.pdf>

¹⁰ The impact of school absence on lifetime earnings, Department for Education, 2025: <https://www.gov.uk/government/publications/the-impact-of-school-absence-on-lifetime-earnings>

¹¹ Early adult outcomes for suspended and excluded pupils, Education Policy Institute, 2024: <https://epi.org.uk/wp-content/uploads/2024/08/Early-adult-outcomes-for-suspended-pupils-FINAL.pdf>

¹² Keep Britain Working, 2025: <https://assets.publishing.service.gov.uk/media/6909fac488a98da87e292282/keep-britain-working-review-final-report.pdf>



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

Key points:

- **We need a shift from mental health treatment to prevention, through a positive investment in childhood. By investing in and offering support early, we can empower children with the skills they need to understand and manage their mental health throughout life. Early intervention not only prevents challenges from escalating, but also helps every child build the confidence, coping strategies and resilience they need to thrive into adulthood.**
- **Embedded, whole-school approaches to mental health are an effective way to improve young people's mental health, improving engagement in learning and attainment.**
- **Reversing a decade of decline in children's mental health is worth £51 billion, including higher lifetime earnings, higher tax revenues, and reduced welfare spending.**
- **Not intervening early comes at a high cost, with an overall cost to public services of children waiting for mental health care for mental health care estimated at £295 million per year.**

We believe that to make the biggest difference in improving young people's participation, we need to make a positive investment in childhood. With half of all mental health conditions established by age 14, early intervention in childhood can prevent difficulties growing into adulthood and impacting on a young person's ability to gain and maintain education, training or employment opportunities.

We need to see a positive investment in childhood to build resilience and growth for children so they can thrive from childhood into adulthood and succeed in the workplace. Investment should focus on ensuring every child and young person has in school access to a range of embedded, evidence-based mental health and wellbeing supports so that they get the right support, in the right place, at the right time.

One response to this is the government's roll-out of Mental Health Support Teams (MHSTs), which provide interventions for children with mild to moderate mental health issues. We welcome the further roll-out of MHSTs but believe that they are just one part of the solution. Even with MHSTs in place, there remains a 'missing middle' of children and young people who have more severe mental health needs than can be supported by MHSTs but that do not reach the CAMHS (Child and Adolescent Mental Health Services) threshold. To meet this need, we need a system that can help all children and young people.



Services like Place2Be deliver embedded support in schools, providing safe and creative spaces where children can talk about their emotions and any difficulties they are facing, so they can overcome challenges and build that vital resilience which will help them as they grow. A ‘whole schools approach’ also supports parents, school staff, and headteachers: building capacity in the school community to recognise and address children’s mental health needs.

Not only is this type of school-based support an effective intervention for improving mental health amongst young people, but it can also reduce suspensions, improve attendance, engagement in learning and attainment. Place2Be’s own data gives real insight into this:

- In 2024-25, 76% of children and young people with severe difficulties supported through Place2Be’s targeted interventions showed improvement in mental health.
- For those who had experienced a suspension from school before they had 1:1 counselling, this reduced from an average of 2 school weeks to half a school week and this meant that three quarters (74%) had fewer suspensions and just over half (56%) did not have any subsequent suspensions in the academic year that counselling took place.
- School-based one-to-one counselling has the potential to reduce persistent absence as 1:1 counselling was found to be associated with a significant reduction in the likelihood of persistent absence¹³.
- In 2024, teachers reported an improvement in classroom learning for 63% of children who had 1:1 counselling with Place2Be and 66% of pupils caused fewer problems to their teacher or class.
- The AL Philanthropies Research Programme, which looked at the impact of our embedded Whole School Approach in 20 Salford schools, found that targeted interventions have had a positive impact on pupils’ engagement at school, including 58% of children who accessed 1:1 counselling¹⁴.
- Place2Be [compared academic outcomes](#) of primary school pupils who received one-to-one counselling, against a control group of pupils with similar characteristics. The findings showed that the children who received counselling kept pace academically with their peers.

“I wouldn't have survived this year and A-levels without support from counselling.”

- Young person in London supported by Place2Be

¹³ One-to-one counselling and school attendance in the UK, Saxton et al, 2023: <https://adc.bmj.com/content/109/11/905.abstract>

¹⁴ AL Philanthropies Research Programme, 2025: <https://www.place2be.org.uk/media/5vvjuooj/salford-research-programme-report-2-year-interim-full-report-2022-2024-final.pdf>



Embedded, whole-school approaches to mental health promote good mental health for all children and build capacity in the school community to address children's needs. Creating a sense of belonging is vital if we are to ensure that all schools are places that children want to be, where they feel seen and heard, where they are inspired, challenged and stretched to become the best version of themselves. An evaluation of Place2Be's work in primary schools in Salford showed that children in our partner schools there had a high sense of connection with their school, with most feeling that there was always an adult in school that believed they would be a success¹⁵.

Equally, we need to give children and young people the language, knowledge and skills to talk about their own mental health, to respond to issues as they arise, and seek help when needed. An in-school self-referral drop-in service, for example, helps reduce stigma and create a culture where children are open about their feelings, and can help normalise discussion around mental health¹⁶.

Early intervention with mental health can also positively impact attendance. Examples of projects that Place2Be has delivered in different communities helps to illustrate how to target emotionally based school avoidance (EBSA) in the community.

South Ayrshire – a Community Mental Health Practitioner (CMHP) worked to support children and young people who had wholly or partly, disengaged from education between 2022 and 2024. The project achieved positive attendance outcomes, including one child whose attendance increased from 73% to 100%.

Devon – Place2Be in Devon worked with the Local Authority in 2024-2025 to support pupils in Year 6 through the transition to secondary school with the aim of minimising the risk of EBSNA after the transition. The target group was those with attendance rates below 90% and 159 pupils from 13 primary schools took part in group sessions with guidance and support to school staff.

¹⁵ AL Philanthropies Research Programme, 2024: <https://www.place2be.org.uk/media/dpqhfxmn/al-philanthropies-year-3-report.pdf>

¹⁶ AL Philanthropies Research Programme, 2025: <https://www.place2be.org.uk/media/5vvjuooj/salford-research-programme-report-2-year-interim-full-report-2022-2024-final.pdf>



Improving the mental health of children and young people has long-term economic benefits, both for the young person and for the economy. Research from Pro Bono Economics suggests that reversing a decade of decline in children’s mental health is worth £51 billion – an average of £5,300 per child – through higher earnings (£50bn), lower exclusion costs (worth £17m) and redistributed SEN support (worth £606m)¹⁷. Improving children’s mental health could also boost government income by up to £2,500 per child, through higher tax revenues and reduced welfare spending¹⁸.

Not intervening early comes at a high cost for public services. PBE estimated that in 2018-19 that the cost to public services waiting for mental health care was £200 per child, rising to £500 where they waited over 12 weeks – with 90% of the costs falling on schools¹⁹. In 2025 the *Future Minds* report estimated that the overall cost to public services had risen to £295 million per year – a 300% increase compared to 2018-19²⁰.

Ultimately, by giving children high quality, accessible mental health support when they need it, could have an absolutely transformational impact on their futures, helping them grow up into resilient adults who are flourish in education and employment.

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¹⁷ The happy childhood dividend, PBE, 2025: <https://pbe.co.uk/wp-content/uploads/2025/08/PBE-19.08.25-The-happy-childhood-dividend-report.pdf>

¹⁸ Ibid

¹⁹ *The impact of waiting lists for children’s mental health services on the costs of wider public services*, PBE, 2021: <https://pbe.co.uk/publications/the-impact-of-waiting-lists-for-childrens-mental-health-services-on-the-costs-of-wider-public-services/>

²⁰ *Future Minds*, Children and Young People’s Mental Health Coalition, 2025: <https://www.centreformentalhealth.org.uk/wp-content/uploads/2025/02/Future-Minds-Report-2025-WEB.pdf>