

# Economic value of youth work - Summary

November 2022

# Purpose of this study

UK Youth has partnered with Frontier Economics to estimate the economic value of youth work in England. This study explores four key questions:

- **What resources are being spent to deliver youth work?**
- **What are the direct economic benefits and broader social impacts?**
- **What is the return on investment for government spending?**
- **What additional data are required to refine the modelling in the future?**

Estimates of youth work's impact have been drawn from existing published studies. Where data on the long-term impact of youth work is limited, we have made conservative assumptions in the modelling. The methodology and detailed modelling, including a list of studies and assumptions, can be found in the [full report](#).

## What is youth work

Youth work supports a young person's personal, social, and educational development. It provides a safe place to help young people to:

- **Explore their values, beliefs, ideas, and issues;**
- **Develop their voice, influence and place in society; and/ or**
- **Learn a set of practical or technical skills/competencies that enable them to realise their full potential.**

Youth work is delivered by many types of providers, including: national uniformed organisations (e.g. Scouts, Girlguiding), faith-based organisations, local authorities, the voluntary and community sector, and organisations with embedded youth workers (e.g. schools). It also involves a wide range of activities (e.g. open access youth clubs; outdoor learning; creative activities, like theatre and dance; physical activities, like football).

These activities can be considered a means to an end – developing a trusting relationship between a young person and youth worker who can support their personal development – not the end in itself. All youth work aims to ensure that young people are safe and heard, have opportunities to connect to others, and opportunities to explore issues that matter to them, with the support of a trusted adult. Crucially, youth work activities are carried out on young people's terms.

Youth work can sit alongside, or as part of, many other services specifically for young people (e.g. schools can have embedded youth workers). In addition, many other public services also serve young people (e.g. welfare system). The complexity and interdependency of the system supporting young people, combined with limited data on long-term impacts, make it challenging to attribute outcomes and impacts to particular youth work interventions.


# Return on investment



Our analysis shows that youth work is likely to deliver high value for money for the UK taxpayer, through the positive effects that it has on young people in terms of mental health, wellbeing, education, employment and other areas.

Youth work supports young people with the issues that matter most to them, rather than working in single issue siloes. This leads to benefits on multiple outcomes and helps other services and sectors to become more effective (e.g. by improving the appropriateness of referrals to specialist services).

We estimate the **return on investment (ROI) for youth work is likely to be between 3.2x to 6.4x**. This means that for every pound the government invests in the youth sector, this generates between £3.20 and £6.40 in benefits to the taxpayer. Using combinations of the lowest and highest assumptions for public investment and social returns, we estimate the ROI to be a **minimum of 2.5x and a maximum of 7.8x**. Using the government's own benchmarks for value for money, this estimate for the ROI of youth work can be considered 'high' to 'very high'.

Figure 1 estimated return on investment in the youth sector



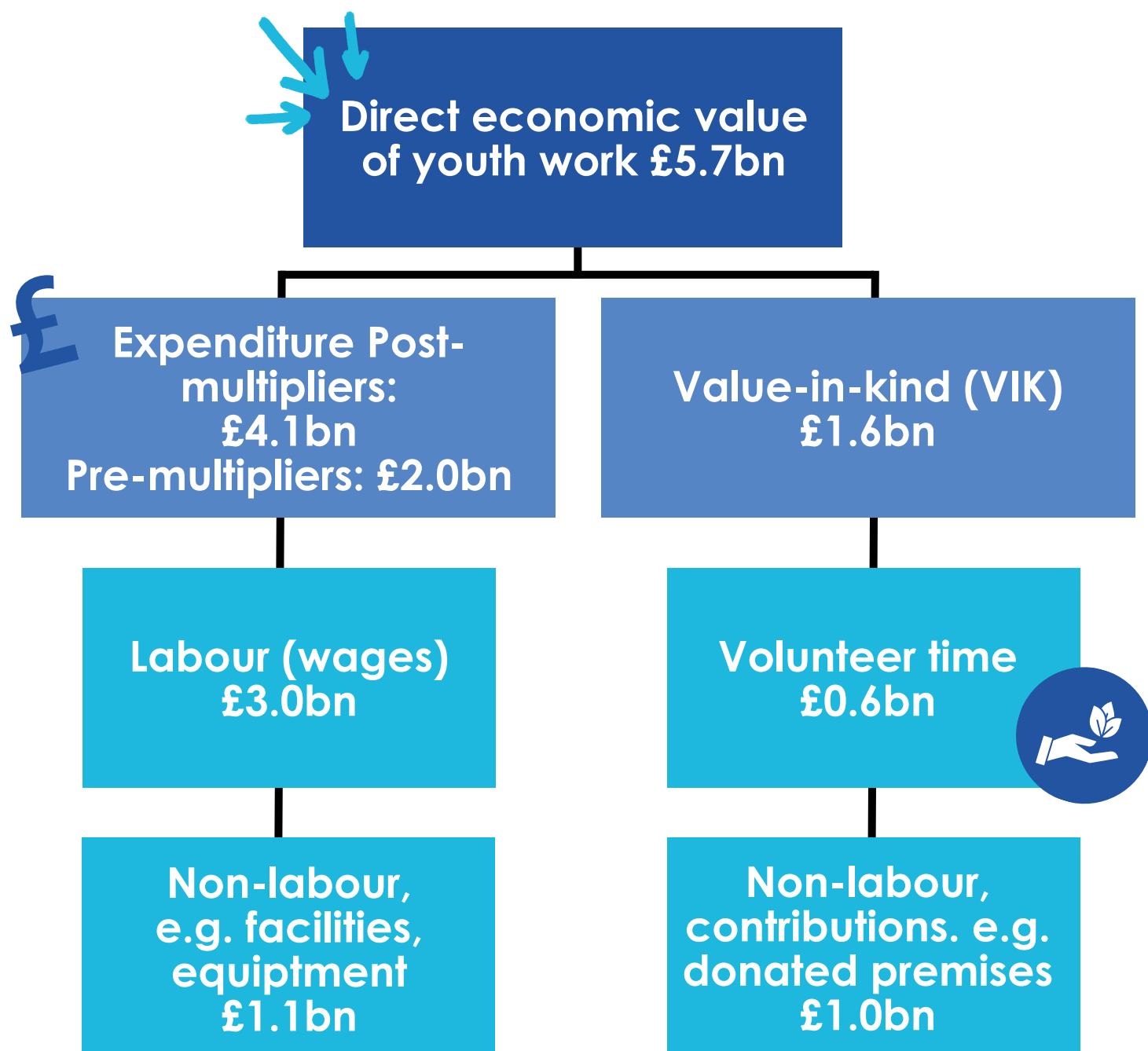
		Social return 		
Public investment 	Low: £0.5bn	5x	6.4x	7.8x
	High: £1.0bn	2.5x	3.2x	3.9x
		Low: £2.5bn	Central: £3.2bn	High: £3.9bn

Source: UK Youth & Frontier Economics, 2022

# Direct economic value

We estimate the direct economic value of the youth work sector in England to be **£5.7bn**. This is the sum of two components: the total expenditure of the sector (£4.1bn – including multiplier effects) and the total value-in-kind (£1.6bn).

Figure 2 direct economic value of the youth work sector in England each year



Source: UK Youth & Frontier Economics, 2022

Note: Excluding multipliers, we estimate total (labour and non-labour) expenditure in the sector to be £2.0bn.

# Indirect economic value

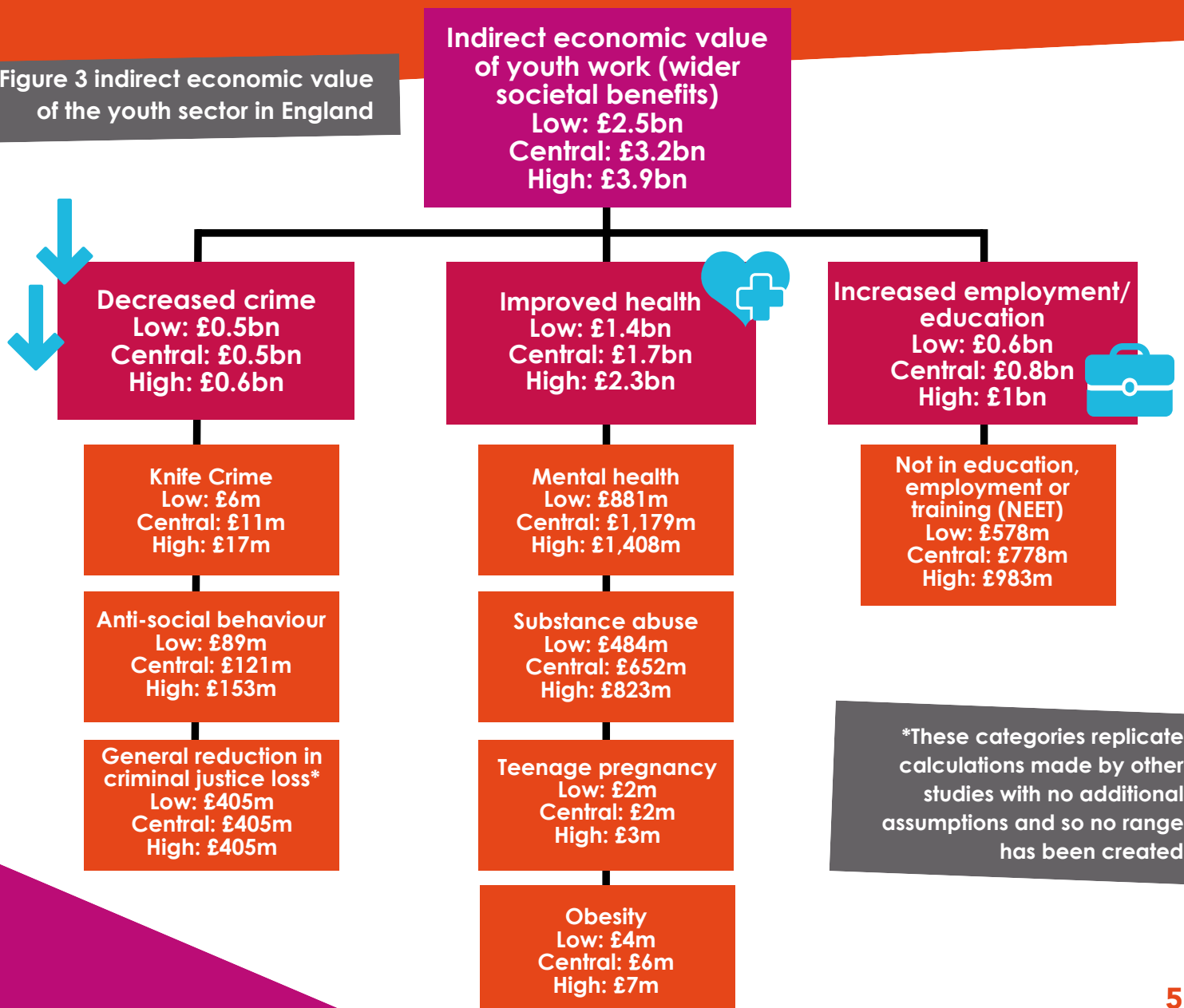
Drawing on the best available evidence of youth work's impact on young people's outcomes, we estimate the total indirect value of the youth work sector to be **£3.2bn** divided across:

- **£0.5bn from decreased crime**
- **£1.7bn from improved health**
- **£0.8bn from increased employment and education.**

This estimate is likely to be a significant under-estimate, due to the limited availability of data relating to youth work's long-term impact on other outcomes (e.g. educational attainment). The indirect value is based on current funding and will increase as investment increases.

This analysis highlights the importance of cross-sector working. Youth work is having a large positive impact on many aspects of young people lives but its contribution is not sufficiently co-ordinated with or recognised by other sectors working towards the same outcomes (e.g. education; public health; mental health services; criminal justice; etc.)

Figure 3 indirect economic value of the youth sector in England



# Conclusion



Young people are having to overcome challenges not experienced in generations - the lingering impact of the Covid pandemic, a surge in the cost of living, and increasing inequality. The consequences of the pandemic and economic challenges on young people cannot be overestimated.

Youth work is essential for helping young people navigate these uncertain times. It can be life changing, and even life saving. Youth work gives young people the tools they need to support their own personal development, to manage their wellbeing, increase their self-confidence, create connections and build trust with others in their community. Every young person deserves this support.



However, funding for youth services has substantially reduced in recent years. YMCA estimates that there has been a 77% reduction in real-terms local authority expenditure since 2010/11. These reductions in funding have come at a time when the needs of young people have become more severe. Reductions in funding have led to substantial avoidable costs and increased inequalities in access to youth services across the country.



Going forward, it is important for the government to work with the sector to establish a sustainable funding settlement that enables the sector to expand and reach more young people who need support across the country. The benefits of doing so would be large, as this economic analysis has shown, and could help to reduce geographical disparities in young people's life chances.



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