

Youth Contract

In November 2011, the Deputy Prime Minister announced a £1 billion Youth Contract to help young unemployed people get a job. Over three years from April 2012 the Youth Contract will provide at least 410,000 new work places for 18 to 24 year olds. This includes:

- 160,000 wage subsidies worth up to £2,275 each, for employers who recruit an 18-24 year-old through the Work Programme
- 250,000 work experience placements
- at least 20,000 more incentive payments to encourage employers to take on young apprentices.

Work Experience

Work Experience is what it says – the experience of the world of work. The young person is paid Jobseeker's Allowance while participating on Work Experience. This is an income replacement benefit, paid while someone is temporarily unemployed and remains available and actively seeking employment.

- Work Experience is one of a series of Get Britain Working measures and is part of the Jobcentre Plus flexible menu of support to help claimants seek and obtain employment prior to their eligibility for referral to the Work Programme.
- The intention of Work Experience is to offer participants the opportunity to gain the experience and skills that they can use to enhance their job search and market themselves to potential employers, thus enabling them to compete for jobs and move closer to the labour market or into employment in advance of the Work Programme.
- It offers eligible unemployed people between two and eight weeks work experience, with an optional extension to up to 12 weeks if the employer decides they would like to offer the participant an apprenticeship and that offer is accepted.
- From January 2011 up to and including August 2011, 16,360 claimants have started a Work Experience placement. Results of early analysis have been encouraging. More than half of those who enter the scheme are off benefits within three months.
- For many young people, and particularly those at the start of their working lives, the main barrier to work is likely to be a lack of experience. We are therefore making an extra 250,000 work experience or sector-based work academy places available over the next three years, bringing the number of Work Experience places to at least 100,000 places per year.
- We are making an additional 50,000 places available in 2012/13, in addition to the existing 50,000 work experience and 25,000 sector-based work academy places already announced, and 100,000 places in each of 2013/14 and 2014/15.

Wage Incentives

- To encourage employers to give young people a chance to prove themselves and to reduce the cost of taking on new employees, we are making 160,000 wage incentives available to employers who take on a young person through the Work Programme.
 - This will more than cover the employer's National Insurance contributions for a year. This offer is designed to make it easier for employers to take on young people, and so we are talking to providers and employers about the most effective way of delivering it.
 - Wage Incentives are expected to be available to Private Sector and Voluntary and Community Sector employers.
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Apprenticeships

- We will provide additional funding to support the growth of 16-24 apprenticeships, including providing at least 20,000 additional incentive payments to support employers in creating apprenticeship places for 16-24 year olds. Each incentive payment is worth £1500 to an employer.
 - The government announced 20,000 incentive payments for employers on 16 November to support its Apprenticeship strategy. These are for small and medium sized enterprises with up to 50 employees who are taking on their first apprentice. The announcement doubles the number of incentives places available next year, taking the total to 40,000
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Pledge your support for the Youth Contract

www.dwp.gov.uk/youth-contract