

# Youth Contract Official Statistics

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# Summary

- 1. The Youth Contract is a package of support launched in April 2012 across Great Britain as a response to high youth unemployment. It provides help and support through a range of programmes. It is primarily targeted at 18- to 24-year-olds. Further information about the Youth Contract is available in the policy descriptions and on http://www.dwp.gov.uk/youth-contract/
- 2. This publication contains official statistics on Youth Contract work experience and sector-based work academies up to and including May 2014. On Youth Contract Wage Incentive it includes experimental statistics and management information up to and including May 2014. A separate Excel file is available which contains copies of these tables, graphs showing monthly starts, and geographical breakdowns of total starts on work experience and sector-based work academies.
- 3. The Youth Contract provides funding for an extra 250,000 work experience or sector-based work academy places for 18- to 24-year-olds from April 2012.
- 4. Work experience consists of a 2-to-8 week placement with a host employer. It aims to provide young people with work-related experience and skills, and can be a route into an apprenticeship. Between April 2012 and May 2014 there have been 147,670 starts to a work experience placement by 18- to 24-year-olds.
- 5. Sector-based work academies are made up of pre-employment training, work experience placements and a guaranteed job interview. From April 2012 up to and including May 2014 there have been 60,790 starts on sector-based work academy pre-employment training by 18- to 24-year-olds.
- 6. Wage Incentives can be claimed by employers that recruit young people who have been unemployed for more than six months. The incentive is paid after the young person has remained in work for 26 weeks. Small employers can choose to receive an interim incentive payment when a young person has completed eight weeks of employment. A balance payment is received when the young person has completed the remaining 18 weeks employment. Between April 2012 and May 2014 there have been:
  - 99,110 Wage Incentive job starts, where a job start represents a form having been issued to an employer for taking on an eligible young person;
  - 9,660 26-week full Wage Incentive and 3,750 18-week balance payments;
  - Wage Incentive payments made for 20,030 individuals.
- 7. While not funded by the Youth Contract, under-18s and over-25s can also take part in work experience and sector-based work academies where local funding and availability exists. To give a view of overall performance of the programmes, all starts are outlined in **Annex A**.
- 8. The publication timetable for Youth Contract measures is outlined in **Annex B**.

# Official Statistics

Table 1: Take up of Youth Contract measures by month (18-to 24-year-olds)

	Work Experience starts	Sector based work academy pre- employment training starts
Total	147,670	60,790
Apr-2012	4,030	1,310
May-2012	4,460	1,510
Jun-2012	3,460	1,280
Jul-2012	4,790	1,900
Aug-2012	4,000	1,730
Sep-2012	4,550	1,830
Oct-2012	6,360	2,240
Nov-2012	5,410	1,910
Dec-2012	2,990	860
Jan-2013	4,750	1,990
Feb-2013	5,160	2,320
Mar-2013	4,800	2,300
Apr-2013	5,110	2,320
May-2013	4,700	2,010
Jun-2013	4,300	2,250
Jul-2013	5,650	2,640
Aug-2013	4,510	2,040
Sep-2013	5,740	2,800
Oct-2013	7,450	3,130
Nov-2013	7,950	3,320
Dec-2013	5,180	1,470
Jan-2014	8,050	3,200
Feb-2014	9,280	4,050
Mar-2014	9,900	4,200
Apr-2014	7,320	2,820
May-2014	7,780	3,370

**Notes:** Values are rounded to the nearest 10. Values less than 10 are suppressed and marked with a dash. Due to rounding totals may not be the sum of the individual cells. Months are calendar months.

The Youth Contract was rolled out in April 2012. Prior to this, work experience and sector-based work academies were funded as part of Get Britain Working, which came to an end in March 2013. Between April 2012 and March 2013, funding for young people could be from either source.

Data Source - DWP LMS opportunities evaluation database June 2014.

Table 2: Demographic breakdown of Youth Contract starts (18- to 24-year-olds) for the period April 2012 to May 2014

		Work Experience starts	Sector based work academy pre-employment training starts
	Total	147,670	60,790
Gender	Male	84,860	39,340
	Female	62,800	21,460
Disability <sup>2</sup>	Yes	19,020	6,800
	No	128,650	53,990
Ethnicity <sup>3</sup>	White	120,710	48,450
	Black or Black British	6,140	3,550
	Asian or Asian British	9,240	3,820
	Mixed	3,040	1,600
	Other/ Chinese	2,040	830
	Unknown	6,490	2,550
Region	North East	8,800	4,680
	North West	20,060	8,970
	Yorkshire and The Humber	16,680	6,850
	East Midlands	10,450	5,170
	West Midlands	16,190	6,620
	East	9,470	4,760
	London	17,770	8,370
	South East	12,900	4,910
	South West	9,960	2,960
	Wales	9,390	-
	Scotland	13,670	6,370
	Unknown	2,310	1,150

**Notes:** Values are rounded to the nearest 10. Values less than 10 are suppressed and marked with a dash. Totals may not be the sum of the individual cells due to rounding.

The Youth Contract was rolled out in April 2012. Prior to this, work experience and sector-based work academies were funded as part of Get Britain Working, which came to an end in March 2013. Between April 2012 and March 2013, funding for young people could be from either source.

Data Source - DWP LMS opportunities and DWP Clients evaluation databases June 2014.

<sup>1.</sup> Disability status is declared by the Jobseeker during a Jobcentre Plus interview. Disability status is according to the claimant's own assessment.

<sup>2:</sup> Claimants recording their ethnicity status as "prefer not to say" are categorised as unknown.

# **Management Information**

**Table 3: Number of Youth Contract Wage Incentive job starts by month** 

	YC Wage Incentive Job Starts
Total	99,110
Apr-2012	480
May-2012	710
Jun-2012	820
Jul-2012	1,040
Aug-2012	1,020
Sep-2012	1,110
Oct-2012	1,340
Nov-2012	1,190
Dec-2012	880
Jan-2013	1,150
Feb-2013	2,000
Mar-2013	2,660
Apr-2013	2,720
May-2013	4,240
Jun-2013	4,340
Jul-2013	5,750
Aug-2013	6,130
Sep-2013	7,560
Oct-2013	8,170
Nov-2013	7,430
Dec-2013	4,400
Jan-2014	5,290
Feb-2014	6,340
Mar-2014	8,010
Apr-2014	6,710
May-2014	7,630

**Notes:** Values are rounded to the nearest 10. Values less than 10 are suppressed and marked with a dash. Totals may not be the sum of the individual cells due to rounding.

A job start is represented by the date a form is issued to an employer when an individual eligible for a Wage Incentive starts a job (full or part time).

Data Source: Management Information (from Work Programme providers and Jobcentre Plus Labour Market System)

# **Experimental Statistics**

Table 4: Number of Youth Contract Wage Incentive payments by month

	8 week interim payments	Between 14 & 25 weeks payments	18 week balance payments	26 week full payments	Individuals for whom a payment had been made
Total	8,550	2,010	3,750	9,660	20,030
Jun-2012	20	0	0	0	20
Jul-2012	70	0	0	0	70
Aug-2012	170	0	0	0	170
Sep-2012	140	10	0	0	150
Oct-2012	370	40	20	10	410
Nov-2012	160	40	100	110	300
Dec-2012	180	50	80	190	410
Jan-2013	220	80	130	380	660
Feb-2013	270	80	110	340	670
Mar-2013	190	70	120	420	670
Apr-2013	240	70	120	350	640
May-2013	240	40	130	290	570
Jun-2013	380	30	80	370	770
Jul-2013	450	50	90	270	760
Aug-2013	470	60	50	210	730
Sep-2013	460	50	110	240	740
Oct-2013	590	70	180	430	1,090
Nov-2013	620	100	240	530	1,230
Dec-2013	420	90	180	430	920
Jan-2014	730	150	260	680	1,550
Feb-2014	560	190	380	860	1,600
Mar-2014	700	350	430	1,350	2,380
Apr-2014	440	220	370	1,090	1,740
May-2014	500	190	580	1,110	1,790

**Notes:** Values are rounded to the nearest 10. Values less than 10 are suppressed and marked with a dash. Totals may not be the sum of the individual cells due to rounding.

The data are split by 26 week full payments, 8 week interim payments, 18 week balance payments and payments between 14 and 25 weeks. Note that 8 week interim payments could not be made until June 2012, 14 and 25 week payments until September 2012, 18 week balance payments and 26 week full payments until October 2012.

The final column - the number of individuals for whom a payment had been made - is the sum of 26 week full payments and 8 week interim payments and payments between 14 and 25 weeks where there has not been a previous 8 week interim payment.

For details of Wage Incentive payments, see the policy description.

Data Source: Wage Incentive transactions payments data (from Work Programme and Jobcentre Plus)

# **Policy Description**

- 9. The Youth Contract is a package of support announced in November 2011 as a response to unacceptably high levels of youth unemployment. It aims to help young unemployed people find and stay in work. It launched in April 2012 and provides help and support through a range of programmes, building on support already available through Jobcentres and the Work Programme. It includes funding for work experience, Wage Incentives, additional adviser support, Apprentice Grants for Employers, sector-based work academies and a new programme to help 16 and 17 year-old NEETs.
- 10. The Youth Contract provides funding for an extra 250,000 work experience or sector-based work academy places for 18- to 24-year-olds from April 2012.

#### Work experience

- 11. Work experience was launched in January 2011 and is primarily designed to help young people aged 18 to 24 with little or no work experience gain the experience they need to secure a job before they become eligible for the Work Programme. Jobcentre Plus works with employers to offer young jobseekers the opportunity to overcome barriers to employment through offering them a work experience placement lasting two to eight weeks.
- 12. Young people undertaking a work experience placement continue to receive their benefit and are expected to look for permanent work. There is also the opportunity for some participants to have their placement extended by up to four weeks, where an employer makes an offer to take them onto an Apprenticeship.

#### Sector-based work academies

13. Sector-based work academies offer pre-employment training, work experience placements and a guaranteed job interview for recipients of Jobseeker's Allowance, Universal Credit (all work-related requirements group) or Employment and Support Allowance (Work-Related Activity Group), aged 18 years or over. Sector-based work academies are developed in partnership with employers and run in sectors with high volumes of current local vacancies. The scheme was introduced from 1 August 2011 in England and from 30 January 2012 in Scotland.

#### **Wage Incentive**

14. Wage Incentives were made available to employers from April 2012. They are a key element of the Government's Youth Contract measures, designed to provide a range of additional help for unemployed young people to better prepare them for work and to offer greater opportunities to find and take up sustained employment. The incentives are available to employers in all sectors, but with a focus on the private sector. Central Government Departments, their Executive Agencies and Non-

- Departmental Public Bodies are excluded from claiming. Wage Incentives are available across England, Scotland and Wales.
- 15. Initially, the eligibility for Wage Incentives was restricted to all 18 to 24-year-olds attached to the Work Programme (regardless of benefit claimed). From July 2012, eligibility was extended to all 18 to 24-year-old Jobcentre Plus claimants who had reached six months on benefit in 20 hot-spot areas; this eligibility was expanded nationwide to all Jobcentres from 17 December 2012.
- 16. The Wage Incentive is available for employment of 16 hours or more per week. There is a part-time rate (£1,137.50) between 16 and 29 hours and a full-time rate (£2,275) for 30 hours or more. When an eligible young person starts a job and it is expected that the job would last 26 weeks, the Work Programme provider or Jobcentre Plus issues a Wage Incentive claim form to the employer. The Wage Incentive is then paid after the young person has remained in work for 26 weeks (26 week full payment).
- 17. Payments can be for full time and part time work. There is a part-time rate (£1,137.50) between 16 and 29 hours and a full-time rate (£2,275) for 30 hours or more.
- 18. An employer with fewer than 50 employees can choose to receive a first £700 Wage Incentive payment (halved for part-time work) when a young person has completed eight weeks of employment (8 week interim payment). The remaining balance is then received when the young person has completed the remaining 18 weeks employment (18 week balance payment).
- 19. The employer is paid half of the Wage Incentive payment if an employee leaves work after 13 weeks have been completed but before 26 weeks have been completed (14-25 week payment). An individual can attract no more than one Wage Incentive in each stage of support: their time with Jobcentres before the Work Programme, on the Work Programme, and time with Jobcentre on returning form the Work Programme. Fixed-term appointments can also attract a Wage Incentive payment where they meet the eligibility criteria and the job is expected to last for at least 26 weeks.
- 20. Work Programme providers and Jobcentre Plus staff are responsible for identifying 18- to 24-year-olds who would benefit from Wage Incentives, ensuring jobs are eligible and for marketing the incentive to employers. The DWP administers the incentive payments and pays them directly to employers.
- 21. The July 2014 ONS Labour Market Statistics show 31 consecutive months of falling numbers of young people claiming Jobseekers Allowance and 141,000 fewer unemployed young people in the March-May 2014 quarter than the year before. The Department has brought forward the last employment start for which an employer is able to claim a Wage Incentive by 1 month to 6th August. The remaining funding will be invested into a range of initiatives to further support young into work.

#### **Technical Overview**

- 22. These statistics are derived using a combination of data from the Jobcentre Plus claimant management systems (the Labour Market System) and the Client database.
- 23. Information on demographics is obtained by merging data across these separate administrative systems which sometimes results in unknown values. This is because either we are unable to find a match or the information has not been recorded for the particular claimant.
- 24. The Labour Market System does not distinguish between Youth Contract and Get Britain Working funding. For these tables, 18- to 24-year-olds from April 2012 onwards are assumed to be Youth Contract-funded.
- 25. Interventions in Universal Credit pathfinder areas are not captured, and so these statistics will be a small undercount.
- 26. Every effort has been made to ensure that the quality of these statistics is of the highest standard. However, it may be necessary to revise the statistics in subsequent publications when more complete data becomes available, particularly for more recent months.

#### Work experience

27. A work experience start is defined as the date the claimant accepted their work experience placement with the employer. This is input by an adviser to the Jobcentre Plus' Labour Market System.

#### Sector-based work academies

28. A start is defined as the first date the claimant attended sector-based work academy pre-employment training. The number of starts was based on the individual claimant level data supplied by Further Education Colleges or training providers and entered by an adviser onto the Jobcentre Plus' Labour Market System. Further Education Colleges and training providers may submit data on starts some time after the actual event occurred.

#### **Wage Incentives**

29. Due to delays in data availability, it is not currently possible to produce official statistics for Wage Incentive job starts and payments. Experimental statistics and management information are provided instead. Experimental statistics are new

- official statistics undergoing evaluation. As they are still under development, the quality and reliability of experimental statistics is less certain, while official statistics have undergone more rigorous quality assurance processes.
- 30. Job starts data (Table 3) rely on a combination of clerical counts of forms issued from Work Programme providers and input of a marker on the Jobcentre Plus Labour Market System by an adviser when a Wage Incentive claim form is issued for an individual. Given the clerical aspect to their collation, some caution needs to be attached to these figures.
- 31. Table 4 shows the number of Youth Contract Wage Incentive payments paid to employers each month from between June 2012 up to the end of May 2014. The data are collated from a database of payment transactions. The number of payments is combined for eligible young people who had either gained employment from being on the Work Programme or identified as eligible by Jobcentre Plus.

# Retrospection

- 32. Retrospection is the time period allowed for additional or updated information to be incorporated into DWP's data systems.
- 33. Providers may submit data on starts some time after the actual event occurred. This means that data presented in each release is subject to some retrospection, and figures may be revised upward in subsequent releases.
- 34. Labour Market System (LMS) datasets are produced a month in arrears i.e. June 2013 data was available at the end of July 2013. Generally, for any given month worth of LMS data, significant retrospection can then be seen for a further month.
- 35. Therefore to maximise the amount of retrospection captured, final statistics in this series will be published around 2-3 months after the reference period (e.g. final statistics for November 2013 (which are published in February 2014) are produced using December 2013 data, which was released in January 2014.

# **Revisions Policy**

36. In accordance with Principle 2 of the UK Statistics Authority's Code of Practice for Official Statistics<sup>1</sup>, statistics within this publication adhere to DWP's statistics revisions policy, which explains how we will make revisions and inform users of our statistics when they occur:

https://www.gov.uk/government/organisations/department-for-work-pensions/series/dwp-statistics-policies-and-procedures

# Rounding Policy

37. To reduce the risk of inferring the identity of a claimant from these statistics and other statistics, values are rounded to the nearest ten. Values less than ten, including zeros, are suppressed and marked with a dash. Therefore totals may not equal the sum of the individual cells.

http://www.statisticsauthority.gov.uk/assessment/code-of-practice/code-of-practice-for-official-statistics.pdf

# Annex A: Work experience and sector-based work academy starts (all starts)

Table 5: Take up of work experience and sector-based work academies by month for all ages

	Work Experience starts	Sector based work academy pre-employment training starts
Total	238,210	128,990
Jan-Mar 2011	1,490	
Apr-Jun 2011	6,730	
Jul-Sep 2011	13,190	1,210
Oct-Dec 2011	16,510	2,880
Jan-Mar 2012	17,220	5,660
Apr-Jun 2012	14,490	8,480
Jul-Sep 2012	16,530	11,060
Oct-Dec 2012	18,260	9,770
Jan-2013	6,260	4,320
Feb-2013	7,070	4,690
Mar-2013	6,360	4,660
Apr-2013	6,940	5,140
May-2013	6,460	4,410
Jun-2013	5,700	4,950
Jul-2013	7,310	5,470
Aug-2013	5,810	4,230
Sep-2013	7,420	6,240
Oct-2013	9,150	5,970
Nov-2013	9,600	6,100
Dec-2013	6,120	2,760
Jan-2014	9,600	5,980
Feb-2014	10,720	6,930
Mar-2014	11,600	7,410
Apr-2014	8,610	5,040
May-2014	9,100	5,670

**Notes:** Values are rounded to the nearest 10. Values less than 10 are suppressed and marked with a dash. Due to rounding totals may not be the sum of the individual cells. Months are calendar months.

This table includes all starts on the work experience and sector-based work academy schemes from the rollout of Get Britain Working. Funding may come from Get Britain Working (Jan 2011-Mar 2013) or Youth Contract (Apr 2012-present; 18-24 only). From April 2013, non-Youth Contract places are funded from Jobcentre Plus day-to-day expenses and are managed locally.

To provide a view of overall take-up of the schemes, and to allow comparison with the Get Britain Working publication series, individuals that appear in Table 1 also appear in this table.

Work experience started in January 2011. Sector-based work academies started in August 2011 in England and from 30<sup>th</sup> January 2012 in Scotland. They are not available in Wales.

Monthly starts for 2011 (shown as quarters in this table) can be found in the Get Britain Working series.

Data Source - DWP LMS opportunities evaluation database June 2014.

Table 6: Demographic breakdown of all starts for the period January 2011 to May 2014

		Work Experience starts	Sector based work academy pre- employment training starts
	Total	238,210	128,990
Gender	Male	135,190	82,390
	Female	103,020	46,600
Age Group <sup>1</sup>	<18	690	80
	18-24	196,600	65,710
	25-49	34,600	51,430
	50+	6,300	11,760
	Unknown	-	10
Disability <sup>2</sup>	Yes	38,960	22,620
	No	199,250	106,370
Ethnicity	White	195,940	103,080
	Black or Black British	10,410	9,080
	Asian or Asian British	13,900	6,930
	Mixed	4,780	2,950
	Other/ Chinese	3,230	1,960
	Unknown	9,960	4,990
Region	North East	13,570	10,810
	North West	30,080	20,550
	Yorkshire and The Humber	25,290	12,880
	East Midlands	17,520	11,390
	West Midlands	26,260	15,400
	East	16,720	9,650
	London	27,590	16,660
	South East	23,700	10,400
	South West	16,800	7,040
	Wales	14,560	-
	Scotland	22,180	12,140
	Unknown	3,950	2,080

**Notes:** Values are rounded to the nearest 10. Values less than 10 are suppressed and marked with a dash. Totals may not be the sum of the individual cells due to rounding.

This table includes all starts on the work experience and sector-based work academy schemes from the rollout of Get Britain Working. Funding may come from Get Britain Working (Jan 2011-Mar 2013) or Youth Contract (Apr 2012-present; 18-24 only). From April 2013, non-Youth Contract places are funded from Jobcentre Plus day-to-day expenses and are managed locally.

To provide a view of overall take-up of the schemes, and to allow comparison with the Get Britain Working publication series, individuals that appear in Table 2 also appear in this table.

Work experience started in January 2011. Sector-based work academies started in August 2011 in England and from 30<sup>th</sup> January 2012 in Scotland. They are not available in Wales.

Data Source - DWP LMS opportunities and DWP Clients evaluation databases June 2014.

- 1. Disability status is declared by the Jobseeker during a Jobcentre Plus interview. Disability status is according to the claimant's own assessment.
- 2: Claimants recording their ethnicity status as "prefer not to say" are categorised as unknown.

#### **Annex B: Publication Timetable**

Publication	Date	Notes
1 <sup>st</sup>	Tuesday 25 <sup>th</sup> February 2014	The first publication covering Youth Contract starts
2 <sup>nd</sup>	Thursday 28 <sup>th</sup> August 2014	The second Youth Contract publication
3rd	February 2015	The third Youth Contract publication

Publication dates and content will be confirmed on the UK Statistics Authority's Publication Hub (www.statistics.gov.uk/hub) at least four weeks before publication date.

Starts on work experience and sector-based work academy were previously included in the Get Britain Working series. This series is available at:

https://www.gov.uk/government/collections/pre-work-programme-and-get-britain-working

Wage Incentive data has previously been released as management information and experimental statistics:

https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/22457 3/Wage\_Incentive\_payment\_adhoc\_released.pdf

#### **Contact Details**

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