

# **Employment and Training Schemes for the Unemployed**

**Research Paper 97/98**

**8 August 1997**



The purpose of this Research Paper is to provide a short account of the main employment and training schemes which exist at present or are due to start within the next year. It also contains very brief notes on earlier schemes which have been tried since the war. The Paper updates Research Note 90/25 (*Training, Enterprise and Employment Schemes*) and Research Papers 93/40, 94/114, 95/51 and 96/66 (*Employment and Training Schemes for the Unemployed*).

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## Introduction

The main purpose of this Research Paper is to provide a brief account of the many Government-funded training, employment and job search schemes which form part of the attack on the problems of long-term unemployment and employability. Part I summarises the programmes which are currently available or have been announced for future years. In each case, the original announcement of the scheme is reproduced to set it in context; the key features of the programme are outlined and an indication of the size of the programme in terms of cost and numbers participating given. In many cases, a short reading list points to fuller accounts or evaluations of the schemes. Part II gives very brief details of earlier schemes tried since the war. Part III lists the main general sources used in compiling the paper.

It is not always easy to know what to include in a list of this kind. Some educational, enterprise or regional aid schemes could be said to be directed towards reducing unemployment. Similarly, elements of the social security system and the whole infrastructure of Job Centres and Training and Enterprise Councils have a role to play. The aim, however, has been to cover the more obvious mainstream programmes which have generally come under the auspices of the Department for Employment (now the Department for Education and Employment).

In his Budget on 2 July 1997, Gordon Brown announced the first steps in the new Labour Government's Welfare-to-Work programme: the New Deals for the Young Unemployed, the Long-Term Unemployed and Lone Parents. These programmes are covered in this Research Paper (sections I-K), but no attempt has been made to discuss broader welfare-to-work issues, or to assess the effectiveness of the various types of schemes which go under the title "active labour market policies". A separate paper will cover these topics.

The schemes are not listed alphabetically, but are grouped very broadly into those which are mainly concerned with training (sections A-G); those which are concerned with finding jobs and work experience (sections H-X); and those which, though they are social security schemes, are very specifically aimed at encouraging people back into work (sections Y-AA). The boundaries with social security schemes are difficult to draw, but this paper does not cover "in-work" benefits (such as housing benefit and family credit or the pilot earnings top-up). Nor does it address the many elements of the Jobseeker's Allowance (JSA) which are designed to encourage claimants to take work. Many of the schemes listed (sections H, I, L-P) are, however, "compulsory", in that people who refuse to go on them lose entitlement to JSA.

## I Current Schemes

### A. Training for Work (TfW)

This is the main training programme for the adult unemployed. It replaced Employment Training and Employment Action in 1993 while retaining the main features of both.

**Announced:** 12 November 1992, at the time of the Autumn Statement. Gillian Shephard, then Secretary of State for Employment gave details in a Written Answer:<sup>1</sup>

*Training for Work*, a new adult training and work programme, to be run by training and enterprise councils (TECS) in England and Wales and Local Enterprise Companies (LECS) in Scotland, will replace employment training and employment action. TECs and LECs will have important new flexibilities to develop programmes of skills training, temporary work and job preparation to meet the needs of local unemployed people and local circumstances. TECs and LECs will be encouraged to use these flexibilities to make best use of their resources, for example by developing training credit schemes and expanding useful temporary work in our public services. I expect the new programme to provide 320,000 opportunities in 1993-94.

In order to help improve performance, the funding regime will be developed to offer a progressively higher proportion of payment for results, including payments for participants gaining jobs or qualifications. This will strengthen the incentives for TECs to deliver programmes that best help individuals and meet labour market needs.

Today's announcement incorporates most of the recommendations made by the TEC Adult Training Working Group, including the merger of Employment Training and Employment Action and the development of a new payment system based on starts and outputs.

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<sup>1</sup> HC Deb 12 November 1992, c 903W

**Started:** April 1993

**Eligibility:** TfW is aimed primarily at people aged 18-63 inclusive who have been unemployed and receiving benefit for 26 weeks or more. Certain groups (people with disabilities, people with literacy and numeracy needs, those who need English language training, lone parents, returners to the labour market and victims of large-scale redundancies) can gain immediate entry. Ex regulars can count time in service towards the 26 week qualifying period and ex-offenders can count time in custody. Priority is given to people endorsed as disabled or in need of Pre-Vocational Training. The next priority is for people who have been referred from the "compulsory" Employment Service programmes - 1-2-1, Jobplan, Project Work, Restart Courses, or Workwise.<sup>2</sup>

**Allowances:** Participants receive an allowance equal to their previous benefit entitlement plus an additional £10 a week. In some cases, help with travel costs or the child care costs of lone parents is provided. Some participants (about 9%) have employed status and receive a wage from their employer.<sup>3</sup>

**Administration:** TfW is run by Training and Enterprise Councils (TECs) in England and Wales and Local Enterprise Councils (LECs) in Scotland. The training is provided by local "providers" who may be employers, voluntary organisations, further education colleges or specialist training organisations. The providers operate under contracts with TECs, who are, in turn, under contract to the regional offices of the Department for Education and Employment. Participants are assessed before entering the programme and agree an individual training plan. This might specify training courses aimed at National Vocational Qualifications (NVQs), short work preparation courses or job specific training with a local employer. It would also specify the intended duration of the training.

**Duration:** The average length of stay on TfW courses is 19 weeks.<sup>4</sup>

**Funding:** Since April 1995, TECs have been funded wholly on the basis of starts and outcomes for TfW.<sup>5</sup> There is no longer payment for training weeks. Outcomes are primarily jobs and qualifications. For 1997-98, about 25% of the TfW budget is for starts, with the balance spread between pre-vocational progression payments and outcome payments. Pre-

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<sup>2</sup> *TEC & CTE Planning Prospectus: Requirements & Guidance 1997-98*, para D31.1

<sup>3</sup> *DfEE Departmental Report*, March 1997, Cm 3610, Table 8.9

<sup>4</sup> *DfEE Departmental Report*, March 1997, Cm 3610, Table 8.9

<sup>5</sup> HC Deb 10 May 1995, c 461W

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vocational training is aimed at people who have a combination of needs in personal skills, personal qualities for work and literacy, numeracy and communication skills.<sup>6</sup>

**Costs and Numbers:** Statistics which give an indication of the scale, cost and success of TFW and its predecessors can be found in the relevant Departmental Reports [see Part III 1-3 below]:

Training for Work and Predecessors (England)							
	1992/93* Outturn	1993/94 Outturn	1994/95 Outturn	1995/96 Outturn	1996/97 estimated Outturn	1997/98 plans	1998/99 plans
Expenditure (£ million)	753	760	693	502	472	439	446
Number of Starts (000s)	291	292	276	214	205	180	158
Percentage of leavers gaining positive outcomes***	41**	42					
Percentage of leavers gaining jobs			38	41	42	46	46
Percentage of leavers gaining NVQs			42	39	30	30	30

\* Employment Training and Employment Action. EA expenditure figures cover Scotland

\*\* Applies to Employment Training only as EA was not measured by positive outcomes

\*\*\* Job, further education, training

### Further Reading

1. Employment Department, "*Evaluation of the Training For Work (TfW) Funding Pilots. Final Report*", March 1995, Coopers & Lybrand

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<sup>6</sup> TEC & CTE Planning Prospectus: Requirements & Guidance 1997-98, para D14



2. Nigel Meager, "*Winners and Losers. Funding Issues for the Training of People with Special Needs*", Institute for Employment Studies, 1995
3. GHK Economics and Management, "*Employed Status in Training for Work*", July 1995
4. Employment Department, January 1995 "*Review of NVQs within Training For Work*"
5. National Audit Office, 12 June 1996, *Department for Education and Employment: Financial Control of Payments made under the Training for Work and Youth Programmes in England*, HC 402, 1995-96
6. Department for Education and Employment, Research Studies RS32, *Evaluation of the refocused Training for Work programme*, by Neil Russell and Derek Mitchell, Research Surveys of Great Britain, 1996
7. Department for Education and Employment, Research Studies RS35, *Evaluation of the self-employment option within Training for Work*, by CRG, 1996

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### B. Youth Training (YT)

This is the main programme for unemployed 16 and 17 year olds. It replaced the Youth Training Scheme in 1990.

**Announced:** 21 November 1989, by Norman Fowler, then Secretary of State for Employment, in a speech to the CBI Conference in Harrogate:<sup>7</sup>

#### YOUTH TRAINING - QUALIFYING FOR SUCCESS

The key features of Youth Training, to take Britain's youngsters into tomorrow's high-skill jobs are:

- RAISING the minimum attainment level for all young people on the programme
- EMPHASISING higher level skills
- IMPROVING job-finding for young people covered by the Government's guarantee
- AUGMENTING local arrangements for vocational training and education for young people
- INCREASING flexibility and cost effectiveness in the design of training programmes, and in funding arrangements.

#### THE AIMS IN DETAIL

- all young people will be offered training programmes leading to qualifications equivalent to, at least, level 2 in the framework established by the National Council for Vocational Qualifications
- a key role for TECs in delivering the programme, who will be asked to meet demanding targets for progressive increases in skills attainment, particularly at craft and technician levels
- a broad aim of doubling the numbers of young people securing qualifications at level 2, and at level 3 and above, over the next 2-3 years

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<sup>7</sup> Dept. of Employment Press Notice, 21 November 1989: "*Norman Fowler Announces Major Reforms of Youth Training*"

- a significant proportion of TECs' funding to be related directly to their achievement of qualifications and jobs for young people
- the Government's Guarantee will be maintained as now, with the enhancement that all young people who are still non-employed towards the end of their training must be offered job tasting and job finding facilities
- particular attention to be given to young people with special training needs, eg. individual action plans for those for whom training for level 2 qualifications is not immediately a reasonable prospect
- a continuing strong emphasis on health and safety and equal opportunities
- length of training, and its funding by TECS, to be linked to the standards to be achieved and the needs of the young people, not determined by a rigid uniform set of centrally-prescribed rules as under YTS
- TECs will be able to fund improvements in other arrangements which support training and vocational education, including business-education partnerships, individual learning plans for young people, and improvements in local information and guidance services.

**Started:** Nationally, on 29 May 1990. In areas where TECs were already operating, YT came in at varying dates in April and May 1990.

**Eligibility:** Generally, YT is designed for young people aged over the minimum school leaving age but under 18 who are not in full time education or a job. No-one may remain on YT past their 25th birthday. Unemployed 16 and 17 year olds are guaranteed a place, as are those who have reached the age of 18 but have been unable to enter YT for the first time because of disability, ill health, pregnancy, custodial sentence, remand in custody, language difficulties or as a result of a care order. When the Government withdrew the right to income support from unemployed 16 and 17 year olds in September 1988, it complemented this "by the guarantee of a place on the Youth Training Scheme to every person under 18 who is not in full time education and who does not go into a job".<sup>8</sup> The disabled, single parents and a few other special groups aged under 18 still qualify for income support.

**Allowances:** Trainees qualify for an allowance of £30 a week if they are 16 and £35 a week if they are 17 or more. The rate for 16 year olds was increased from £29.50 a week in April 1997.<sup>9</sup> This was the first increase since July 1988. The rate for 17 year olds has been £35 since April

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<sup>8</sup> DHSS Press Notice on the *Social Security Bill 1987/8*, 23 October 1987

<sup>9</sup> DfEE Departmental Report, March 1997, Cm 3610, para 1.84

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1986. TECs and providers can top up these allowances if they wish and help with travel, lodging or child care costs, but any such payments are entirely discretionary. Over 40% of those in training (including most Modern Apprentices) have employed status and are paid a wage by their employer.<sup>10</sup>

**Administration:** YT is run by TECs under contractual arrangements similar to those applying to TfW. TECs enter into contracts with the Regional Government Offices of the Department for Education and Employment. Funding is now based on a combination starts (15-25%), on-programme payments and trainee weeks (45-55%), and outcomes (25-35%).<sup>11</sup> TECs enter into contracts with local providers (employers, colleges etc.) who provide the actual training. Trainees draw up individual training plans. The aim is that they should work towards an approved qualification at or above NVQ level 2. From April 1995 all funding of Youth Training has been by means of Youth Credits. [See Section C, below.]

**The Future:** The future of Youth Training is a little unclear. The Labour Government has said that a new programme, **Target 2000** "will replace the Youth Training programme to ensure that all young people achieve intermediate level qualifications with core skills by the year 2000".<sup>12</sup> The Conservative Government had already announced that a system of **National Traineeships** would be phased in from September 1997.<sup>13</sup> [See Section E, below]. This followed Sir Ron Dearing's recommendation that YT should be relaunched as a system of National Traineeships, available at Foundation, Intermediate and perhaps Advanced levels, providing progression to Modern Apprenticeships and the work-based route.<sup>14</sup>

**Costs and Numbers:** Statistics that give an indication of the scale, cost and success of YT can be found in the relevant Departmental Reports [See Part III, 1-3, below]:

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<sup>10</sup> DfEE Departmental Report, March 1997, Cm 3610, para 1.84

<sup>11</sup> TEC & CTE Planning Prospectus: Requirements & Guidance 1997-98, paras C7-C9

<sup>12</sup> DfEE Background Note to the Queens Speech, 14 May 1997, *Education: Raising Standards*

<sup>13</sup> HC Deb 27 March 1996, c 1032

<sup>14</sup> *Review of Qualifications for 16-19 Year Olds*, March 1996

Youth Training, Modern Apprenticeships, and other work-based training for young people(England)							
	1992/93 Outturn	1993/94 Outturn	1994/95 Outturn	1995/96 Outturn	1996/97 Forecast	1997/98 Plans	1998/99 Plans
Expenditure (£ million)*	617	640	647	635	721	731	757
First time entrants (000s)	175	162	179	215	225	209	186
Percentage of leavers gaining a qualification**	50	67	62	54	57	65	73

- \* Funding for Modern Apprenticeships began in 1995-96.  
Includes £28 million in 1994/95 for careers guidance  
Includes provision for Bridging Allowance from £3 million in 1994-95 to £4.75 million in 1996-97  
Includes funding for National Traineeships and Relaunch from 1997-98
- \*\* From 1995-96, the percentage is for "leavers gaining an NVQ"

### Further Reading

1. Dearing Report, "*Review of Qualifications for 16-19 Year Olds*", March 1996, Section 5, "Youth Training and Modern Apprenticeships"
2. *Labour Market Trends*, March 1996, "The net costs of training to employers: initial training of young people in intermediate skills"
3. Employment Department, November 1995, "*Summary of Responses to the Consultation Document on the Future Funding Arrangements for Youth Training and Modern Apprenticeships from April 1996*"
4. Employment Department, "*Proposed Youth Training and Modern Apprenticeships Funding Arrangements from 1996/97. A Consultation Document*", 1995
5. Youthaid, "*Guide to Training and Benefits for Young People*", 1997 edition

C. Youth Credits (YC)

This is really a mechanism for funding Youth Training, Modern Apprenticeships and other forms of training for young people which is designed to give the young people themselves more control over the type of training they receive.

**Announced:** 27 March 1990, by Michael Howard, then Secretary of State for Employment.<sup>15</sup>

The initiative that I am announcing today marks an important new departure in our policies for training young people. Its aim is to excite young people about the benefits of continuing in training and further education after they have left school and to raise the amount and quality of training provided by employers. The initiative has the potential to revolutionise attitudes to training in this country.....

We must also motivate young people themselves to understand the importance to them of quality training and to come to expect training as a normal part of employment. There has been widespread interest in training credits as a means of achieving this. The Confederation of British Industry in particular has advocated credits in its report "Towards a Skills Revolution" and has proposed pilot schemes at local level to test them out.

Training credits represent an entitlement to train to approved standards. They would be issued to young people who would be able to present their credit either to an employer who makes training available or to a specialist provider of training if the young person is unable to find employment. Young people would be given quality careers advice and guidance to help them to put their credit to best use. A monetary value would be shown on the face of the credit, and it would be open to employers and the body issuing the credit to supplement this as necessary to secure higher-cost training or other priorities.....

Overall funding for these pilot schemes will come in large part from planned provision for youth training. There will also be a contribution from the relevant element of local education authority provision for 16 to 18-year-olds undertaking part-time training and education. From their existing expenditure plans, the Government are making available a further £12 million in 1991-92, rising to £25 million in the following year. This will bring the total estimated resources available to the training and enterprise councils running pilot credit schemes to £115 million by 1992-93.

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<sup>15</sup> HC Deb 27 March 1990, cc 209, 210-1

**Started:** On a pilot basis in 10 TEC areas in England and Wales and one LEC area in Scotland in April 1991. A further 9 TECs and LECs started pilot schemes in April 1993 with another 14 joining in April 1994. The intention was that:

"in 1996, within the lifetime of the next Parliament, every 16 and 17 year old leaving full-time education will have the offer of a training credit."<sup>16</sup>

However, this deadline was beaten and by April 1995 every TEC in England had introduced Youth Credits for access to YT and Modern Apprenticeships.<sup>17</sup>

**Administration:** This varies from TEC to TEC. In some cases, young people are issued with a voucher, cheque book or plastic card which entitles them to training up to a certain value, say £1,000. Employed young people can use the credit to buy training provided by the employer. Unemployed young people can use it to pay for their guaranteed Youth Training place. Where young people attend courses which would normally be free (eg at further education colleges), the college receives the training credit instead of the normal subsidy from the Further Education Funding Council.

Youth Credits were called Training Credits until April 1993. They go under different names in different areas. In Scotland they are called **Skillseekers** and in London, **Network**.

**Costs and Numbers:** See Youth Training Section [ Section B above].

**The Future:** The Conservative Government had intended introducing progressively from September 1997, a new **Learning Credits** entitlement for all young people aged 14 to 21 to career planning and learning opportunities up to level 3. They were to be issued nationally from Easter 1998 to all 16-year olds completing compulsory education. Youth Credits would have been absorbed within this system.<sup>18</sup>

### Further Reading

1. Youthaid, *Out of Credit: a report on the impact of Youth Credits*, March 1997
2. Employment Department et al, "*Youth Credits and FEFC Funding*", June 1995
3. M Spilsbury et al, "*The Youth Labour Market, SOLOTEC, and Training Credits*", 1994, Institute for Employment Studies

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<sup>16</sup> White Paper, "*Education and Training for the 21st century*", Cm 1536, May 1991, para. 6.9

<sup>17</sup> White Paper, "*Competitiveness: Forging Ahead*", May 1995, para 7.30

<sup>18</sup> HC Deb 13 March 1997, cc 296-8W

### D. Modern Apprenticeships (MApps)

This is really an upgrading of Youth Training, designed to qualify young people to NVQ level 3, rather than NVQ level 2, by means of work-based training. From April 1996, Accelerated Modern Apprenticeships (aMAs) have been merged with Modern Apprenticeships.

**Announced:** 30 November 1993. In a statement released at the time of the Budget, David Hunt, then Secretary of State for Employment, said:<sup>19</sup>

"We must tap the potential of our young people to reach higher levels of achievement and skills if we are to beat our competitors and stay ahead. That is why I plan a new approach to apprenticeship, offering young people workbased training leading to technician, supervisor and similar level qualifications - in other words, modern apprenticeships. We and the Training and Enterprise Councils will be working closely with employers and sector training bodies to prepare for a major increase in the number of apprenticeships available. We are aiming to increase to over 40,000 the number of young people reaching NVQ Level 3 through training in England - roughly tripling the current number.

Young people will also be offered more and better careers guidance to help them choose the best options for gaining qualifications.

We will be running the apprenticeships using the new and successful arrangements for Youth Credits. Credits will be available nationally to all 16 and 17 year old school leavers from 1995/6, a year earlier than we had originally planned."

**Started:** Prototypes started running in 40 TEC areas in the following sectors from September 1994: agriculture, business administration, chemicals, child care, electrical installation, engineering manufacturing, engineering construction, information technology, marine engineering, Merchant Navy, polymers, retail, steel and travel service.<sup>20</sup> The scheme has been available nationwide since September 1995, and Modern Apprenticeship Training Frameworks have been approved in at least 70 sectors.<sup>21</sup>

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<sup>19</sup> Dept. of Employment Press Release, 30 Nov. 1993: *"David Hunt announces new modern apprenticeship scheme to boost Britain's Skills"*

<sup>20</sup> Dept of Employment Press Release, 27 April 1994: *"Modern Apprenticeships - It's full speed ahead!" says David Hunt*". Dept. of Employment Press Release, 9 May 1994: *"Modern Apprenticeships will be a success story with your help, Ann Widdecombe tells CBI."*

<sup>21</sup> HC Deb 11 July 1997, c 616W



**Details:** To implement modern apprenticeships, the Industry Training Organisation for the sector concerned works in conjunction with local TECs and often representatives from the industry. The aim is to develop a framework incorporating all the skills, knowledge and understanding required to achieve the qualifications for a modern apprenticeship. These include level 3 NVQs and core skills. The apprenticeships are based on ability and are not time-served. These frameworks are approved by a joint modern apprenticeship group comprising representatives from the Department for Education and Employment (DfEE), the National Council of Industrial Training Organisations and the Training and Enterprise National Council. By March 1997, frameworks had been approved in the following sectors:<sup>22</sup>

- 1.Accountancy
- 2.Agriculture and Garden Machinery
- 3.Agriculture and Commercial Horticulture
- 4.Air Transport
- 5.Amenity Horticulture
- 6.Arts and Entertainment
- 7.Banking Services
- 8.Builders Merchants
- 9.Bus and Coach
- 10.Business Administration
- 11.Carpet Manufacture
- 12.Ceramics
- 13.Chemicals Industry
- 14.Childcare
- 15.Cleaning and Support Services
- 16.Clothing
- 17.Construction
- 18.Craft Baking
- 19.Customer Service
- 20.Electrical Installation Engineering
- 21.Electricity Supply Industry
- 22.Electronics Systems Service
- 23.Emergency Fire Services
- 24.Engineering Construction
- 25.Engineering Manufacture
- 26.Floristry
- 27.Furniture Manufacture
- 28.Glass
- 29.Guidance
- 30.Hairdressing
- 31.Health and Social Care
- 32.Heating, Ventilating, Air Conditioning and Refrigeration Industry
- 33.Horse Industry
- 34.Hotel and Catering

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<sup>22</sup> DfEE Internet site, *Modern Apprenticeships*, <http://www.open.gov.uk/dfee/modapp/maframe.htm>

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- 35.Housing
- 36.Information Technology
- 37.Insurance
- 38.Knitting, Lace and Narrow Fabrics
- 39.Manmade Fibres
- 40.Marine Engineering
- 41.Marine Industry
- 42.Meat Sector
- 43.Merchant Navy
- 44.Motor Industry
- 45.Museums, Gallery and Heritage Sector
- 46.Newspapers
- 47.Operating Department Practice
- 48.Paper and Board Manufacture
- 49.Photography and Photographic Processing
- 50.Physiological Measurement Technicians
- 51.Plumbing
- 52.Polymers
- 53.Printing
- 54.Residential Estate Agency
- 55.Retailing
- 56.Road Haulage and Distribution
- 57.Sea Fish
- 58.Security
- 59.Sports and Recreation
- 60.Steel Industry
- 61.Surface Coatings
- 62.Telecommunications
- 63.Timber Trade (Wood Machining)
- 64.Travel Services
- 65.Wool Textiles

Young people gain access to modern apprenticeships through Youth Credits, provided by local TECs. The credits have a monetary value and are redeemed by the employer or training provider. The scheme requires the employer, the apprentice and the TEC to sign a training agreement, which sets out the responsibilities and commitments of each party.

**Eligibility:** Modern Apprenticeships are targeted at 16 and 17-year old school leavers. Accelerated Modern Apprenticeships were aimed at 18 and 19-year old school leavers.

**Allowances:** As for YT, the minimum training allowance is £30 a week at 16 years of age and £35 at 17 or over. However, most employers pay their apprentices considerably more than this.

An early survey of the prototypes found the average weekly salary was £76, the highest £165 and the lowest £29.50.<sup>23</sup>

**Costs and Numbers:** There were over 76,300 young people training under MApps in February 1997.<sup>24</sup> Government figures do not separate expenditure on modern apprenticeships from that on Youth Training in general. [See Section B above].

**The Future:** The Labour Government supports Modern Apprenticeships and will continue with the scheme.<sup>25</sup>

"**Mr. Sanders:** To ask the Secretary of State for Education and Employment if he will make a statement about the future of the modern apprenticeship scheme.

**Dr. Howells:** We have no doubt that the training of young people in the workplace to meet the needs of employment has a vital and increasing role to play in sustaining competitiveness to 2000 and beyond. Modern Apprenticeships are a key component of this and are making a vital contribution to raising skills. Evaluation studies have consistently shown that Modern Apprenticeships are highly popular, of high quality, and meeting the expectations of both employers and young people.

We want to sustain and build on this success and intend to develop Modern Apprenticeships in every sector where there is a demand. There are currently 70 sector frameworks approved with more expected in the next 12 months. Since Modern Apprenticeships began, over 100,000 young people have started training. There is every sign that employers' demand for Modern Apprentices will continue to grow and we and Training and Enterprise Councils will work together on how best to respond to that demand."

## Further Reading

1. *Employment Gazette*, June 1995, "Modern Apprenticeships: the experience so far"
2. *The Evaluation of Modern Apprenticeship Prototypes*, final report by Ernst and Young with apprentice research carried out by the University of Sheffield, November 1995.
3. *Labour Market Trends*, February 1996, "Modern Apprenticeships: further lessons from the prototypes"
4. *TEC Approaches to Engaging Small and Medium Enterprises in Modern Apprenticeships*, DfEE Quality and Performance Improvement Division, QPID Study Report No.48, 1996
5. *Modern Apprenticeships*, Incomes Data Services IDS Study 620, February 1997
6. *Modern Apprenticeships: survey of young people*, DfEE Research Studies RS51, by Lesley Saunders, National Foundation for Educational Research, 1997

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<sup>23</sup> *Employment Gazette*, June 1995, "Modern Apprenticeships: the experience so far"

<sup>24</sup> HC Deb, 3 June 1997, c 125W

<sup>25</sup> HC Deb, 11 July 1997, c 616W

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7. *Modern Apprenticeships: a survey of employers*, DfEE Research Studies RS53, by Chris Hasluck et al, Institute for Employment Research, 1997

## E. National Traineeships

These are intended to replace Youth Training as the main work-based route to further qualifications at NVQ level 2. They will be designed by employers in the relevant industry sectors and will provide a stepping stone to Modern Apprenticeships.

**Announced:** 27 March 1996, by Gillian Shephard, Secretary of State for Education and Employment, in her response to Sir Ron Dearing's *Review of Qualifications for 16-19 Year Olds*.<sup>26</sup>

"We welcome the proposals for the reform and strengthening of training for young people in England and Wales by the creation of a new system of national traineeships, following the successful introduction of modern apprenticeships. There will also be development of training arrangements for those young people who reach the age of 16 not yet ready for, or clear about their next steps in learning throughout life.

My Department will shortly consult employers, the education sector and other interested parties on the detail of the new arrangements, which we intend to implement on a phased basis from September 1997. My right hon. Friend the Secretary of State for Wales will consult as appropriate for Wales."

**Starting:** The Conservative Government intended that they should be introduced on a phased basis from September 1997, with the expectation that by April 1999 most workplace based employer linked training to NVQ level 2 would be through National Traineeship.<sup>27</sup>

**Details:** The main features will be:<sup>28</sup>

"- a focus on achievement, aiming for NVQ Level 2 and incorporating all 6 key skills as part of the learning programme, with opportunities for progression to Modern Apprenticeships at NVQ Level 3

"support from industry bodies in defining the application of National Traineeships in their particular sectors, and the full involvement of individual employers in the training process through a written agreement with the trainee, employed status wherever possible and substantial periods of experience in the workplace."

The main differences from Youth Training are the focus on NVQ and key skills at level 2; the involvement of sectors of industry and commerce in the design of training, through the specification of a national 'core' defining the NVQ and key skill outcomes

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<sup>26</sup> HC Deb 27 March 1996, c 1032

<sup>27</sup> *DfEE Departmental Report*, Cm 3610, March 1997, para 1.87

<sup>28</sup> White Paper, *Learning to Compete: Education and Training for 14-19 Year Olds*, December 1996, Cm 3486, para 4.24

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of the training and 'options' for additional components which will help the young person progress in the sector; and the requirement for individual employers to be directly involved in the training delivery.<sup>29</sup>

The six key skills are:<sup>30</sup>

- Communication
- Application of number
- Information technology
- Improving own learning and performance
- Working with others
- Problem solving

At March 1997 Training Frameworks were under development in the following sectors:<sup>31</sup>

Agricultural and Garden Machinery\*  
Agriculture and Commercial Horticulture\*  
Animal Care\*\*  
Ceramics\*  
Cleaning and Support Services\*  
Clothing\*  
Construction\*  
Craft Baking\*  
Environmental Conservation\*  
Food and Drink\*\*  
Glass\*  
Hairdressing\*  
Heating, Ventilating, Air Conditioning and Refrigeration Industry\*  
Horse Industry\*  
Hospitality\*  
Information Technology\*  
Insulation  
Marine Engineering\*  
Meat Sector\*  
Photograph and Photographic Processing\*  
Plumbing\*  
Polymers\*  
Residential Estate Agency\*  
Retailing\*  
Road Haulage and Distribution\*  
Sea Fish\*  
Security\*

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<sup>29</sup> *TEC & CTE Planning Prospectus: Requirements & Guidance 1997-98*, para C15.2

<sup>30</sup> White Paper. *Learning to Compete: Education and Training for 14-19 year olds*, Cm 3486, December 1996, p 26

<sup>31</sup> DfEE Internet pages, <http://www.open.gov.uk/dfee/ntnet3.htm>

Sports and Recreation\*  
Steel Industry\*  
Telecommunications\*  
Travel Services\*

\* Modern Apprenticeship framework available

\*\* Modern Apprenticeship framework under development

**Cost and Numbers:** Figures are included in the table for Youth Training [See Section B above].

**The Future:** Andrew Smith, Labour Minister with responsibility for employment, has said:<sup>32</sup>

"Our view is that National Traineeships, which focus chiefly on 16 and 17-year-olds and build on the design principles of the successful modern apprenticeships, will play an important part in achieving the objectives of Target 2000. It is vital that we improve substantially on current levels of participation and achievement to NVQ level 2 post 16 if we are to ensure that young people are qualified for the jobs of the next century. Target 2000 provides the broad policy framework for that, and the work based route has a vital role to play."

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<sup>32</sup> HC Deb 10 July 1997, c 559W

## F. Career Development Loans (CDL)

Initially interest-free loans for people who want to take up job-related training and finance it themselves.

**Announced:** National extension announced 20 July 1988:<sup>33</sup>

### Career Development Loans

**Mr. Bowis:** To ask the Secretary of State for Employment whether he intends to make career development loans available nationally; and if he will make a statement.

**Mr. Fowler:** From today career development loans are available throughout Great Britain. We have piloted career development loans from April 1986 in four areas. Evaluation has shown that they are a very useful addition to the training infrastructure of the country. During the pilot a total of almost £1.4 million pounds has been lent to more than 650 people to undertake a wide range of vocational training. Career development loans will continue to be run in partnership with the three banks which participated in the pilot, Barclays, the Clydesdale and the Co-operative. Anyone aged 18 or over who lives or intends to train in Great Britain will be able to apply. The Government provide an incentive to borrowers by paying the interest on the loan during the period of training and for up to three months afterwards and guarantee a proportion of the loans to make it easier for the banks to consider lending for vocational training. The costs of the expanded scheme will be met from within the existing resources of the Department.

**Started:** On a pilot basis in April 1986. Nationally, in July 1988.

**Eligibility:** Applicants must be aged 18 or over; not in receipt of a mandatory award for education or training; and intending to use the training to work in the United Kingdom or elsewhere in the European Community. In addition, the course must be vocational and designed to help the applicant to get a job.

**Terms:** Applicants must apply to a participating bank - the Clydesdale, Barclays, the Co-operative, and, since January 1995, the Royal Bank of Scotland - before the start of the

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<sup>33</sup> HC Deb 20 July 1988, c 620W



course. There is a minimum loan of £200 and a maximum of £8,000. All loans are "subject to status." Loans generally cover up to 80% of course fees, plus the cost of books and materials for courses lasting up to two years. Since 1 September 1996, CDLs have also been available for three year sandwich courses involving two years' tuition and one year's practical work experience.<sup>34</sup> Where applicants have been out of work for at least three months before applying, and the local TEC or LEC has endorsed their application, the loans may cover 100% of course fees. No loan repayments are required during the training period and for up to one month afterwards. Those who are registered unemployed when repayments should start can defer repayments for up to a further five months. During the deferred repayment period, the Department for Education and Employment pays the interest on the loan. After that the borrower must repay on terms agreed with the bank.<sup>35</sup> About one-third of those who take up Career Development Loans are unemployed.

**Cost and Numbers:** The DfEE Departmental Report published in March 1997 contained expenditure figures for CDLs and Small Firms Training Loans. Small Firms Training Loans were launched in June 1994 to help firms with up to 50 employees to improve the skills of their employees. The loans range from £500 to £125,000, and are run on the same lines as Career Development Loans.

Career Development Loans and Small Firms Training Loans in England (£ million)				
1995/96 Outturn	1996/97 Estimated Outturn	1997/98 Plans	1998/99 Plans	1999/00 Plans
12.5	13.9	14.3	14.2	15.6

Figures for the number of approved loan applications are given in the Annual Report on Career Development Loans, the most recent of which is for 1995/96:

Career Development Loan Take- Up						
1989/90	1990/91	1991/92	1992/93	1993/94	1994/95	1995/96
5,805	8,054	10,432	10,230	12,159	15,169	13,287

Surveys in the twelve months up to September 1996 show that 83% of trainees completed their courses and 76% had obtained jobs immediately on completing their training.<sup>36</sup>

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<sup>34</sup> DfEE Press Release, 28 June 1996, *Career Development Loans reach out to more students*  
<sup>35</sup> DfEE Press Release, 11 April 1996, "Over £250 million spent on training with career development loans - says James Paice"  
<sup>36</sup> DfEE Departmental Report, March 1997, Cm 3610, para 3.5

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### G. Career Development Loans Plus

This is a pilot scheme which will allow certain trainees to defer repayment of CDLs for up to 18 months.

**Announced:** May 1995

The White Paper, "*Competitiveness: Forging Ahead*", announced that:

"From September 1995, the Government will pilot a scheme in one region to allow borrowers who have completed training funded by a Career Development Loan (CDL) to delay the start of their repayments by up to 18 months in certain circumstances."<sup>37</sup>

**Started:** 18 September 1995 in the counties of Glamorgan, Mid Glamorgan, Gwent, Somerset and the former county of Avon.<sup>38</sup>

**Details:** The scheme operates in exactly the same way as ordinary CDLs except that participants may defer their repayments for a total of 18 months if they are registered unemployed and claiming benefit; employed and receiving certain benefits; or for reasons beyond their control need to extend the training before starting repayments.<sup>39</sup>

**Numbers:** The total number of approved loans in the pilot area for 1995-96 was 412. For 1996-97. The figure at January 1997 was 585.<sup>40</sup>

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<sup>37</sup> Cm 2867, para 7.17

<sup>38</sup> HC Deb 30 January 1997, c 341W

<sup>39</sup> DfEE Press Notice, 15 September 1995, "*James Paice launches pilot scheme to help job seekers*"

<sup>40</sup> HC Deb 30 January 1997, c 341W

## H. Project Work

This is a pilot scheme combining intensive help with jobsearch with a mandatory work experience scheme.

**Announced:** 28 November 1995. In a Press Notice accompanying the Budget, Gillian Shephard, Secretary of State for Education and Employment, said:

"We will also, in certain areas, be requiring people who have been unemployed for more than two years to take up a work experience place. Potentially these pilot programmes offer a change of very major significance. For those who have lost heart or motivation, it may be just the impetus they need. For those who are not serious about trying to find work this is just the impetus the taxpayer would expect us to administer. We intend to monitor the results very carefully indeed."<sup>41</sup>

**Started:** On a pilot basis in Hull and Medway and Maidstone, in April 1996. Further pilots in all regions of the country started in February or April 1997. (See Extensions, below)

**Eligibility:** People aged 18-50 who have been unemployed for two years or more.

**Details:** These have varied according to the pilot area, but the basic model is that in the first 13 weeks a range of opportunities and programmes is offered to claimants including: general help with jobsearch; a voluntary 1-2-1 programme; Jobclub; Training for Work; the opportunity of a Worktrial or Workstart vacancy; and jobfinders' grants to cover the transitional costs of moving into work. After 13 weeks, participants are offered a range of work experience opportunities, through private training organisations and voluntary or charitable bodies. The jobs offered might include painting and decorating, construction or gardening work. Refusal to attend the mandatory work experience programme (which last a further 13 weeks) leads to loss of benefit for up to two weeks on the first occasion and up to four weeks on any subsequent occasion. People who are vulnerable have access to hardship payments, at a rate 40 per cent (or in some cases 20 percent) lower than their usual benefit payments.<sup>42</sup> Those on the work schemes receive an allowance equal to their benefit plus £10.

**Costs and Numbers:** £12 million was allocated to the original pilots which were scheduled to run until June 1997, but have now been extended. About 8,000 to 9,000 people were expected to be covered.<sup>43</sup> By February 1997, over 6,800 people had joined the pilots and around a third of those entrants had had the opportunity to complete the full six months of the pilot process. Altogether, 700 people were placed directly into jobs during their first 13 weeks and more than 200 were so placed during their work experience. Around 2,150 started on the mandatory work

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<sup>41</sup> DfEE Press Release, 28 November 1995, "*Shephard announces £878m more for schools*"

<sup>42</sup> Lord Henley, Minister of State, DfEE, debate on *Jobseeker's Allowance (Pilot Scheme) Regulations 1996*, HL Deb 7 May 1996, cc 66-67

<sup>43</sup> Ibid

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experience stage. Over 850 other people referred to work experience failed to turn up for their first day of work experience and around 350 of them chose to leave the unemployment register. In total, more than 3,100 people who started the pilots had since left the register.<sup>44</sup>

**Extension:** During her speech to the Conservative Party Conference on 10 October 1996, Gillian Shephard announced an extension of the Project Work pilots "to include up to 100,000 unemployed people in every region of the country". A press notice issued on the same day gave further details.<sup>45</sup>

" The DfEE aims to try new variations to the approach which has been piloted so far in Hull and Maidstone. The variations will include i) trying different intensive approaches in the first 13 weeks, some with and some without employment subsidies, ii) varying the length of the period of intensive help still 13 weeks in most areas but also trying 4 weeks and 8 weeks, iii) putting emphasis on improving basic skills of literacy and numeracy, particularly in some pilots; iv) extending the involvement of the private sector and voluntary sector beyond the delivery of work experience possibly to delivery of the entire pilot in one or two areas."

Further details were given in a Press Release issued on 7 November 1996.<sup>46</sup> This announced the new areas, the continuation of the existing pilots beyond July 1997, and the allocation of a further £100 million to the project. The varieties of pilot to be tested in each location and their starting dates were listed in reply to a PQ on 12 December 1996.<sup>47</sup>

### Project Work

**Mr. Congdon:** To ask the Secretary of State for Education and Employment what progress she has made on extending the project work pilots; and if she will make a statement. [9272]

**Mrs. Gillian Shephard:** In November I announced my plans to extend the project work approach to 28 new pilot areas across the country covering up to 100,000 people, and to test a number of variations on the basic model. A list of the locations and start dates of the new pilots is contained in the following table.

We will be piloting variations to the approach used in Hull and Medway and Maidstone to see if we can improve its effectiveness. There will be an emphasis on literacy and numeracy in all the new pilots. Up to 10,000 people will have access to intensive help with literacy and numeracy. A further 9,000 people will be covered by pilots where we will be seeking increased involvement of the private sector. In pilots covering around 14,000 people, workstart will be replaced by jobmatch as an additional programme available to people in the pilot. Jobmatch offers grants to people who take part-time jobs as a stepping stone into full-time work. The results from the jobmatch pilots currently running have been encouraging, and we want to see whether jobmatch is a more cost-effective addition to the help available to project work participants than workstart. We will also test the added value of

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<sup>44</sup> DfEE Press notice, 23 February 1997, *Long-term unemployed find project works*

<sup>45</sup> Ibid

<sup>46</sup> DfEE Press Notice, 7 November 1996, "£100m to extend project Work nationwide - Shephard"

<sup>47</sup> HDeb 12 December 1996, cc 315-6W

workstart by removing it altogether in some pilots. In other pilots we will be varying the length of the initial period of jobsearch help for around 13,000 people.

Through these pilots, we will provide a package of specialist help and advice for people who have been out of work for a long time and face significant disadvantages. I believe that these pilots are an innovative and useful addition to the help that we already provide for unemployed people.

Type of pilot	Starting date	Locations piloting this type
Basic model	February 1997	Dudley and Sandwell Nottingham Bristol Bath Weston-super-Mare North East London Derby Hull Medway and Maidstone
Intensive literacy and numeracy help	April 1997	Bradford Huddersfield Norwich Dundee Stoke
Increased private sector involvement	April 1997	Hertford and Harlow Peterborough Edinburgh Portsmouth
Differences in length and content of the intensive help prior to mandatory work experience	February 1997 (full range of ES help excluding Workstart)	Bolton and Bury Swansea Neath and Port Talbot Merthyr and Rhymney Preston Lanarkshire
Variation including Jobmatch	February 1997 (full range of ES help including Jobmatch)	East London Wigan and St. Helens
Variation with period A shortened to 8 weeks	April 1997 (8 week period of intensive help)	Brighton South Tyneside
Variation with period A shortened to 4 weeks	April 1997 (4 week period of intensive help)	Leicester Grimsby Dunfermline

**The Future:** On 20 June 1997, the Education and Employment Minister, Andrew Smith, announced that the Labour Government would continue with the Project Work pilots, but refocus them so that they were more in line with the New Deal which is due to come into force in 1998-99. The changes mean that all pilots will include the Workstart subsidy, which will be £60 for 18-24 year olds and £75 for 25-50 year olds, and the intensive help with basic skills for those who need it:

### "Project Work

**Mr. Rooney:** To ask the Secretary of State for Education and Employment when he will announce the commencement date for Project Work work placement providers. [4803]

**Mr. Andrew Smith:** I am today refocusing Project Work to include proper training and effective subsidies to employers to take on the long-term unemployed. This will enable Project Work providers to agree the detail of their contracts, including start dates, with the Employment Service. All Project Work pilots will in future include, as a standard feature, intensive help with basic skills for those who need it. I am also pleased to announce an increase in the amount of Workstart subsidy available in the Project Work pilot areas. This means that employers in these areas who take on someone out of work for over two years may receive £60 for a recruit aged 18 to 24 and £75 if aged between 25 and 50.

Enhancing the help given by Project Work pilots is an integral part of the Government's drive to tackle long term unemployment. It extends a helping hand to the jobless by introducing intensive literacy and numeracy support within Project Work to those who need it. The strengthened basic skills element will help equip long term unemployed people more effectively for jobs.

Project Work as inherited from the previous Government is far from perfect and is scheduled to last until the end of the financial year. We want to move to the New Deal as soon as possible, with the most effective package to help the young and long term unemployed off welfare and into work or training. The refocusing of Project Work with skills enhancement offers the long term unemployed support in getting a job, while the New Deal is still in the design and planning stages. We cannot allow the talents and energy of our citizens to go to waste, untapped and untrained in unemployment. It makes both moral and economic sense to offer a chance of a future to those who have almost given up hope."<sup>48</sup>

### Further Reading:

1. *"Right to Work" Assessment*, an independent inquiry requested by the Prime Minister into the cost of Sir Ralph Howell's Right to Work proposals, National Economic Research Associates, December 1996
2. *Project Work*, Minutes of Evidence from the DfEE to the Education and Employment Committee, 21 January 1997, HC 224-I, 1996-97

## I. New Deal for the Young Unemployed

This is the leading element of the new Labour Government's "Welfare to Work" programme. It will offer all young people aged 18-24 who have been unemployed for six months or more four options: a subsidised job, a place on the Environment TaskForce, a place with a voluntary sector employer, or full-time education or training. Those who refuse a place will be disqualified from benefit.

**Announced:** The programme was foreshadowed in Labour Party policy documents before the 1997 General Election. One of the "five election pledges" highlighted in Labour's election manifesto was to "get 250,000 under-25 year-olds off benefit and into work by using money from a windfall levy on the privatised utilities". The formal announcement, however, came in Gordon Brown's first Budget on 2 July 1997:<sup>49</sup>

"In the new economy, in which capital, inventions and even raw materials are mobile, Britain has only one truly national resource: the talent and potential of its people. Yet in Britain today, one in five of working-age households have no one earning a wage. In place of welfare, there should be work. So today this Budget is taking the first steps to create the new welfare state for the 21st century.

The welfare state was and remains a great British achievement. It was set up to provide security for all, and opportunity for all, goals that are as relevant today as in 1945. But for millions out of work or suffering poverty in work, the welfare state today denies rather than provides opportunity. So it is time for the welfare state to put opportunity back into people's hands.

First, everyone in need of work should have the opportunity to work. Secondly, we must ensure that work pays. Thirdly, everyone who seeks to advance through employment and education must be given the means to advance. So we will create a new ladder of opportunity that will allow the many, by their own efforts, to benefit from opportunities once open only to a few.

Starting from next year, every young person aged 18 to 25 who is unemployed for more than six months will be offered a first step on the employment ladder. Tomorrow, my right hon. Friend the Secretary of State for Education and Employment will detail the four options, all involving training leading to qualifications--a job with an employer; work with a voluntary organisation; work on the environmental task force; and, for those without basic qualifications, the chance of full-time education or training.

With those new opportunities for young people come new responsibilities. There will be no fifth option--to stay at home on full benefit. So when they sign on for benefit, they will be signing up for work. Benefits will be cut if young people refuse to take up the opportunities. This new deal for the young is comprehensive, rich in opportunity, linked to the development of skills and has already attracted the support of some of Britain's leading companies.

I urge every business to play its part in this national crusade to equip this country for the future by taking on young unemployed men and women. I appeal to every voluntary organisation to make a further contribution to the work that they do in the community by taking on a young person. I will make it possible for every Member of the House to act as an ambassador for this venture, encouraging young people in their constituencies, consulting local businesses and bringing them together to play their part in this new deal for young people."

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<sup>49</sup> HC Deb 2 July 1997, cc 308-309

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**Starting:** In 12 "pathfinder areas" on 5 January 1998. It will be introduced nationwide on 6 April 1998. The pathfinder areas are Tayside; Swansea and West Wales; Sheffield and Rotherham; Eastbourne; Lambeth; Harlow and Stevenage; Cumbria; Wirral; South Derbyshire; Black Country (North and South); Newcastle, Gateshead and South Tyne; Cornwall.<sup>50</sup>

**Details:** The programme will cover all young people aged 18-24 who have been claiming Jobseeker's Allowance (JSA) for six months or more.<sup>51</sup> It will begin with an intensive period of advice, counselling and guidance - the "Gateway" to the New Deal - organised by the Employment Service.<sup>52</sup> If they are still unemployed after the Gateway, they will be offered one of four options:

- a job with an employer, including at least one day a week (or its equivalent) in education or training designed to reach an accredited qualification. The employer will receive £60 a week for up to 26 weeks.<sup>53</sup> £750 per person has been allocated to finance the associated training.<sup>54</sup> It is not yet clear whether subsidised jobs will be confined to the private sector:<sup>55</sup> or
- a job for six months with the Environment Taskforce which will include day release education or training towards accredited qualifications.<sup>56</sup> The Taskforce will engage young people on projects of benefit to the whole community, including projects to help meet the Government's targets for heat conservation and efficiency.<sup>57</sup> Participants will receive an allowance equivalent to benefit and will remain entitled to passported benefits. In addition, they will receive a grant of up to £400 paid in instalments;<sup>58</sup>
- a job for six months with a voluntary sector employer, again including day release education or training towards an accredited qualification.<sup>59</sup> As with the Taskforce option, participants will receive an allowance equivalent to benefit and will remain entitled to passported benefits. In addition, they will receive a grant of up to £400 paid in instalments.<sup>60</sup> There will be a particular emphasis on voluntary sector placements to provide 50,000 new trained childcarers;<sup>61</sup>
- full-time education or training in skills up to NVQ level 2. The "16 hour rule" which currently prevents people receiving JSA while in full-time education and

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<sup>50</sup> HC Deb 28 July 1997, cc50-52W

<sup>51</sup> DfEE Press Release, 3 July 1997

<sup>52</sup> DfEE Press Release, 3 July 1997

<sup>53</sup> DfEE Press Release, 3 July 1997

<sup>54</sup> *Equipping Britain for our long-term future: Financial statement and Budget Report*, HC 85, July 1997, p 31

<sup>55</sup> HC Deb 21 July 1997, c 393W

<sup>56</sup> DfEE Press Release, 3 July 1997

<sup>57</sup> HC 85, July 1997, p 31

<sup>58</sup> HC Deb 15 July 1997, c 116W

<sup>59</sup> DfEE Press Release, 3 July 1997

<sup>60</sup> HC Deb 15 July 1997, c 116W

<sup>61</sup> HC 85, July 1997, p 31



training will be changed to accommodate this.<sup>62</sup> For up to twelve months, young people on this option will receive an allowance equivalent to benefit and remain entitled to passported benefits. They will also have access to a discretionary grant to help with travel and other costs.<sup>63</sup>

- Young people who fail to take up an option will be required to take a place identified for them by the Employment Service. If they do not, benefit sanctions will be applied.<sup>64</sup> The standard JSA benefit sanction for failing to go on a compulsory programme or obey a jobseeker's Direction is a loss of the JSA personal allowance for two weeks or a loss of the JSA personal allowance for four weeks if a similar sanction has been imposed in the previous 12 months.
- During their time in the New Deal options, young people will continue to receive intensive support from Employment Service advisers, designed to help them get a job in the regular labour market. Intensive help will continue for those who return to claimant unemployment after their option finishes.<sup>65</sup>

**Cost and Numbers:** There are currently 178,000 young people who have been out of work or training for more than six months. Thousands more pass this threshold every month. The Government is committed to offering them each a place on the New Deal.<sup>66</sup>

A total of £3,150 million from the windfall tax has been allocated to the programme over the period 1997-02:<sup>67</sup>

1997-98	£100m
1998-99	£700m
1999-00	£830m
2000-01	£770m
2001-02	£740m

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<sup>62</sup> HC 85, July 1997, p 31

<sup>63</sup> HC Deb 15 July 1997, c 116W

<sup>64</sup> DfEE Press Release, 3 July 1997

<sup>65</sup> DfEE Press Release, 3 July 1997

<sup>66</sup> DfEE Press Release, 3 July 1997

<sup>67</sup> HC 85, July 1997, p 33

### J. New Deal for the Long Term Unemployed

This forms part of the new Labour Government's "Welfare to Work" programme. It will offer a subsidy of £75 a week for six months to employers taking on someone aged 25 or over who has been unemployed for two years or more.

**Announced:** The programme was foreshadowed in Labour Party policy documents before the 1997 General Election. Labour's manifesto promised to "encourage employers to take on those who have suffered unemployment for more than two years with a £75-a-week tax rebate paid for six months, financed by the windfall levy". The formal announcement, however, came in Gordon Brown's first Budget on 2 July 1997:<sup>68</sup>

"There are 350,000 adults who have been out of work for two years or longer. So the second component of our welfare-to-work programme will offer employers a £75-a-week subsidy to employ long-term unemployed men and women. Many of those unemployed who lack skills are debarred by the 16-hour rule from obtaining them. For this group--the unskilled--the 16-hour rule will now be relaxed, so that when the long-term unemployed sign on for benefit, they will now sign up for work or training."

**Starting:** June 1998

**Details:** There are two elements to the new deal for the long-term unemployed:

- payments of £75 per week for 26 weeks to employers who recruit people aged 25 and over who have been unemployed for two years or more;<sup>69</sup> and
- opportunities for those unemployed for two years or more to study for up to twelve months in full time employment-related courses designed to reach an accredited qualification.<sup>70</sup> This will be achieved by relaxing the 16 hour rule which prevents unemployed people from receiving benefit while studying full-time.<sup>71</sup>

**Cost:** A total of £350 million from the windfall tax has been allocated to the programme over the period 1997-2002.<sup>72</sup>

1997-98	£0m
1998-99	£100m
1999-00	£80m
2000-01	£80m
2001-02	£80m

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<sup>68</sup> HC Deb 2 July 1997, c 309

<sup>69</sup> DfEE Press Release, 3 July 1997, *Blunkett's call to the nation to join his crusade for jobs*

<sup>70</sup> DfEE Press Release, 3 July 1997

<sup>71</sup> *Equipping Britain for our long-term future: Financial Statement and Budget Report*, July 1997, HC 85, p 30

<sup>72</sup> HC 85, July 1997, p 33

## K. New Deal for Lone Parents

This forms part of the new Labour Government's "Welfare to Work" programme. Under the programme, lone parents with school age children will be invited to the local Job Centre for help and advice on jobs, benefits, training and childcare. It builds on and replaces the **Parent Plus** programme launched by the Conservative government, which had been due to start on a pilot basis in April 1997.

**Announced:** The programme was foreshadowed in Labour party policy documents before the 1997 General Election and mentioned in the manifesto. The formal announcement came in Gordon Brown's first Budget on 2 July 1997.<sup>73</sup>

"There are now 1 million lone parents bringing up 2 million children on benefit. Any welfare-to-work programme that seriously tackles poverty in our country must put new employment opportunities in the hands of lone parents. So today I am allocating a total of £200 million from the windfall fund for the most innovative programme that any Government have introduced for advice, training, and day and after-school child care to support lone parents.

Currently, lone parents receive little encouragement to seek work before their youngest child is 16. Under the programme that I am announcing today, when their youngest child is in the second term of full-time schooling, lone parents will be invited for job search interviews and offered help in finding work that suits their circumstances. On Friday, my right hon. Friend the Secretary of State for Social Security will explain to the House the full details of how that new radical programme will be introduced.

A generation of parents have waited for the Government to introduce a national child care strategy. From this Budget onwards, child care will no longer be seen as an afterthought or a fringe element of social policies. From now on it will be seen, as it should be, as an integral part of our economic policy.

First, we shall increase the supply of child care in our country and make it more accessible. In addition, as part of the new deal for young people, we shall encourage voluntary organisations to take on and train young people and help them into careers as child care assistants.

We believe that over a five-year period, as many as 50,000 young people can be trained as child care assistants. We shall make child care more affordable as well. From next summer, every lone parent with more than one child, who qualifies for family credit, housing benefit or council tax benefit, will have the first £100 of weekly child care costs disregarded in calculating in-work benefits. Every lone parent on family credit with children 12 years old or younger will be able to receive help.

Lottery money will be available for after-school clubs, and as we replace the wasteful and chaotic system of nursery vouchers, we shall be able to offer reliable access to nursery places for every four-year-old in Britain. With those measures, which bring both child care and employment within the reach of many more parents, we have taken the first step towards a national child care strategy for the United Kingdom."

**Started:** On 21 July 1997 in Cambridgeshire, Warwickshire, Cardiff & Vale, Sheffield East, North Cheshire and North Worcestershire; on 22 July 1997 in Clyde Valley; and on 4 August

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<sup>73</sup> HC Deb 2 July 1997, cc 309-310

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1997 in North Surrey. These are the pilot areas in which Parent Plus had been due to start.<sup>74</sup> It will go nationwide in October 1998.<sup>75</sup>

**Details:** Lone parents on Income Support with school age children will be sent a letter inviting them into the Job Centre. After an initial interview each lone parent will develop an individual plan of action with the help of their personal caseworker on how they can develop their job search skills, training and find childcare to help them into work. This includes access to the range of Employment Service programmes for the unemployed. Starting in Cambridge, lone parents will also be able to use internet computer terminals in many public areas such as local libraries or Job Centres where they can get information on jobs, local childcare availability and DSS benefits. Lone parents who take part in the New Deal will be fast tracked for help with Family Credit by the Benefits Agency and for child maintenance by the Child Support Agency.<sup>76</sup>

The programme for lone parents is voluntary. Those who choose not to take part will not face benefit sanctions.<sup>77</sup>

**Cost and Numbers:** A total of £200 million from the windfall tax has been allocated to the New Deal for Lone Parents over the period 1997-2002.<sup>78</sup>

1997-98	£0m
1998-99	£40m
1999-00	£50m
2000-01	£60m
2001-02	£60m

In the first phase, up to 40,000 lone parents will be contacted in the eight areas covered.<sup>79</sup> From October 1998, help will be offered to half a million lone parents whose youngest child is over five.<sup>80</sup>

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<sup>74</sup> DSS Press Release, 24 February 1997, *Boost for Parent Plus launch as research shows lone parents are £50 per week better off in work*

<sup>75</sup> DSS Press Notice, 2 July 1997, *Harriet Harman announces new deal for lone parents*

<sup>76</sup> DSS Press Notice, 2 July 1997

<sup>77</sup> *Equipping Britain for our long-term future: Financial Statement and Budget Report*, July 1997, HC 85, p 30

<sup>78</sup> HC 85, July 1997, p 33

<sup>79</sup> HC Deb 21 July 1997, c 480W

<sup>80</sup> HC Deb 24 July 1997, c 747W

## L. Restart Courses

Unemployed people claiming benefit are called for six monthly Restart interviews with claimant advisers. People unemployed for two years or more may be asked to attend a Restart Course which is designed to boost confidence and encourage job search activity. Since December 1990 there have been benefit penalties for those who refuse to attend. Hence Restart Courses are often called “compulsory” or “mandatory”, although, since April 1997, they have merely been one option to which the long term unemployed might be referred as part of the compulsory Jobfinder Programme..

**Announced:** Restart was announced by Lord Young, then Secretary of State for Employment, in his statement on Enterprise and Employment on 12 November 1985:<sup>81</sup>

First, we are asking the Manpower Services Commission to ask long-term unemployed people in the pilot areas to a counselling interview at their Jobcentre. The object will be to see whether they can be placed in suitable jobs--including jobs in the expanding community programme--or in existing training courses. In addition the MSC will be able to offer places on entirely new short training courses specifically designed for those who have been out of work for more than a year. These courses will help to assess their potential and aptitudes; to brush up their basic working skills and to improve the techniques of applying for a job. We shall ask the Manpower Services Commission to cover as many as possible of the long-term unemployed in the pilot areas with these new arrangements so that we can assess their effectiveness.

**Started:** On a pilot basis in January 1986. Nationally, in July 1986.

**Eligibility:** The courses are targeted at people aged 18 or over who have been unemployed for 24 months or more. Benefit sanctions apply to people who refuse to attend a Restart Course without good cause. The sanction is loss of Job Seeker’s Allowance (JSA) personal allowance for two weeks on the first occasion or four weeks for those who have already been sanctioned in the previous twelve months. For those who attend, normal benefit payments continue.

**Details:** In April 1994, Restart courses were extended from one to two weeks, following an announcement at the time of the November 1993 Budget.<sup>82</sup> The course combines part-time

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<sup>81</sup> HC Deb 12 November 1985, c163

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attendance with an external training provider operating under contract to the Employment Service with individual job search activity. In some respects, the Jobfinder programme introduced in April 1997 has supplanted Restart Courses, but Employment Service advisers are still able to refer the very long term unemployed to the courses.<sup>83</sup>

**Duration:** Two weeks.

**Costs and Numbers:** Departmental Reports [See Part III, 1-3, below] provide the following expenditure and performance figures:

Restart Courses							
	1993/94 Outturn	1994/95 Outturn	1995/96 Outturn	1996/97 Est. Outturn	1997/98 Plans	1998/99 Plans	1998/99 Plans
Expenditure (£ million)	10.0	11.4	9.3	7.6	5.0	5.0	5.0
Opportunities (000s)	143	147	105	76	47	47	47
Positive outcomes* (000's)	112	41	31	30	18	18	18

- Prior to 1994/95 the term positive outcome refers to a *referral* to a job, training or other ES programme, etc. Since then it refers to a *start* on one of these options.

### Further Reading

1. Employment Service Research and Evaluation Report. *Restart Course: Postal Survey*, prepared by Public Attitude Surveys Ltd, August 1996

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<sup>82</sup> Dept. of Employment Press Notice, 30 November 1993: "*David Hunt announces new Modern Apprenticeship Scheme to Boost Britain's Skills*".

<sup>83</sup> DfEE Departmental Report, March 1997, Cm 3610, para 8.59

## M. Jobplan Workshops

Workshops for people who have been unemployed for 12 months or more. They are designed to give individual counselling and help in drawing up an action plan for getting back to work. People referred to Jobplan Workshops after their 12 month Restart interview may suffer benefit penalties if they fail to attend.

**Announced:** 12 November 1992, at the time of the Autumn Statement. Gillian Shephard, then Secretary of State for Employment, gave details in a Written Answer.<sup>84</sup>

A major point of entry into other opportunities will be the new jobplan workshops to be run by the Employment Service. These will advise and assess the needs of people unemployed for a year or more, principally, those who have not taken up other offers of help open to them. The successful experience of existing Restart courses and job review workshops will be drawn on, but the new workshops will offer more intensive support, from workshop leaders, including one-to-one advice and guidance, new computer-aided guidance and an enhanced action plan. Those completing workshops will have priority access to other programmes. It is expected that around 300,000 people will pass through the programme in 1993-94.

Employment Service advisers will offer places in job plan workshops to all those out of work for a year who have not taken up an offer of help back to work. As is currently the case with Restart courses offered to people unemployed for two years those who do not take up places offered to them may lose their benefit for a period of time. The social security advisory committee will be consulted shortly about the benefit for non-attendance in these circumstances.

**Started:** 29 March 1993<sup>85</sup>

**Eligibility:** To be eligible, people must be aged 25 or over and have been unemployed and in receipt of benefit for 12 months or more. (The equivalent programmes for 18-24 year olds are 1-2-1 and Workwise.) At their 12 month Restart interview, such people will be required to attend a Jobplan Workshop if they refuse or fail to take up other options offered. Failure to attend the Workshop may result in a benefit sanction of loss of JSA personal allowance for two weeks on

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<sup>84</sup> HC Deb 12 November 1992, c 904W

<sup>85</sup> Dept. of Employment Press Notice, 29 March 1993: "*Jobplan Workshops Boost for 300,000 Long Term Jobless*"

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the first occasion or four weeks for those who have been sanctioned in the previous twelve months. Those who do attend continue to receive their normal benefit entitlement.

**Administration:** The Workshops are run by specialist organisations from the private, public and voluntary sectors under contract to the Employment Service. The Workshops have two trained leaders providing guidance through one-to-one interviews, access to computer-assisted guidance programmes and help with drawing up an Action Plan. Jobplan Workshop leavers have priority access to other Employment Service and TEC/LEC programmes such as Job Club or Training for Work.

**Duration:** One week

**Cost and Numbers:** Departmental Reports [see Part III, 2-3, below] give the following expenditure and performance figures:

Jobplan Workshop						
	1993/94 Outturn	1994/95 Outturn	1995/96 Outturn	1996/97 Est. Outturn	1997/98 Plans	1998/9 Plans
Expenditure (£ million)	27.8	24.5	17.1	16.1	9.3	9.3
Opportunities (000s)	301	248	165	128	89	89
Positive outcomes * (000s)	259	99	144	55	38	38

\* Prior to 1994/95 the term positive outcome refers to a *referral* to a job, training or other ES programmes etc. Since then it refers to a *start* on one of these options.

### Further Reading

1. DVL Smith Ltd, *Jobplan and 12 month Flow Evaluation: Research Report*, for the Employment Service, May 1994
2. A Birtwhistle, "*Jobplan Evaluation: Summary of Findings*", Employment Service Research and Evaluation Report No 100, December 1994
3. *Unemployment Unit Working Brief*, February 1996, "Compulsion is not working"



## N. Workwise (Worklink in Scotland)

Intensive four week courses designed to help young people aged 18-24 who have been out of work for a year to find work. Failure to attend the course can lead to benefit sanctions.

**Announced:** 30 November 1993. In a statement following the Budget, David Hunt, then Secretary of State for Employment said:<sup>86</sup>

"We are determined to give particular assistance to people who have been unemployed for a long time in their search for work. For this reason, we are also announcing three pilot schemes today: .....

- an extended jobsearch and assessment course building on the very considerable success of our Jobplan Workshops, which have had a clear effect on the numbers of people leaving unemployment. The new course will last for up to four weeks and provide help to young people aged 18-25 unemployed over a year."

**Started:** On a pilot basis in April 1994. The pilots were in specific locations in the following regions: London, South East, Northern, South West, East Midlands, Eastern and Scotland.<sup>87</sup> In his Budget speech on 29 November 1994, the Chancellor, Kenneth Clarke, announced that the scheme would be extended nationwide.<sup>88</sup> In fact, it was combined with 1-2-1 [see section O, below] from 3 April 1995 to provide a nationwide "Workwise and 1-2-1" programme.<sup>89</sup>

**Eligibility:** Young people aged 18-24 who have been unemployed for 12 months. Failure to attend may lead to a benefit sanction. This is loss of JSA personal allowance for two weeks on the first occasion or four weeks for those who have been sanctioned in the previous twelve months. Those who attend continue to receive their normal benefit entitlement. As part of the expansion of 1-2-1 announced in November 1995, other groups may also now be referred to Workwise courses.<sup>90</sup> These include groups who qualify for early entry to government programmes (eg people with disabilities, labour market returners etc) for whom there will be no penalties for non-attendance, and older long-term unemployed people, for whom there will.

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<sup>86</sup> Dept. of Employment Press Notice, 30 November 1993, *"New Jobseeker's Allowance will focus help on those most in need - David Hunt"*

<sup>87</sup> Dept. of Employment Press Notice, 25 March 1994: *"David Hunt Announces Intensive Job Help for 18-24 Group"*  
 Scottish Office Press Notice, 25 March 1994: *"Michael Forsyth announces new job help for young people in Scotland"*

<sup>88</sup> HC Deb 29 November 1994, c 1091

<sup>89</sup> Dept of Employment Press Release, 30 March 1995, *"New Job Help for Long term Unemployed Young People"*

<sup>90</sup> *Unemployment Unit Working Brief*, April 1996, "1-2-1 interviews are to be extended"

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**Administration:** Workwise replaces Jobplan Workshops for the age group<sup>91</sup> and is run on similar lines [see section M above].

**Duration:** Up to four weeks. Formal attendance is part-time but participants are encouraged to make job applications in the rest of the day.

**Cost and Numbers:** Expenditure and performance figures for Workwise are given in the DfEE Departmental Report published in March 1997.<sup>92</sup>

Workwise					
	1994/95 Outturn	1995/96 Outturn	1996/97 Estimated Outturn	1997/98 Plans	1998/99 Plans
Expenditure (£ million)	1.9	5.7	6.2	5.0	5.0
Opportunities	10,000	27,635	22,400	22,040	22,040
Positive outcomes	4,000	19,660	15,390	15,208	15,208

### Further Reading

1. J Kay et al, "*Evaluation of Workwise/Worklink Pilots for 18-24 Year Olds. Tracking Study and Analysis of Register Off-Flows*", August 1995, Employment Service Research and Evaluation REB 104
2. *Unemployment Unit Working Brief*, February 1996, "Compulsion is not working"
3. J Kay and J Fletcher, *Evaluation of 1-2-1/Workwisw for 18-24 Year Olds. Tracking Study*, Employment Service Research and Evaluation Report, No 109, October 1996

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<sup>91</sup> HC Deb 26 October 1994, c 678W

<sup>92</sup> Cm 3610, Table 8.11

**O. 1-2-1**

A series of structured interviews on a one-to-one basis to help young people who have been unemployed for one year in their search for work. Failure to attend the interview may result in benefit suspension.

**Announced:** 30 November 1993. In a statement following the Budget, David Hunt, then Secretary of State for Employment announced three pilot schemes designed to give "particular assistance to people who have been unemployed for a long time in their search for work". One of the pilots was:<sup>93</sup>

"intensive 'caseloading' to test the effectiveness of giving people their own caseworker to help identify the best way out of unemployment for them. Again, this will help young people aged 18-25 unemployed over a year "

**Started:** On a pilot basis, in April 1994 in specific locations in the following regions: Yorkshire and Humberside, Wales, London, South East, West Midlands and North West.<sup>94</sup> In his Budget speech on 29 November 1994, the Chancellor of the Exchequer, Kenneth Clarke, announced that the scheme would be extended nationwide.<sup>95</sup> In fact, it was combined with Workwise [see section N above] from 3 April 1995 to provide a national "Workwise and 1-2-1" programme.<sup>96</sup>

**Eligibility:** Young people aged 18-24 who have been unemployed for 12 months. Failure to attend may lead to benefit suspension for two weeks in the first instance and four weeks on subsequent occasions. Otherwise, benefit continues as normal. As part of the expansion of 1-2-1 announced in November 1995, other groups may also now be covered.<sup>97</sup> These include groups who qualify for early entry to government programmes (eg people with disabilities, labour market returners etc) for whom there will be no penalties for non-attendance, and older long-term unemployed people, for whom there will.

**Administration:** An Employment Service Scheme. 1-2-1 involves a series of up to six structured interviews on a one-to-one basis, giving counselling in job search techniques and helping clients devise a realistic route into work or appropriate training. A single, trained adviser is responsible for seeing through each person's programme.

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<sup>93</sup> Dept. of Employment Press Notice, 30 Nov. 1993: *"New Jobseeker's Allowance will focus help on those most in need - David Hunt"*

<sup>94</sup> Dept. of Employment Press Notice, 25 March 1994, op. cit.

<sup>95</sup> HC Deb 29 November 1994, c 1091

<sup>96</sup> Dept of Employment Press Release, 30 March 1995, *"New Job Help for Long Term Unemployed Young People"*

<sup>97</sup> *Unemployment Unit Working Brief*, April 1996, "1-2-1 interviews are to be extended"

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**Duration:** A series of up to six interviews for each client over a six to 12 week period.<sup>98</sup>

**Costs and Numbers:** An expansion of the 1-2-1 programme was announced in a DfEE Press Notice accompanying the 1995 Budget.<sup>99</sup>

"At the same time we are also developing new ways of helping unemployed people. The intensive "1-2-1" programme of individual help and counselling for long-term unemployed people is being more than doubled in size to provide almost 240,000 opportunities a year."

The March 1996 Departmental Report provided for nearly 240,000 opportunities a year from 1996/97, but the figure had been revised downwards by March 1997. Expenditure and performance figures for 1-2-1 are given in the DfEE's Departmental Report published in March 1997:

1-2-1					
	1994/95 Outturn	1995/96 Outturn	1996/97 Estimated Outturn	1997/98 Plans	1998/99 Plans
Expenditure (£ million)	0.5	6.4	12.6	11.8	11.8
Opportunities	7,500	67,555	190,000	179,000	179,000
Positive Outcomes*	5,100	43,830	115,700	107,400	107,400

\* Prior to 1994-95 the term positive outcome refers to a *referral* to a job, training or other ES programmes, etc. Since then it refers to a *start* on one of these options.

### Further Reading

1. A. Birtwhistle et al, "*Evaluation of Supportive Caseloading. (1-2-1) in North Norfolk: Tracking Study*", November 1994, Employment Service Research and Evaluation REB 95
2. J Kay and J Fletcher, "*Evaluation of 1-2-1/Workwise for 18-24 Year Olds. Tracking Study*", Employment Service Research and Evaluation Report No 109, October 1996

<sup>98</sup> HC Deb 21 March 1994, cc 53-54W

<sup>99</sup> DfEE Press Notice, 28 November 1995, "*Shephard announces £878m more for schools*"

## P. Jobfinder Programme

A series of up to seven intensive interviews with an adviser to provide concentrated help for those who have been unemployed for two or more years in getting back to work. Those who fail to attend suffer benefit penalties.

**Announced:** In his Budget Statement on 26 November 1996, Kenneth Clarke said:<sup>100</sup>

“In this Budget I am providing another £100 million worth of new money for new measures mainly targeted on people who have been unemployed for two years or more. First, they will be required to attend a compulsory programme of interviews with the Employment Service to give them a helping hand to compete in our ever improving market for jobs.”

Gillian Shephard, Secretary of State for Education and Employment, made a fuller announcement in her statement accompanying the Budget:<sup>101</sup>

“In addition, from April next year, a new mandatory programme of intensive interviews will be introduced designed to provide those reaching two or more years unemployment with concentrated back to work help from the Employment service. This approach is expected to help about 250,000 people next year.”

**Started:** April 1997

**Details:** Further details of the scheme were given in reply to a PQ on 13 January 1997:<sup>102</sup>

**Mr Forth:** The new jobfinder programme will comprise a series of intensive interviews which focus on helping people who have been unemployed for two or more years back into work. It will build on the success of the 1-2-1 programme, which will continue to help people who have been unemployed for 12 months. The Government’s intention is that jobseekers reaching two years or more unemployment will be referred to the programme by the Employment Service at the relevant restart interview and that, subject to Parliament, those who fail to attend without good cause will be subject to benefit sanction under the provisions of section 19 of the Jobseekers Act 1995, and regulation 69, 73 and 75 of the Jobseeker’s Allowance Regulations 1996.”

These Regulations permit suspension of JSA personal allowance for two weeks on the first occasion and four weeks on subsequent occasions within twelve months.

**Cost and Numbers:** The DfEE Departmental Report published in March 1997 says that Jobfinder is expected to help 250,000 jobseekers in 1997-98.<sup>103</sup>

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100 HC Deb 26 November 1996, c 162  
101 HC Deb 26 November 1996, c 176W  
102 HC Deb 13 January 1997, c 69W  
103 Cm 3610, para 8.58

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### Q. Job Search Plus

Three day courses aimed at helping people who have been unemployed for three months to improve their jobsearch skills.

**Announced:** The DfEE Departmental Report published in March 1996 announced that a new programme for people unemployed for 13 weeks would be phased in to replace Job Search Seminars and Job Review Workshops between April and October 1996.<sup>104</sup>

"A new programme is being developed to replace the existing Job Search Seminar and Job Review Workshop provision. This will be designed to meet the changing needs of clients at this duration of unemployment in the current labour market. It is intended to launch the new programme from April 1996 and phase it in during the period from April to October. It will incorporate the strongest elements of both programmes and deliver a clearly defined set of job search competencies. ES plans to provide 80,000 opportunities each year at a cost of £5.3 million in 1996-97, £5.4 million in 1997-98 and £5.6 million in 1998-99."

Eric Forth, launching the scheme in August 1996, said:<sup>105</sup>

"Jobsearch Plus targets jobseekers who, after three months of unemployment, may feel that their jobseeking skills are flagging and who need help to increase their chances of getting work. Each participant will leave the course with an action plan to help them get back into work and 20 high quality CVs.

Unemployment can be a demoralising experience and this programme will improve those skills which are vital for finding work. There are currently 335,549 people in the UK who have been unemployed for between 13 weeks and six months and so eligible for the programme. Fifty per cent of people who become unemployed find a job within three months; this figure rises to two-thirds of jobseekers finding work within six months."

**Started:** Phased in from April 1996. Launched nationally from October 1996 to coincide with the introduction of Jobseeker's Allowance (JSA).

**Eligibility:** People who have been unemployed and in receipt of benefit for between thirteen weeks and six months. Certain groups (notably, people who have been on Training for Work,

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<sup>104</sup> Cm 3210, para 8.30

<sup>105</sup> DfEE Press Release, 20 August 1996, *Forth launches new £6 million national scheme for jobseekers*

people with disabilities, returners to the labour market, people who have been in prison or those who have recently left the armed forces) can join before thirteen weeks.

**Details:** The three day course will help participants to:<sup>106</sup>

- “set at least two clear job goals;
- identify potential employers;
- produce a CV which reflects the experience, skills and qualities they have to offer;
- prepare for interviews and deal with their outcomes;
- develop an action plan to help them get back to work.

Participants leave the scheme with a resource pack which will help them plan and document their search for work, 20 high quality CVs and a follow-up programme.”

**Cost and Numbers:** The DfEE Departmental Report published in March 1997 gives the following expenditure and performance figures for Jobsearch Plus and its predecessors:

Jobsearch Plus:	1994-95 Outturn	1995-96 Outturn	1996-97 Est Outturn	1997-98 Plans	1998-99 Plans	1999-00 Plans
Expenditure (£m)			4.9	5.4	5.3	5.3
Opportunities			56,800	81,575	80,000	80,000
JRW expenditure (£m)	2.2	1.9				
JRW opportunities	37,351	30,589				
JSS expenditure (£m)	4.4	3.5				
JSS opportunities	66,200	59,939				

JRW = Job Review Workshops

JSS = Job Search Seminars

<sup>106</sup>

DfEE Press Release, 20 August 1996, *Forth launches new £6 million scheme for jobseekers*

### R. Job Clubs

These Clubs help people who have been unemployed for 6 months or more to find jobs as efficiently as possible, by providing free use of directories, telephones, stationery etc.

**Started:** On a pilot basis in Durham and Middlesbrough in November 1984. The number grew during 1985/6 and a major expansion was announced by Lord Young, then Secretary of State for Employment, on 9 October 1986.<sup>107</sup>

"A major expansion in the number of Jobclubs from 250 at present to 1,000 by March 1987 and, if the need continues, to 2,000 by September 1987. Jobclubs are self-help groups with expert help and free facilities to members looking for work. Two out of three people leaving Jobclubs go into work, the average stay is 5 weeks, and the average number of members is 30. For the first time the private sector will be invited to help run Jobclubs."

"Turning to the planned expansion in Jobclubs of up to 2,000 over the next twelve months Lord Young said: "Jobclubs are a great success story. They help unemployed people find jobs for themselves by providing free telephones and postage and expert help in writing job applications. Two-thirds of people leaving Jobclubs go into employment. That record speaks for itself. And that is why we are going for a big expansion."

**Eligibility:** People aged 18 or over who have been unemployed for 26 weeks. Certain groups (eg people with disabilities, the victims of large-scale redundancies, labour market returners etc.) can gain immediate entry. Rights to benefit are not affected while attending the Clubs. Travel costs to the Job Club are re-imbursed.

**Administration:** The Clubs are usually run by specialist providers under contract to the Employment Service. Job Club leaders help with compiling CVs, completing application forms, and improving interview and telephone techniques. Attenders have free use of telephones, stationery, photocopiers, directories, trade magazines etc.. There are some specialist Job Clubs to help disadvantaged people such as former detainees and those nearing release from prison. There are also some Executive and Management Job Clubs.

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<sup>107</sup> Dept. of Employment Press Release, 9 October 1986: "*New Help for Six Months Unemployed*"



**Duration:** Participants are normally expected to attend on 4 half days a week. The average length of stay is about 12 weeks. The maximum length of stay is established in each area and is normally between 4 and 6 months.<sup>108</sup>

**Costs and Numbers:** Departmental Reports [see Part III 1-3, below] measure Job Club performance primarily by their success in getting people into jobs:

Job Clubs							
	1992/93 Outturn	1993/94 Outturn	1994/95 Outturn	1995/96 Outturn	1996/97 Estimated Outturn	1997/8 Plans	1998/9 Plans
Opportunities (000s)	220	249	266	240	150	144	144
Job starts (000s)	97	106	115	96	74	58	58
Expenditure (£m)	38.7	40.8	42.7	42.2	37.9	26.6	26.6

### Further Reading

1. Michael White, Steve Lissenburgh and Alex Bryson, *The Impact of Public Job Placing Programmes*, Policy Studies Institute, 1997

<sup>108</sup>

*Unemployment and Training Rights Handbook*, 1997 edition, p 223

### S. Travel to Interview

A scheme which assists unemployed people to attend job interviews which are beyond normal daily travelling distance. It replaced the Job Search Scheme, the Employment Transfer Scheme and the Free Forward Fares Scheme in 1986.

**Announced:** On a national basis, 13 June 1986, by the Manpower Services Commission:<sup>109</sup>

"More people will get financial help with travel costs incurred when going to job interviews, the Manpower Services Commission announced today.

A new scheme - the Travel to Interview Scheme - starts on Monday 16 June following a successful 'pilot' in the Northern Region during the past year where it was found to be a simpler scheme to operate and a more cost effective way of helping people in their search for work. It is anticipated that some 18,000 people will take advantage of the nationwide scheme.

Designed to help unemployed people with the costs of attending job interviews outside their home areas, the £500,000 Scheme replaces the Job Search Scheme and the main differences in the rules are:

- the local labour market rule will no longer apply as the new scheme is not tied to filling skill shortage vacancies;
- assistance is limited to people who have been unemployed for at least four weeks before the date of the job offer;
- no subsistence rates are paid."

**Started:** 16 June 1986, following a pilot in the Northern region.

**Eligibility:** The rules were changed from 1 April 1996 so that it now applies to people who have been unemployed for 13 weeks or more and are claiming benefit. Previously the qualifying period of unemployment was 4 weeks. This is "part of the new 13 week provision aimed at supporting the requirement for clients to widen their jobsearch activity at this stage."<sup>110</sup> [See Section Q above]. The Employment Service will pay travel expenses for those who are invited to interview by employers beyond normal daily travelling distance. Claims for travel expenses must be made in advance. The job should be for more than 30 hours a week and expected to last for 12 months or more but "a more realistic interpretation" of this condition will now be

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<sup>109</sup> MSC Press Notice, 13 June 1986

<sup>110</sup> Cm 3210, para 8.31

adopted. Assistance can now be given for second and subsequent interviews. There used to be an upper salary limit of £25,000 on the job applied for, but this has now been removed.<sup>111</sup>

**Costs and Numbers:** The DfEE Departmental Report published in March 1997 says that in 1995-96, the programme helped almost 47,000 people at a cost of £1.8 million and that it is expected to help 38,500 people during 1996-97. The planned provision for future years is £1.6 million to provide 38,500 approved applications in each year.<sup>112</sup>

### Further Reading

1. C Bryson, *Travel to Interview Scheme*, Public Attitudes Survey for the Employment Service, July 1995.

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<sup>111</sup> HC Deb 20 February 1996, c 121W

<sup>112</sup> Cm 3610, para 8.28

### T. Job Interview Guarantee (JIG)

A programme designed to help people unemployed for 6 months or more into work by obtaining employers' agreement to guarantee interviews in return for enhanced services from the Employment Service.

**Announced:** 9 March 1989 as one of the new initiatives to mark the first anniversary of the Action for Cities programme. Norman Fowler, then Secretary of State for Employment, gave details in a Press statement:<sup>113</sup>

"Announcing the initiative, Mr Fowler said "With job opportunities increasing in inner cities and elsewhere, and with the numbers of school-leavers entering the job market falling drastically over the next few years, it is sensible that employers should be more and more willing to consider long term unemployed people for their vacancies. The Job Interview Guarantee will help employers choose the right people for the right jobs."

The initiative will initially be offered in 20 Inner City areas and will be available from the Spring. It will link the assistance already offered by jobclubs and the Employment Service with new measures. These will include a Job Preparation Course, similar to the current Restart course model but with employers involved in tailoring the course content to meet their specific needs. 'Work Trials' will offer short periods of work experience with potential employers to the unemployed whilst they remain on benefit, allowing employers to reassure themselves about employing people who have been out of work for some time.

In return for this enhanced service, employers will enter into formal agreements with the Employment Service in which they guarantee to interview Job Interview Guarantee clients for the vacancies they have available.

Mr Fowler said, "This initiative is intended for people who are ready for employment. However there may be some who, through a work trial, will realise that they have training needs that Employment Training might meet. For those people, training under ET, tailored to employer's needs can be made available."

**Started:** On a pilot basis, in 20 inner city areas, from September 1989.<sup>114</sup> It became a national programme from April 1991.<sup>115</sup>

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<sup>113</sup> Dept. of Employment Press Notice, 9 March 1989

<sup>114</sup> The pilot areas are listed in a written answer, HC Deb 14 July 1989, c 654W

<sup>115</sup> HC Deb 2 November 1994, c 1126W

**Eligibility:** People aged 18 or over who have been unemployed for 26 weeks or more. Certain groups (eg people with disabilities, labour market returners) qualify for immediate entry.

**Administration:** JIG originally contained five components, any combination of which may have been used in a particular case:

- Matching and Screening - to make sure the employer only sees a small selection of suitably qualified candidates.
- Customised Training - the Employment Service brings together employers and TECs to provide courses tailored to the employer's needs. Benefit plus £10 is paid to those on these courses.
- Job Preparation Courses - a one week course preparing the unemployed person for the guaranteed interview.
- Adopted Job Clubs - the employer agrees to interview all suitable applicants from a particular Job Club.
- Work Trials - a trial period of up to 15 days during which both parties (employer and employee) can determine how suitable they are to each other's needs. Benefit continues to be paid during the trial period. In addition, meal and travel expenses up to a limit, are covered.

Work Trials are now identified as a separate scheme [See Section U below] In 1996/97, the menu of JIG options was confined to the first three listed above. The training courses ended in 1996/97 and JIG is now virtually confined to the matching and screening service. For this reason, no expenditure figures are included for 1997/98 and beyond.

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**Costs and Numbers:** Departmental Reports published in March 1995, 1996 and 1997 give the following expenditure and performance figures for JIG:

Job Interview Guarantee							
	1992/93 outturn	1993/94 outturn	1994/95 outturn	1995/96 outturn	1996/97 estimated outturn	1997/98 plans	1998/99 plans
Expenditure (£ million)	1.1	3.3	1.0	0.8	1.0	-	-
Opportunities	119,000	412,000	450,138	376,600	216,100	-	-
Placings	76,700	178,000	205,020	169,290	97,250	-	-

### Further Reading

1. Kay Pattison, "*Job Interview Guarantee Scheme: Analysis of Monitoring Information*", Employment Service Research and Evaluation Branch Report No 58, November 1990
2. British Market Research Bureau, "*Job Interview Guarantee Evaluation: report on a survey of JIG participants*", May 1992, for the Employment Service
3. British Market Research Bureau, "*Job Interview Guarantee Evaluation: report on a survey of JIG employers*", May 1992, for the Employment Service
4. Michael White, Steve Lissenburgh and Alex Bryson, *The Impact of Public Job Placing Programmes*, Policy Studies Institute, 1997

**U. Work Trials**

A programme aimed at people who have been unemployed for six months or more. They can continue to receive benefit plus an allowance for travel and meal expenses during a three week trial period in a new job.

**Announced:** As part of the Job Interview Guarantee Scheme, on 9 March 1989. [See Section T above]

**Details:** See Section T above

**Cost and Numbers:** The DfEE Departmental Reports published in March 1996 and March 1997 contain the following expenditure and performance figures for Work Trials:<sup>116</sup>

Work Trials (England)						
	1993/94 outturn	1994/95 outturn	1995/96 outturn	1996/97 estimated outturn	1997/98 plans	1997/98 plans
Expenditure (£ million)	1.2	1.1	1.8	1.8	1.0	1.0
Opportunities	14,000	17,900	29,430	28,800	30,000	30,000
Placings	8,120	11,600	17,310	14,400	18,000	18,000

**Further Reading**

1. DVL Smith Ltd, "*Evaluation of Work Trials - Employer Survey*", November 1993, for The Employment Service
2. Michael White, Steve Lissenburgh and Alex Bryson, *The Impact of Public Job Placing Programmes*, Policy Studies Institute, 1997. [This found Work Trial to be one of the most successful labour market programmes ever at moving people from welfare to work.]

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<sup>116</sup> Cm 3210, Table 8.6 and Cm 3610, Table 8.8

### V. Workstart

This was a pilot scheme designed to test the effectiveness of offering employers a job subsidy to take on the long-term unemployed. It has now been absorbed within the Project Work pilots and will be an important feature of the New Deal for both the young and the long-term unemployed.

**Announced:** 16 March 1993. Norman Lamont, in his Budget Statement, said:<sup>117</sup>

Those who have been unemployed for a long time tend to lose touch with the job market, and the problem is that they find it increasingly difficult to find an employer who wants to take them on. We propose to test in pilot schemes the feasibility and effectiveness of a new approach, under which rather than pay benefit to the long-term unemployed to do nothing, payments will instead be made, for a limited period, to an employer who recruits them.

Employers taking on people who have been out of work for at least two years will receive a one-year subsidy based on the benefits which would otherwise have been paid. That subsidy will taper off as the period of employment progresses. Pilot schemes using different approaches will be launched this summer in four parts of the country. If they can be made to work, I believe that they could be useful, and would lead to permanent jobs for the long-term unemployed as the economy recovers.

**Started:** On a pilot basis, in July 1993. The first pilot schemes ran until December 1994. Further pilot schemes, to run from April 1995, were announced in the Budget on 29 November 1994.<sup>118</sup>

**Details:** Four pilot schemes started in July 1993. Under the scheme, employers were paid a subsidy of £60 a week for 6 months, falling to £30 for the following six months, to take on long-term unemployed people. There were four pilot areas, two pilots being run by TECs and two by the Employment Service:

- Tyneside TEC, covering the cities of Newcastle and the districts of Wallsend, Gateshead and South Shields
- Devon and Cornwall TEC, covering the counties of Devon and Cornwall. [NB This scheme transferred to the Employment Service in April 1994]

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<sup>117</sup> HC Deb 16 March 1993, c 193

<sup>118</sup> HC Deb 29 November 1994, cc 1090-1



- Employment Service area of South and South West London, covering the boroughs of Southwark, Croydon, Bromley, Lambeth, Wandsworth, Merton and Sutton
- Employment Service area of East Kent, covering the districts of Thanet, Dover, Shepway, Swale, Ashford and Canterbury

The pilots in Tyneside and East Kent covered people unemployed for two years or more. Those in Devon and Cornwall and South and South West London applied initially to people unemployed for four years or more. Eligibility for the scheme in Devon and Cornwall was reduced to two years' unemployment in April 1994. These pilots ran until December 1994.

In his Budget on 29 November 1994, Kenneth Clarke announced a further round of pilots to start in April 1995, as part of his package of measures designed to encourage employers to look more favourably on the long-term unemployed:

"More immediately, my right hon. Friend the Secretary of State for Employment intends to develop new pilots under the Workstart scheme. This offers employers a grant to recruit people who have been unemployed for over two years. There will be around 5,000 new job opportunities. Experience with existing pilots that we have been running suggests that the scheme helps to break down the prejudice which can blight the long-term unemployed." <sup>119</sup>

This time there were only two pilot areas - in the North West and in the West Midlands - and both were to be run by the Employment Service. Recruitment to these two pilots ended in March 1996.<sup>120</sup> They were designed to explore "various subsidy possibilities":<sup>121</sup>

- In the North West, the incentive to the employer depends on the length of unemployment: £700 for those unemployed for 2-3 years; £1,400 for those unemployed for 3-4 years; £2,800 for those unemployed for 4 years or more. Some unemployed people are given vouchers to present to prospective employers.
- In the West Midlands, the value of the subsidy varies between £700 and £2,800. Employment Service staff negotiate with employers over the exact amount in each case. The duration of the subsidy ranges from 3 to 12 months.<sup>122</sup>

Two further pilots, in which employers were offered £1,000 recruitment grants to take on the long-term unemployed were subsequently announced. The grants came in the form of vouchers issued to the long term unemployed and redeemable by employers. These pilots were in Essex, where there were 1,000 employer subsidies (January - 26 April 1996) and Leeds where 5,000 long term unemployed were to be issued with vouchers (until 26 July 1996).<sup>123</sup> Workstart

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<sup>119</sup> HC Deb, 29 November 1994, cc 1090-1

<sup>120</sup> HL Deb 10 January 1996, c 126, Lord Henley

<sup>121</sup> Dept of Employment Press Notice, 6 April 1995, "*Workstart proves an Effective Kickstart to a job*"

<sup>122</sup> Ibid

<sup>123</sup> DfEE Press Notice, 21 March 1996, "*New Workstart Pilot for Leeds - Forth*"

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subsidies are now available to those participating in Project Work pilots.<sup>124</sup> [See Section H above]

### Costs and Numbers:

A total of 1,575 employees participated in the 1993/94 pilot schemes.<sup>125</sup> The reply to a PQ shows the number involved in each area:<sup>126</sup>

Workstart Pilots July 1993 - December 1994			
Pilot	Number of places taken up*	Number of people still participating	Number of employers involved**
Kent	468	238	380
Devon and Cornwall	626	433	309
Tyneside	243	137	130
South West and South London	238	108	144

\* Figures February 1995

\*\* Figures September 1994 (evaluation completed in September)

The total programme costs for the 1993/94 pilots were £2.7 million.<sup>127</sup>

It is estimated that the pilots which started in April 1995 and ended in March 1996 will have helped some 800 people at an estimated final cost of £1.02 million.<sup>128</sup> For 1995-96 and 1996-97, £7 million was made available for further variations to be piloted.<sup>129</sup>

**The Future:** The Labour Government has increased the amount of the Workstart subsidy in the Project Work pilots to £75 for those aged 25 or over and £60 for those aged 18-24. This is a first step on the way to the implementation of the New Deals for the Long-Term Unemployed and the Young Unemployed. [ See Sections I and J above]

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<sup>124</sup> HL Deb 10 January 1996, c 126, Lord Henley

<sup>125</sup> HC Deb 20 February 1996, c 119W

<sup>126</sup> HC Deb 14 March 1995, cc 497-8W

<sup>127</sup> HC Deb 20 February 1996, c 119W

<sup>128</sup> HC Deb 5 February 1996, c 69W

<sup>129</sup> Cm 3210, para 8.71

**Further Reading**

1. Coopers and Lybrand, *"Workstart Pilots: Qualitative Study. Final Report to the Employment Department and the Employment service"*, January 1994. This was an early study involving only a few interviews. It suggested that in 19 out of 21 cases a vacancy which would not normally have been filled by someone who was very long-term unemployed had been filled by such a person. Only 7 of the 21 vacancies were "additional", in the sense of being jobs which might not have existed without the scheme.
2. Institute of Employment Studies, *"Evaluation of Workstart Pilots"*, Report 279, by J Atkinson and N Meager, 1994. This reports the findings of an evaluation of employer participation in Workstart pilots, conducted in August 1994 among 399 participating employers. It found that Workstart met its main aim - to influence employers' selection decisions in favour of the very long term unemployed - among 45% of participating employers, although just over half this substitution was at the expense of the shorter term unemployed. It met its subsidiary aim - the creation of employment opportunities - among 17% of the vacancies covered, but had some partial job-creating effects among a further 27%.
3. National Economic Research Associates, *"Right to Work" Assessment. An independent inquiry requested by the Prime Minister into the cost of Sir Ralph Howell's Right to Work proposals*, December 1996. [Sir Ralph had proposed a Workstart subsidy for those unemployed for six months or more. NERA concluded that such a scheme would "lead to additional jobs being offered and that these would by no means be entirely negated by second round effects".]

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### W. Jobfinder's Grant

A scheme which pays long term unemployed people who find full-time work a one-off grant to help them with the expenses of starting work. It is intended to encourage them to take jobs they would not otherwise have taken.

**Announced:** 30 November 1993. In a statement following the Budget, David Hunt, then Secretary of State for Employment announced three pilots designed "to give particular assistance to people who have been unemployed for a long time in their search for work". One of the pilots was:<sup>130</sup>

"- the Jobfinder's Grant, giving assistance to people who have been out of work for two years or more when they find a job."

**Started:** On a pilot basis, on 7 February 1994. Extended nationally, following an announcement in the Budget on 29 November 1994, on 18 April 1995.

**Details:** The original pilot scheme provided a grant to people who had been unemployed for two years or more who found a full-time permanent job paying less than £250 a week. The grant was piloted at two levels:

- £100 in the West Midlands areas of Birmingham, Dudley, Sandwell, Wolverhampton and Walsall; and;
- £200 in the East Midlands region, covering Derbyshire, Leicestershire, Lincolnshire, Nottinghamshire, Cambridgeshire, Northamptonshire, Norfolk and Suffolk.<sup>131</sup>

4,708 grants were awarded under these pilots.<sup>132</sup>

The national scheme pays a grant of £200 to people who have been unemployed for two years who find a full time job paying up to £150 a week.<sup>133</sup> There is a savings limit of £2,800.<sup>134</sup> If the recipient fails to start work or leaves during the first twelve weeks, they will be asked to repay the grant.<sup>135</sup>

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<sup>130</sup> Dept. of Employment Press Notice, 30 Nov. 1993: *"New Jobseeker's Allowance will focus help on those in need - David Hunt"*

<sup>131</sup> Dept of Employment Press Release, 7 February 1994, *"Employment Service pilots cash help for jobfinders"*

<sup>132</sup> Dept of Employment Press Release, 18 April 1995, *"Jobfinder's grant goes national"*

<sup>133</sup> Dept of Employment Press Release, 18 April 1995, op cit

<sup>134</sup> HC Deb 7 November 1995, c 842-3W

<sup>135</sup> ES Adviser Guidance, *Jobfinder's Grant*, April 1997, Circular 331/5, para 31

Between 1995 and April 1997, two further pilots were included within the national scheme. The pilot in the South West tested the use of a grant varying in size with the length of unemployment. The levels were £100 at 2 years, £200 at 3 years and £400 at 4 years or more.<sup>136</sup> The other, which started on 22 May 1995, was in Yorkshire and Humberside. This allowed the Employment Service discretion to set the level of the grant between £100 and £400. It also tested a higher wage limit of £250, certain types of self employment and jobs lasting less than 30 hours a week but more than 16.<sup>137</sup> The savings limit in these pilot areas is £2,600.<sup>138</sup>

**Costs and Numbers:** The DfEE Departmental Report published in March 1997 gave the following expenditure and performance figures for Jobfinder's Grant:<sup>139</sup>

Jobfinder's Grant					
	1994/95 Outturn	1995/96 Outturn	1996/97 Estimated Outturn	1997/98 Plans	1998/99 Plans
Expenditure (£ million)	0.7	2.3	3.0	4.0	4.0
Number of Grants	4,700	12,380	19,000	20,000	20,000

**Tax Status:** Exempt from tax.<sup>140</sup>

### Further Reading

1. Joanne Moore and Peter Dickinson, *"Evaluation of the Jobfinders' Grant Demonstration Project"*, The Research Partnership, September 1995

<sup>136</sup> Employment Service, *Jobseeker's Allowance Manual*, *Product Knowledge* volume, section 30, Appendix 9, *Jobfinder's Grant*, para 2

<sup>137</sup> Dept of Employment Press Notice, 18 April 1995, op cit

<sup>138</sup> HC Deb 7 November 1995, c 842-3W

<sup>139</sup> Cm 3610, Table 8.14

<sup>140</sup> Inland Revenue Press Release, 28 November 1995, *"Tax Treatment of Work Incentives: Government Pilot Schemes and Jobfinder's Grant"*

### X. Jobmatch

Originally a pilot scheme designed to encourage long term unemployed people to take part time jobs. Now a similar national scheme confined to people aged 18-24.

**Announced:** 29 November 1994. In his Budget Statement on 29 November 1994, Kenneth Clarke said:<sup>141</sup>

I have also been impressed by an imaginative scheme pioneered by the training and enterprise council in Lincolnshire. This helps people build up full-time work by parcelling together a number of part-time jobs. The scheme is known in Lincolnshire as Jobmatch. I propose to extend it to help up to 3,000 people a year.

Gillian Shephard, then Secretary of State for Education and Employment, announced the national version at the time of the November 1996 Budget:<sup>142</sup>

“For those young people aged under 25 who have been out of work for two years or more, the Government will be making available throughout Britain the successful jobmatch programme. Jobmatch helps longer term unemployed people to use part time work as a route out of unemployment. It pays a weekly allowance for 6 months to those who take a part time job, and provides training vouchers which individuals can use to improve their skills and enhance their employability. Some 40,000 people aged under 25 have been unemployed for two years or more. Jobmatch will help to ensure that next year more of them get back into jobs.”

**Started:** On a pilot basis, on 3 April 1995. Two pilots were run by TECs - in Lincolnshire and North London. Two were run by the Employment Service - in Greater London and the North West.<sup>143</sup> The national scheme for 18-24 year olds started in April 1997.

**Details:** A £50 a week allowance is paid to people who have been unemployed for two years or more if they take a part-time job of at least 16 but less than 30 hours a week. The allowance is paid for six months. Help and guidance is provided with finding the first part-time job and in building it up to full-time employment.<sup>144</sup> Training vouchers worth £300 are offered and, in the pilots, bonuses were paid to participants who remained in employment after the allowance finished.<sup>145</sup> The national Jobmatch programme differs from the pilots in that it is confined to young people; the two bonus payments after the initial allowance ends have been

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<sup>141</sup> HC Deb 29 November 1994, c 1093

<sup>142</sup> HC Deb 26 November 1996, c 176W

<sup>143</sup> Dept of Employment Press Release, 29 March 1995, *"Jobmatch Pilots: Part-time work a springboard to full-time jobs"*

<sup>144</sup> Dept of Employment Press Release, 29 March 1995, op cit

<sup>145</sup> Cm 3210, para 8.75

dropped; and the procedures for issuing training vouchers have been simplified.<sup>146</sup> The national scheme is being run by the Employment Service.

**Costs and Numbers:** At 11 February 1997, it was stated that over 6,000 people had joined the programme since April 1995 and that the overall estimated cost of the pilots ending in March 1997 was £8 million.<sup>147</sup> In 1997-98, the Jobmatch scheme will offer 4,000 opportunities at a cost of some £4.8 million.<sup>148</sup>

### Further Reading

1. Helen Sampson, SIA Ltd, "*Evaluation of the Jobmatch Pilots: Qualitative Study*", November 1995, for the DfEE
2. Rick Loyd and David Hussey, *Evaluation of Jobmatch*, SIA Ltd, DfEE Research Studies RS26, 1996

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<sup>146</sup> HC Deb 13 January 1997, c 67W

<sup>147</sup> HC Deb 11 February 1997, c 111W

<sup>148</sup> HC Deb 17 February 1997, c 400W

### Y. Back to Work Bonus

A social security scheme which allows unemployed people who work part-time to be credited with half of their earnings up to £1,000 so that they can be paid it as a lump sum bonus if they get a full-time job and leave benefit. Legislation authorising this bonus is contained in the *Jobseeker's Act 1995* and the *Social Security (Back to Work Bonus) Regulations 1996 SI No 193*.

**Announced:** 12 October 1994 by Peter Lilley, Secretary of State for Social Security, at the Conservative Party Conference. Mr. Lilley gave more details in his statement to the House on the Jobseeker's Allowance on 24 October 1994 and in the White Paper on the "*Jobseeker's Allowance*" published that day.<sup>149</sup>

#### "Back to Work Bonus

4.31 As outlined in 2.14ff a new scheme is to be introduced which will reward individuals and their partners who take part-time work whilst receiving JSA, and will provide them with a greater incentive to move into employment of 16 hours or more.

4.32 The Back to Work Bonus will start when people have been unemployed for three months or more. As now, they will keep the first £5 of any part-time earnings, while a couple will keep the first £10. Part-time earnings over that level will reduce JSA pound for pound, as happens now in Income Support. The Bonus scheme will provide unemployed people and their partners with an entitlement to a credit equal to 50% of earnings above the £5 limit. That credit will accumulate as long as people remain unemployed (subject to certain limits) and will be paid as a cash lump sum when they or their partners move into full-time work (16 hours or more a week, 24 hours or more for partners). As an example, people earning £30 a week will have their JSA reduced by £25 a week. But £12.50 a week will be accrued under the Back to Work Bonus. If they then return to work 20 weeks later, they will receive a lump sum of £250.

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<sup>149</sup>



4.33 If both partners work and benefit is claimed on a means-tested basis then both sets of earnings will help to build up the bonus. The maximum amount of bonus which may be accumulated at any one time is £1,000 - a significant sum which will help with the varied costs which are incurred on making the transition into work. The scheme will encourage those in receipt of JSA to keep in touch with the labour market, improve their employment prospects and reward those who make the step to full-time work."

**Started:** October 1996

**Costs and Numbers:** Between October 1996 and May 1997, 15,000 bonus payments were made at a cost of £2,487,450. The estimated average bonus payment was £172.11. At the end of May 1997, 152,000 claimants had an accrued bonus.<sup>150</sup> It is estimated that in the first full year in which the bonus will operate in a steady state - 1998/99 - the gross cost of the scheme will be £65 million and the number of recipients 150,000.<sup>151</sup>

**The Future:** The Labour Government "will be evaluating the effectiveness of the Back-to-work Bonus scheme in the context of [their] welfare-to-work objectives, which are to provide work incentives, and to reduce poverty, and to tackle welfare dependency".<sup>152</sup>

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150 HC Deb 9 July 1997, c 515W

151 HC Deb 11 November 1996, c 87W

152 HC Deb 10 July 1997, c 589W

## Z. National Insurance Contribution Holidays

From April 1996, employers have been able to claim a full national insurance rebate for up to a year after taking on someone who has been unemployed for two years or more. Legislation permitting these deductions is contained in the *Jobseeker's Act 1995* and the *Employer's Contributions Re-imbusement Regulations 1996 SI No 195*.

**Announced:** 29 November 1994. In his Budget statement, Kenneth Clarke said:<sup>153</sup>

The first step is to encourage employers to look more favourably on people who have been out of work for some time. I can announce, therefore, a wholly new incentive to encourage employers to take on more people who have been unemployed for two years or more. In future, employers will get a full national insurance rebate for up to a year after taking on such a person. That will provide employers with an important new reason to give a second chance to someone who has been unemployed for some length of time---  
[Interruption.] Yes, but the Opposition were very late on the scene on which we have been working for a long time and they have got most of it wrong. I am going to announce a package which will show the Opposition how to do it.

This first whole-year national insurance contribution holiday will run from April 1996.

**Costs and Numbers:** It was originally expected that 130,000 people a year would be helped by this measure and that employers would save up to £50 million.<sup>154</sup> However, take-up has been lower than expected. By 6 January 1997, there had been only 2,718 applications, of which 2,312 had been successful.<sup>155</sup> The Government therefore decided to reduce the 1996/97 budget for the scheme from £28 million to £1.5 million.<sup>156</sup>

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<sup>153</sup> HC Deb 29 November 1994, c 1090

<sup>154</sup> Dept of Social Security Press Notice, 2 April 1996, "Alistair Burt announces extra help for job starters"

<sup>155</sup> HC Deb 15 January 1997, c 258W

<sup>156</sup> HC Deb 15 January 1997, c 257W

## AA. Workskill

A pilot scheme, which started in April 1997, under which people who have been unemployed for six months or more are able to undertake work-related education or training without forfeiting their right to Jobseeker's Allowance.

**Announced:** 6 November 1996. In reply to a PQ on progress made on piloting arrangements for education and training undertaken by people receiving Jobseeker's Allowance, Eric Forth, Education and Employment Minister, said:

"We have submitted proposals to the Social Security Advisory Committee. These are being discussed by the committee today. Copies of the papers submitted to the committee have been placed in the Library. The pilot would provide different arrangements for education and training undertaken by people receiving Jobseeker's Allowance. The pilots are intended to start, subject to parliamentary approval, in April 1997."<sup>157</sup>

**Started:** April 1997 in Cardiff, Bridgend and the Glamorgan Valleys and Wolverhampton and Walsall (full-time courses) and in Liverpool South and Wirral and Leeds (part-time courses). It will be extended to Glasgow, Dumbarton, Lancashire and Cumbria (full-time) and South and South East London, Wiltshire, Avon and Somerset (part-time) in September 1997.

**Details:** The present social security rules require that someone must be available for and actively seeking full time (40 hours a week) work in order to qualify for Jobseeker's Allowance. Generally this means that unemployed people can only undertake courses of study of up to 16 guided hours a week and must be willing to abandon these if a job becomes available. Section 29 of the *Jobseeker's Act 1995* allowed for Regulations to introduce pilot social security schemes. The paper on *Jobseeker's Allowance Employment-Related Education and Training Pilot Regulations* submitted to the Social Security Advisory Committee proposed Workskill pilots which would:

"allow people who have been receiving JSA for six months or more to undertake employment-related education and training either:

- part-time, while restricting their availability for work and jobsearch to work which could be fitted around their course; or
- full-time, and be excused from the normal requirements to be available for and actively seeking work.

The courses will have to be employment-related, leading to an approved qualification and last for no more than a year. The part-time pilots will be run in the area covered by Employment Service (ES) districts Liverpool South and Wirral and Leeds Central and Leeds Outer; the full-time pilots will be run in the

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<sup>157</sup> HC Deb 6 November 1996, c 509W

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area covered by ES districts Cardiff (and Vale), Bridgend and the Glamorgan Valleys and Wolverhampton and Walsall."<sup>158</sup>

Further details were given in the DfEE press release issued on 6 November 1996 and the papers submitted to the Social Security Advisory Committee.<sup>159</sup>

The *Jobseeker's Allowance (Workskill Courses) Pilot Regulations 1997*, SI No 791, which were debated in the Commons' Third Standing Committee on Statutory Instruments on 3 March 1997 and the Lords on 6 March 1997, brought these pilots into force on 7 April 1997.

**The Future:** As part of the Budget announcements on Welfare to Work, David Blunkett, Secretary of State for Education and Employment, announced an expansion of the pilots:<sup>160</sup>

"We are today announcing an expansion of the **Workskill** Pilots so that in eight areas of Britain men and women who have been unemployed six months or more will be able to take up education or training without being disqualified from benefit under what has come to be known as the 16 hour rule. From June next year we will be drawing on the lessons from these pilots and offering 10,000 men and women aged 25 and over who have been unemployed for over two years the opportunity to take up full-time education without penalty. This will ensure that they have the qualifications they need to move back into the world of work and to hold down a job."

The *Jobseeker's Allowance (Workskill Courses) Pilot (No. 2) Regulations 1997*, laid before the House on 3 July 1997, and due to come into force on 1 September 1997, extend the part-time pilots to those Jobcentres in the London & South East and South West Regions listed in Part I of the Schedule; and the full-time pilots to those Jobcentres in the Scotland and North West Regions listed in Part II.

**Numbers:** The number of people on each of the four original pilots is limited to 1,000. The limit in each of the four new areas will be 2,000. Altogether, therefore, 12,000 people will benefit.<sup>161</sup>

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<sup>158</sup> DfEE press notice, 6 November 1996, "New Workskill pilots under JSA announced today"

<sup>159</sup> Library Location Dep/3 4067

<sup>160</sup> DfEE press release, 3 July 1997, *Blunkett's Call to the nation to join his crusade for jobs*

<sup>161</sup> DfEE Press Notice, *Workskill Pilots to be extended - Smith*, 28 July 1997

## II Training and Employment Schemes since the War

### 1945 - 1971

It was not until the 1970's that training and employment schemes of the kind we know today were first introduced. In the two decades which followed the Second World War, the Government's "full employment" policy was so successful that unemployment never exceeded 3% and was generally below 2%. Manpower policies were developed in the 1960s to deal with regional imbalances and with skill shortages in particular sectors. For example, the **Regional Employment Premium**, a labour subsidy paid to manufacturers for each worker they employed in Development Areas, was introduced in 1967 : and the **Industrial Training Boards** with powers to levy employers and make grants to those who provided training of an approved standard, were established under the Industrial Training Act of 1964.

Public help with job search activity can be dated back at least to 1910 when the first public labour exchanges were set up as a means of bringing together employers and unemployed people with a view to cutting out waste in the processes of recruiting workers and of looking for a job. From the outset, labour exchanges had close links with the administration of unemployment insurance and, by the 1960s, a large network of local offices of the Ministry of Labour dealt with both employment and benefit work. On the employment side, the service had a reputation for dealing with poorly motivated people and with vacancies in predominantly unskilled occupations. The late 1960s saw a growing interest in manpower policies and there was concern about shortage of labour as a constraint on economic growth. In 1971, the Government published a policy document, "People and Jobs", which recommended the separation of employment work from the administration of benefit to break the "dole queue image" of the employment service. Attractive new Job Centres in prime high street locations would help people find work while Unemployment Benefit Offices (UBOs) would deal with benefit claims.

### 1972

**Training Opportunities Scheme (TOPS)** - ran from 1972 to 1985 when it was replaced by the Job Training Scheme. The aims of TOPS were to provide training on request from unemployed adults, subject to an economic need for the skills to be taught, to enable adults to change occupations quickly and to promote the concept of adult retraining. Applicants had to be unemployed or willing to give up employment, be at least 19 years of age, and to have spent at least two years away from full-time education. They also had to have a clear intention of taking up employment in the training occupation. A weekly allowance was paid.

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**Community Industry (CI)** - started in 1972, on the initiative of the National Association of Youth Clubs. CI provides disadvantaged young people with temporary employment of community benefit in workshops, site projects and through placements with social care organisations. It is aimed at the least able 16-19 year olds who fall outside the scope of YTS. Participants receive a weekly wage which increases with age. They are normally on the scheme for 12 months.

### 1973

**Job Centres** - the first Job Centre of the type proposed in "People and Jobs" opened in Reading in May 1973. In the following three years a network of Job Centres separate from the UBOs was established. However, in 1987, the Government announced that the job-finding services of the Job Centres were to be re-integrated with the benefit administration and "policing" functions of UBOs. The two services have now been amalgamated under the Employment Services Agency and the 1200 offices operating throughout Great Britain are being "progressively integrated to provide clients with a complete range of services under one roof." [Employment Service Operational Plan 1992-1993].

**Professional and Executive Recruitment** - in 1973 the Department of Employment's Professional and Executive Register was restyled as Professional Executive Recruitment, delivered by separate management and charging fees to employers. It provided specialised recruitment services for professional, technical, scientific, supervisory and managerial vacancies. In September 1988, PER was privatised and sold to Pergamon Professional and Financial Services plc for £6 million.

### 1975

**Temporary Employment Subsidy (TES)** - ran from August 1975 to March 1979 when it closed to new applications. The objective was to encourage companies to defer threatened redundancies, affecting ten or more workers. The scheme offered a £20 a week subsidy for a maximum of 12 months for each full-time job maintained.

**Job Creation Programme (JCP)** - ran from October 1975 to December 1977 when it closed to new applicants. JCP provided full-time, paid work for up to twelve months on projects of benefit to the local community. Priority was given to those aged 16-24 and to those aged over 50. Participants received the normal local wage rate for the job up to a defined maximum.

**Recruitment Subsidy for School Leavers (RSSL)** - ran from October 1975 to September 1976. The scheme applied to school leavers in the Summer of 1975 and December 1975. The aim was to encourage private sector employers and the nationalised industries to give preference to unemployed school leavers when recruiting staff. Employers were paid a subsidy of £5 per head per school leaver recruited, for a maximum of 26 weeks.

**1976**

**Work Experience Programme (WEP)** - ran from September 1976 to April 1978 when it was incorporated in the Youth Opportunities Programme. Employers were asked to give unemployed 16-18 year olds a practical introduction to working life for a minimum of 6 months. The young people were paid a weekly allowance.

**Youth Employment Subsidy (YES)** - ran from October 1976 to March 1978. A subsidy of £10 per week for up to 26 weeks was paid to any private sector or nationalised industry employer who recruited a young person (under 20 on 1.10.76) who had been registered as continuously unemployed for 6 months or more.

**1977**

**Job Release Scheme (JRS)** - the full-time Job Release Scheme started in January 1977 and closed to new entrants in January 1988. The part-time scheme started in October 1983 and closed in May 1986. The purpose of the scheme was to encourage older people to retire early by paying them an allowance, provided they thereby released a job which was filled by an unemployed person.

**Small Firms Employment Subsidy (SFES)** - ran from July 1977 to March 1980 when it closed for new applicants. Small manufacturing firms in the private sector (originally only in Special Development Areas) were offered a subsidy of £20 per week for up to 26 weeks for each extra full-time job they created. There was a part-time scheme as well.

**1978**

**Youth Opportunities Programme (YOP)** - ran from April 1978 to September 1983 when it was replaced by the Youth Training Scheme. It provided a programme of up to 12 months work experience and training for unemployed school leavers aged 16-18. A weekly allowance was paid.

**Special Temporary Employment Programme (STEP)** - ran from April 1978 to March 1981, when it was replaced by the Community Enterprise Programme. Provided the long-term unemployed with temporary work of community benefit. Aimed at over 25s unemployed for at least 12 months and those aged 19 to 24 unemployed for at least 6 months.

**Short-Time Working Compensation Scheme for Textile, Clothing and Footwear Firms** - ran from May 1978 to March 1979 when it closed to new applicants and was subsumed in the Temporary Short Time Working Compensation Scheme. The scheme aimed to encourage employers in these industries to adopt short-time working instead of making people redundant. For a maximum of 12 months, employers were re-imbursed 75% of normal wages paid to those working short-time instead of redundancy.

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**Adult Employment Subsidy (AES)** - ran from August 1978 to June 1979 in a few pilot areas. Employers in private industry and the nationalised industries received £20 per week subsidy for up to 26 weeks for every person they took on aged 19-64 (59 for women) who had been registered unemployed for 12 months or more.

### 1979

**Temporary Short Time Working Compensation Scheme (TSTWCS)** - ran from April 1979 to March 1984. The scheme was designed to encourage employers to adopt short-time working as an alternative to redundancy. Under the scheme, employers received 50% of normal wages paid to staff working short-time for up to nine months.

### 1981

**Community Enterprise Programme (CEP)** - ran from April 1981 to September 1982 when it was incorporated in the Community Programme. Provided temporary employment of benefit to the Community for the long-term unemployed with a view to improving their prospects of obtaining permanent employment. Aimed at over 25s unemployed for at least 12 months and those aged 18 to 24 unemployed for at least six months.

### 1982

**Young Workers Scheme** - ran from January 1982 to April 1986, when it was replaced by the New Workers Scheme. The aim of the scheme was to improve the competitive position of young people in the labour market in order to "price" them into jobs. Employers were paid a subsidy of £15 a week for each young person aged 18 in their first year of employment, and earning under £50 a week.

**Voluntary Projects Programme (VPP)** - ran from August 1982 to September 1988 when it was replaced by Employment Training. The projects offered unemployed people an opportunity to undertake constructive activities on an informal, part-time basis. Participants remained on benefit. The Manpower Services Commission funded some of the running costs and waged posts of the sponsors who were usually voluntary organisations.

**Community Programme (CP)** - ran from October 1982 to September 1988 when it was replaced by Employment Training. Provided certain unemployed people over 18 with up to a year's temporary full - or part-time work on projects of benefit to the Community. Participants aged 18-24 had to have been out of work for 6 of the previous 9 months. Those aged 25 or over had to have been unemployed for 12 of the previous 15 months. From October 1984, most participants had to have been in receipt of unemployment benefit. Participants were paid a wage (the rate for the job) up to an average of £67 a week.



## 1983

**Job Splitting Scheme** - ran from January 1983 to April 1987 when it was replaced by Jobshare. Employers were paid a grant (originally £750) if they split a job which had previously been full-time and filled it with two unemployed workers or two employees facing redundancy.

**Enterprise Allowance Scheme (EAS)** - ran, nationally, from August 1983 to 1990-91 when it was gradually replaced by the Business Start Up Scheme run on a more flexible basis by the Training and Enterprise Councils (TECs). Originally the scheme provided an allowance of £40 a week for up to a year for people who had been unemployed for at least 8 weeks and who wanted to start their own businesses. Claimants had to be aged 18-65 and have access to £1000 capital.

**Youth Training Scheme (YTS)** - ran from September 1983 to May 1990 when it was replaced by Youth Training. YTS was a programme of training and planned work experience for 16 and 17 year old school leavers. It started as a one year programme but was substantially revised and became a two year programme in April 1986. Trainees were paid an allowance of £29.50 a week in their first year and £35 a week in their second year.

## 1984

**Job Clubs** - see Part I

## 1985

**Job Training Scheme (JTS)** - ran from July 1985 to September 1988 when it was replaced by Employment Training. The scheme provided training for unemployed people, mainly through off-the-job courses at Skill-centres and further education colleges. The courses lasted from 3 to 12 months and trainees received an allowance of £38 a week if single or £62.70 if they had an adult dependant. Trainees had to be 18 or over and to have been away from full-time education for at least two years.

**Wider Opportunities Training Programme** - ran from July 1985 to September 1988 when it was replaced by Employment Training. The scheme provided typically short-term and part-time training for unemployed people. Training included work preparation, assessment and basic skills training, training in literacy and numeracy, English as a second language and special help for women returners to the labour market. Most trainees continued to receive benefit but a few, on full-time courses, were paid the old Job Training Scheme allowances.

## 1986

**New Workers Scheme** - ran from April 1986 to January 1988. The aim of the scheme was to encourage employers to take on more young people at rates of pay which realistically reflected

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their age and inexperience. Employers were paid £15 a week for up to a year for each eligible young person they took on. Young people aged 18 or 19 had to be paid a wage below £55 a week and those aged 20, a wage below £65. The young people had to be in their first year of employment.

**Jobstart** - ran from July 1986 to February 1991. Under the scheme, people who had been unemployed and claiming benefit for at least 12 months could receive an allowance of £20 a week for up to 6 months if they took a full-time job with gross pay of under £90 a week. A pilot "50-Plus Jobstart" scheme, launched in June 1989, allowed qualifying people aged 50 or over to receive the allowance if they took a part-time job for at least 10 hours a week at an hourly rate of £2.57 or less.

**Travel To Interview Scheme** - see Part I

**Restart Courses** - see Part I

**Career Development Loans** - see Part I

### 1987

**New Job Training Scheme** - ran, on a national basis, from April 1987 to September 1988 when it was replaced by Employment Training. The scheme provided full-time training and work experience for an average of 6 months to people who had been unemployed for 6 months or more. Priority went to 18-25 year olds. Trainees received an allowance of £25 a week or the equivalent of their benefit, whichever was the higher. From April 1988 a training premium of £10 a week was paid on top of this.

**Jobshare** - ran from April 1987 to December 1991 when it closed to new applicants. Under the scheme, employers who created part-time jobs for unemployed people could qualify for a grant of £1000 towards administration and training costs. Jobs could be created by splitting an existing full-time post; combining regular overtime hours into a new job; or creating two new part-time jobs. The jobs had to be filled by people claiming unemployment benefit, under notice of redundancy or leaving Government training schemes such as Employment or Youth Training.

### 1988

**Employment Training** - ran from September 1988 to 1993, when it was merged with Employment Action to form Training For Work. The programme was aimed primarily at the long term adult unemployed. 18-24 year olds who had been unemployed for 6-12 months were the "guarantee" group and 18-50 year olds who had been unemployed for more than two years were the "aim group". Many other groups (eg anyone unemployed for 6 months or more, aged 18-60; the disabled; people whose first language is not English; certain lone parents; labour market returners) could qualify. The programme provided up to a year (later up to 2 years in some cases) training, designed to qualify people for work. A training allowance equal to benefit

entitlement plus a £10 premium was paid. The scheme was run by the TECs who had a certain amount of flexibility in the details.

## 1989

**Action Credit** - pilot scheme introduced in 1989. Allowed benefit claimants who leave Employment Training to work part-time for up to 6 months while continuing to receive income support. The earnings are saved and paid as a lump sum when a full-time job is found, or after the part-time job comes to an end. The pilot does not appear to have been very successful and the scheme has been adopted by very few TECs.

**Job Interview Guarantee/Work Trials** - see Part I

## 1990

**Youth Training** - see Part I

**Training and Enterprise Councils (TECs)** - a network of 82 independent, local, employer-led councils which have been established throughout England and Wales to "promote more effective training by employers and individuals" and "to stimulate enterprise and growth". The first came into operation in April 1990 and the entire network was operational by October 1991. The Government has devolved responsibility for administering the main training schemes (notably Youth Training and Training For Work and any schemes for small business training) to these TECs. It has also given them considerable flexibility in how they run the schemes so it is no longer quite so easy to talk in terms of national "training schemes". The Scottish equivalent are **Local Enterprise Companies (LECs)** of which there are 22.

## 1991

**Training Credits** - see Part I, under Youth Credits

**Job Review Workshops** - ran from October 1991 to October 1996 when they were replaced by Jobsearch Plus. These workshops were aimed at people from professional, executive and managerial backgrounds who had been unemployed for 13 weeks or more. They lasted about two days and were designed to widen job search by identifying transferable skills and using computer-aided occupational guidance systems.

**Job Search Seminars** - ran from July 1991 to October 1996 when they were replaced by Jobsearch Plus. The seminars, which covered about four days, were aimed at people who had been unemployed for 13 weeks or more. They provided help with drawing up CVs, completing application forms and interview skills, and free access resources such as stationery, telephones and photocopying.

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**Employment Action** - ran from October 1991 to 1993 when it was merged with Employment Training to form "Training for Work". The scheme was aimed at 18-60 year olds who had been continuously unemployed for at least 6 months. They received an average of 6 months work on projects of community benefit and help with finding permanent work. Participants received their social security benefit entitlement plus an allowance of £10 a week. The scheme was mainly run by TECs.

**Business Start Up (BSUS)** - ran, nationally, from about April 1991 to March 1995. It replaced the Enterprise Allowance Scheme as a more flexible form of help for unemployed people who wanted to start their own businesses. It was administered by TECs. The general rule was that people had to be aged between 18 and 59 and unemployed for at least six weeks to qualify. TECs set the level of the allowance which could vary between £20 and £90 a week and last for between 26 and 66 weeks. The scheme was transferred from the Department of Employment to the Single Regeneration Budget in April 1994. From April 1995 there has been no separate financial allocation for BSUS. TECs may join a consortium bidding for SRB money and may use some of the funds they win to run schemes like BSUS but there is no longer a national scheme or national parameters. The TEC Operating Agreement for 1995/96 says that TECs "shall recruit no further participants in 1995/96."

### 1993

**Training for Work** - see Part I

**Community Action (CA)** - ran from 1993 to 1996, with recruitment to the programme ceasing on 29 December 1995. This was a programme designed to help people who had been unemployed for at least 12 months back into work by providing part-time work experience on projects of benefit to the local community and assistance with job search. The closure of the programme was announced at the time of the November 1995 Budget [HC Deb 28 November 1995, c 685W and DfEE Press Notice, 28 November 1995, "*Shephard announces £878m more for schools*"]. Its closure was linked with the introduction of pilot Project Work schemes, though these were not a direct replacement for CA.

**Workstart** - see Part I

**Learning For Work** - operated during the academic year 1993/94. It was announced by Norman Lamont in his Budget on 16 March 1993 [HC Deb. c 193]. To qualify, people had to be aged 18-60 and to have been registered unemployed continuously for 52 weeks or more on 1 September 1993. It was run by TECs and LECs and provided full-time vocational courses at local colleges. Participants received an allowance equal to their previous benefit rate. 30,000 starts were planned but take-up was lower than expected.

**Jobplan Workshops** - see Part I

**1994**

**Workwise/Worklink** - see Part I

**1-2-1** - see Part I

**Modern Apprenticeships** - see Part I

**Jobfinder's Grant** - see Part I

**1995**

**Accelerated Modern Apprenticeships (aMAs)** - This scheme was similar to Modern Apprenticeships but aimed at 18 and 19 year old school leavers. It was announced by David Hunt, then Secretary of State for Employment in a statement on the White Paper, "*Competitiveness: Helping Business to Win*", on 24 May 1994. It was to start from September 1995, but, because of very low take-up (only 400 participants in December 1995<sup>162</sup>) was merged with Modern Apprenticeships from April 1996.<sup>163</sup>

**Job Match** - see Part I

**Career Development Loans Plus** - see Part I

**1996**

**Back to Work Bonus** - see Part I

**Project Work** - see Part I

**National Insurance Contribution Holidays** - see Part I

**Job Search Plus** - see Part I

**1997**

**Parent Plus/Lone Parent Caseworker Pilot** - due to start in April 1997, but absorbed within the new Labour Government's New Deal for Lone Parents. This was a pilot scheme designed to provide lone parents with extra help in finding work. All lone parents claiming income support would be invited for interview and given advice on in-work benefits and childcare. There were

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<sup>162</sup> HC Deb 16 April 1996, c 391W

<sup>163</sup> DfEE Press Notice, 7 February 1996, "*Further expansion of Modern Apprenticeships*"

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to have been eight public sector pilots run by the Employment Service and the Benefits Agency and four private sector pilots. The public sector pilots went ahead, in slightly modified form, in July 1997 as part of the New Deal for Lone Parents.

**Contract for Work** - due to start in April 1997, but delayed by the General Election in May 1997, and not pursued by the new Labour Government. The Contract for Work pilots would have tested whether the private sector could get unemployed people back into work more efficiently than the public sector.

**Workskill** - see Part I

**New Deal for Lone Parents** - see Part I

**National Traineeships** - see Part I

## **1998**

**New Deal for the Young Unemployed** - see Part I

**New Deal for the Long Term Unemployed** - see Part I

### III Further Reading

1. Employment Department Group Departmental Report, March 1995, Cm 2805
2. Department for Education and Employment Departmental Report, March 1996, Cm 3210
3. Department for Education and Employment Departmental Report, March 1997, Cm 3610
4. *TEC & CCTE Planning Prospectus: Requirements & Guidance 1997-98*
5. Employment Service Guide - *Jobseeker's Allowance Manual, Product Knowledge Volume, Section 30 on Employment and Training Opportunities*
6. DfEE, *Training and Enterprise Councils: Contacts and Addresses*
7. DfEE booklet, "*Just the Job*", April 1997
8. Iain Murray, Clara Donnelly, Matthew Nimmo and Dan Finn, "*Unemployment and Training Rights Handbook*", Fifth Edition, 1997
9. Ianthe Maclagan, *Guide to Training and benefits for Young People*, Youthaid, 1996 edition
10. DPA (Directory Publishers Association), *The Training & Enterprise Directory 1997*, TEC National Council and the Industrial Society

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