

For adults who have been out of work for 2 years or more, the start of the Government's New Deal for people aged 25+, will provide a series of measures to help them improve their prospects of finding work and remaining in sustained employment

Adults Learning, Anne Poole, Associate Director, NIACE, 1998

New Deal is a key part of the Government's Welfare to Work strategy. It gives New Deal jobseekers aged 18-24, 25 plus, and those with disabilities a chance to develop their potential, gain skills and experience and find work. In addition, New Deal for Lone Parents and New Deal for Disabled People offers the opportunity to lone parents and disabled people on other benefits to explore work options. More than 35,000 companies have signed New Deal employer agreements so far.

The New Deal for the long term unemployed aged 25 and over, began operation on 29 June 1988, and covers all those in the UK who are aged 25 or more and unemployed two years or more. In addition, some people, at particular disadvantage in the labour market, can enter before the two year threshold. The New Deal for young unemployed people was introduced nationally on April 6 1998.

Those joining the New Deal for Long-term Unemployed People first enter an advisory interview process lasting between 3-6 months during which the Employment Service will work with them to improve their employability. Those who do not find a job may transfer to other provision or move onto one of the two New Deal specific measures. If the client reaches the end of their advisory interview process without taking up an opportunity, they may return to their normal jobseeker activity and will re-enter at their next full year Restart Interview. A further series of interviews are available as part of the follow-through for those returning from employment or existing training provision, and those completing Education and Training Opportunities.

The role of Personal Adviser in the New Deal has now been extended to the proposals for a Single Gateway for all benefits claimants as a means for helping them back into work.

This is the seventh in a series of briefing sheets which aim to provide an introduction to a variety of lifelong learning issues

Also available:

1. A history of the development of NIACE
2. What motivates people to learn
3. Student non-completion (drop out)
4. Who learns - key facts
5. Family learning
6. Lifelong learning - opportunities and initiatives

Suggestions for future issues to be covered are welcome.

Copies of this and other sheets are available from NIACE, 21 De Montfort Street, Leicester LE1 7GE.

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They are also available on the website at www.niace.org.uk

If you require a different format - e.g. a large print version please let us know.

New Deal Statistics

The figures in this sheet include data for those joining New Deal up to the end of November, the eighth month in which it operated nationally for young people and the fifth in which it operated for long-term unemployed people. A fuller description of the sources for the statistics in this sheet will be given in an article in a forthcoming issue of Labour Market Trends

New Deal for Long-Term Unemployed People aged 25+ Statistics

- ◆ 70,900 starts on New Deal by the end of November - 10,700 have left, leaving 60,100 participating at the end of November.
- ◆ The vast majority of those on New Deal are in the Advisory Interview Process (93%). In addition, 1,400 have started the Employer Subsidy, 1,040 Education and Training Opportunities, and 2,000 Work Based Training for Adults.
- ◆ 2,760 people have started unsubsidised jobs (and 1,400 subsidised jobs). Together these represent 28% of all leavers from the Advisory Process.
- ◆ 10% of all leavers from the Advisory Process return to their regular pattern of jobseeker activity i.e. they remain on JSA without taking up a New Deal opportunity.
- ◆ 83% of leavers from the Advisory Process also leave JSA. Of these, 22% leave for unsubsidised jobs, 18% transfer to other benefits, 7% leave for other known reasons, 25% leave for unknown destinations, 11% for the Employer Subsidy, and 16% for Work Based Training for Adults/Training for Work.

New Deal for Young People

- ◆ Over 203,000 starts on New Deal by the end of November - 82,600 have left, leaving 120,500 participants at the end of November;
- ◆ Of the 82,600 leavers, 49% have entered unsubsidised jobs, 12% have transferred to other benefits, 10% have left for other known reasons, and 29% for unknown reasons (further investigation of this last group reveals that most have in fact found work).
- ◆ Of those who had their first New Deal interview in January, 55% had left New Deal - over a half of those to go into unsubsidised jobs - 32% were still on a New Deal option, 6% were still on the Gateway, and 7% had entered Follow-Through at the end of November.
- ◆ Up to the end of November, nearly 50,000 people have gone into jobs from the Gateway, three quarters of which were unsubsidised jobs. In addition, over 3,000 young people have started unsubsidised jobs on leaving options.
- ◆ Of all Options starts in November 3,400 (45%) were on Full-time Education and Training, and around 1,500 (20%) on each of the remaining Options.
- ◆ 56% of those who have left New Deal having started on an option up to the end of November went into unsubsidised jobs. Of those leaving from the Employer option, 76% entered unsubsidised jobs, compared with 47% of leavers from Full-Time Education and Training.

These figures, from the DfEE are released monthly giving key information on the numbers participating in both New Deals.

On the 28th January 1999 Employment Minister Andrew Smith announced that the New Deal for long-term unemployed people over the age of 25 will be extended to offer additional help in 28 pilot areas across the UK. These pilots will provide 90,000 additional places for people who have been unemployed for 18 months or more and, in some of those areas, for those at or beyond the 12 month point of unemployment. In Northern Ireland everyone aged 25 or more unemployed over the 18 months will be offered access to the New Deal programme.

NIACE Commentary on the New Deal

Because as many as 40% of the participants on the 25+ New Deal might have been without work for five years or more, New Deal partnerships face a much harder task than those working with the younger groups - in supporting participants to overcome feelings of self-doubt, disaffection and cynicism about their situation and the chances of improvement.

Participants are also more likely to have greater financial commitments and to be caught in the poverty 'trap', which will effect their willingness to take up the opportunities on offer, if the costs outweigh the benefits. Many will have experienced one or more previous 'schemes', sometimes with profoundly negative effects potentially reinforcing their resistance to New Deal, particularly the education and training dimension. The flexibility to customise study and training to reflect these preconceptions and to clarify their relevance to work and employability, is to be welcomed.

New Deal partners have been consulted on the construction of a range of solutions for individual problems. They have a role in co-ordinating existing and new provision in a coherent package and considering more innovatory responses for the future, by pooling resources, knowledge, skills and expertise and learning from the experience. Some partnerships will be operating in Employment Zones which offer many more opportunities for flexibility and innovation in meeting individual needs but no over-25 pilots are located in Employment Zones, to avoid overlap.

The National Framework (National Learning Strategy in Wales) within the lifelong learning Green Papers, the University for Industry, Employee Development Schemes, Individual Learning Accounts, National Child Care Strategy, provision for widening participation in further and higher education, Lifelong Learning Partnerships, and the Adult and Community Learning Fund, all have relevance for unemployed people.

Members and potential members of New Deal partnerships will have a key role in these arrangements, and in developing a coherent approach, which will benefit those most in need.

Resources for New Deal

Department for Education and Employment, New Deal Information Line, 0845 606 2626 and <http://www.newdeal.org.uk>

Department for Education and Employment Press Release 38/99, 28 January 1999. **New Deal for Young People and long-term unemployed people aged 25+: Statistics**

Department for Education and Employment Press Release 39/99, 28 January 1999. **Andrew Smith announces extension of New Deal jobs help for long-term unemployed people over 25**

Design of the New Deal for 18-24 year olds, Department for Education and Employment, October 1997

New Deal and its effect on labour market statistics, Simon Wood, Labour Market Trends, pp237-241 (One of a series of articles published by Labour Market Trends which disseminates information contributing to the monitoring and evaluation of the New Deal.

The Employment Service issues a monthly statistical press release notice on the New Deal which began in May 1998 containing the latest monitoring information. A parallel ministerial press release is also issued monthly.

NIACE, the National Institute of Adult Continuing Education, has a broad remit to promote lifelong learning opportunities for adults. NIACE works to develop increased participation in education and training. It aims to do this for those who do not have easy access because of barriers of class, gender, age, race, language and culture, learning difficulties or disabilities, or insufficient resources. Registered charity number 1002775; Company registration number 2603322