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Rt Hon George Howarth MP

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Thank you for your letter of 17 July on behalf of a number of your constituents regarding welfare reform.

We have always said that what we want is to ensure that every young person is given the right opportunities to see them succeed in their future careers and adult lives.

We inherited an unprecedented challenge on welfare. After 13 years of a Labour government, welfare spending had increased by 60 per cent. Not only was spending out of control but people were left with no hope, no security of a regular pay-packet. 1.4 million people spent most of the decade trapped on out-of-work benefits, and the number of households where no member ever worked nearly doubled.

Yet halfway through a generation-changing programme of welfare reform, we have already made significant progress in reducing youth unemployment, which is now lower than it was in 2010 and down by over 200,000. Alongside this improvement, we have overseen the number of young people claiming Jobseeker's Allowance falling to its lower level since the 1970s. However, our job is not finished. There is still more to do and that is why we have set ourselves an ambitious aim of achieving full employment and abolishing long-term youth unemployment.

Our reforms are about much more than savings. They are about ensuring that everyone who can work is supported to work and does work. We have transformed people's lives by helping them into sustainable work and we want to continue this ambition. This is social justice in action, welfare reform that improves individual lives, not welfare reform that just generates savings.

We know that most young people claim benefit for a short time: over two-thirds of claims to Jobseeker's Allowance by people aged 18-24 end within three months and over 80 per cent within six months. We also know that, too often, young people end up cycling in and out of benefits from an early age. The issue at hand, therefore, is to find better ways to enable young people to move in to and stay in meaningful work.

To tackle this head-on, we are introducing a new Youth Obligation to provide more bespoke support for every young person aged 18-21 who finds themselves out of work. We want to ensure that young people are given the support, skills and experience to motivate them to move into work, fulfil their potential and make a contribution to their community.

This new package of support will:

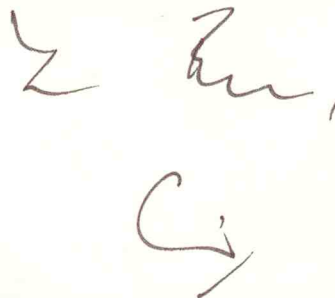
- Introduce extra support and stronger work-related conditionality from day one of the claim. After six months we want all young people to go on a community work placement, traineeship or to apply for an apprenticeship, if they are still on benefits.
- Put in place revised benefit arrangements for young people, including removal of automatic housing support entitlement.
- Introduce Jobcentre Plus adviser support in schools across England to supplement careers advice and provide routes into work experience, traineeships and apprenticeships.

It is extremely important to point out that, as part of the new offer, we will of course be looking at ensuring that appropriate arrangements are put in place for vulnerable young people with specific circumstances.

From April 2017, to prevent young people slipping straight into a life on benefits, the Government will remove the automatic entitlement to housing support for new claims in Universal Credit from 18-21 year olds who are out of work. This will ensure young people in the benefits system face the same choices as young people who work and who may not be able to afford to leave home.

We will ensure that vulnerable young people who are in need of support for their housing needs continue to receive it. Government will consider the impact in line with our legal obligations as part of that process.

This offer is part of our bigger welfare offer. We are bringing in a system that rewards work and supports people when they face difficult times. In other words, we are providing welfare support that people use when they need it not welfare support that is a way of life.



The Rt Hon Iain Duncan Smith MP

SECRETARY OF STATE FOR WORK AND PENSIONS