

New Enterprise Allowance Starts Regional Breakdown

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DWP Department for
Work and Pensions

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Introduction

This publication presents New Enterprise Allowance mentor starts and allowance starts by region. The data were based on official statistics released on August 15th 2012, for the period April 2011 up to and including May 2012:

<http://statistics.dwp.gov.uk/asd/asd1/pwp/pwp_gbw_aug12.pdf>

Background

The New Enterprise Allowance (NEA), officially launched on 1st April 2011, aims to

help unemployed people who want to start their own business. NEA is available to Jobseeker's Allowance (JSA) claimants aged 18 and over, who have been claiming for over 13-weeks, until they are required to join the Work Programme. Participants receive access to a volunteer business mentor who will provide them with support as they develop their business plan and through the first six-months of trading. Once a claimant has demonstrated they have a viable business proposition with the potential for growth in the future, they are able to access financial support.

A start on the New Enterprise Allowance scheme is defined as the date the claimant first met with their business mentor. This is input by an adviser to the Jobcentre Plus' Labour Market System.

A New Enterprise Allowance weekly allowance start is recorded when the claimant begins claiming the weekly allowance. The weekly allowance is payable when the participant closes their claim to Jobseeker's Allowance (JSA) and commences trading. The claim start date is input by the adviser into the Jobcentre Plus' Labour Market System.

The New Enterprise Allowance was introduced using a phased roll out across Great Britain; this commenced in January 2011 with a trailblazer and increased in stages until there was nationwide coverage in August 2011¹. The Department is planning to widen access to the mentoring and financial support elements of the NEA scheme, from day-1 of a claim to JSA, as soon as is practicable.

Results

Table 1: Regional breakdown of New Enterprise Allowance starts from April 2011- May 2012²

| Region³ | NEA Mentor Starts⁴ | NEA Weekly Allowance Starts |
|-----------------------------------|--------------------------------------|------------------------------------|
| Scotland | 1,520 | 670 |
| North East | 990 | 430 |
| North West | 2,770 | 1,570 |
| Yorkshire & Humberside | 2,190 | 970 |
| Wales | 790 | 490 |
| West Midlands | 2,110 | 1,070 |
| East Midlands | 1,400 | 510 |
| East of England | 1,170 | 420 |
| South East | 1,330 | 520 |
| London | 2,550 | 1,030 |
| South West | 930 | 430 |
| Unknown | 130 | 60 |
| Total | 17,880 | 8,180 |

Source: DWP LMS opportunities and DWP Clients evaluation database

Notes:

1. For more information on the phased rollout please see: <http://www.dwp.gov.uk/docs/new-enterprise-allowance-national-rollout.pdf>
2. Values are rounded to the nearest 10. Totals may not be the sum of the individual cells due to rounding.
3. The claimant's Region (formerly Government Office Region) at the time of starting.
4. The number of weekly allowance starts is lower than the mentor starts because some claimants drop out of the programme between the mentor and allowance phase. More significantly, there is a time lag of potentially up to six months between starting with a mentor and starting on the weekly allowance which means that mentor starts from the last six months would not have exhausted their eligibility to claim the allowance.

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