

URN: 21-090

Subject: Kickstart Programme – Progress Update

Report to: Economic Development Committee – 15th November 2021

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SUBJECT MATTER / RECOMMENDATIONS

Following the Chancellors recent extension of the Kickstart Scheme the finite details of which remain unchanged, this report gives an update to the Economic Development Committee on the progress made and forward planned activity.

Members are asked to:

- 1) Review and comment on the progress of the Kickstart Scheme and the proposed forward activity to continue promotion of the scheme.**

1. BACKGROUND AND CONTEXT

- 1.1 In October 2021 the chancellor announced the extension to the Kickstart Scheme which initially allocated £2M. The extension is to see the scheme to continue until March 2022 but refocused costs for this are not yet available.
- 1.2 The outlines of the scheme remain the same; businesses of all sizes looking to create quality jobs for young people can apply to create new 6-month job placements for young people who are currently on Universal Credit and at risk of long-term unemployment. The job placements should support the participants to develop the skills and experience they need to find work after completing the scheme.
- 1.3 Programme details: The Kickstart Scheme is a national government scheme designed to create hundreds of thousands of high quality 6-month work placements for young people aged 16-24, who are claiming Universal Credit. It was launched on the 8th July after the Chancellor announced the Kickstart Scheme as part of the Plan for Jobs
- 1.4 Employers of all sizes can apply for funding which covers:
 - Associated NI contributions and any relevant workplace pension contributions (automatic enrolment).
 - A wage subsidy to cover National Minimum Wage and national insurance for a minimum of 25 hours a week for 6 months, which is around £6,500 for the 6 months

- A £1,500 grant is paid to the employer per employee to support setup costs, support, training and wrap around employability support to assist the placement to gain employment following the placement
 - Employees are eligible if they are either on Universal Credit or at risk of being long-term unemployed
 - Employers can choose to engage directly with the scheme or can use a representative 'gateway' organisation
 - Scheme approval is effectively an eligibility test on the basis of: is the role new / not replacing existing, and are they providing sufficient wider employability support
 - Approved intermediaries / companies will share Job Descriptions with DWP, who take responsibility for sourcing possible candidates based on employers' requirements and available talent
 - Companies interview to make final hiring decision
 - A £300 fee per placement is available to representative organisations (Gateways) however, no fee is paid if application is made directly
 - DWP may make periodic assessments, including how far employability support is being provided
- 1.5** At the 26th October 2020 Economic Development meeting, members resolved to not to act as a gateway as an Authority but to endorse the scheme with active promotion by council officers, these arrangements were formalised shortly thereafter. Feedback from Gateways confirms this was the right decision for council officer resources.
- 2 PROGRESS TO DATE**
- 2.1** Officers have remained focused and engaged in the promotion into the 3 local Gateways: Norfolk Chamber of Commerce, Norfolk County Council and East Coast College. Officers are working closely with Gateways to maximise all potential borough opportunities and promote the wraparound training service offered by East Coast college.
- 2.2** Since the scheme was launched locally on the 22nd December 2020 officers have provided regular and continued promotion to the borough's businesses through a wide range of communication methods. Webinars have been conducted in partnership with the Chamber of Commerce and East Coast college. Feedback from attendees continues to be positive. Social Media coverage, Monthly newsletters, Direct officer engagement, collaborative work are amongst the regular methods of communication. Gateways have remained complimentary of the Councils continued engagement and promotion of the scheme.
- 2.3** Delays within the DWP processing remains a key concern, Gateways report that it can take more than 5 weeks for a job opportunity to be live on the Job's system and whilst the number of opportunities are at a reasonable level filling the roles remains challenging.
- 2.4** Officers in conjunction with Gateways have been supporting businesses throughout their kickstart journey, this engagement has been vital to ensure the appetite to offer placements remains high to ease the delays and minimise employers withdrawing roles.
- 2.5** The input of all involved has resulted in Great Yarmouth businesses offering 82 placements for Kickstart candidates, with 24 candidates currently in post. Whilst officers would have liked to see higher numbers, the council is assured by the DWP Gateways that this is a high conversion rate.

- 2.6 Discussions with Gateways supports statistics which indicate the issues lie with filling roles and this is a national as well as a local issue. These issues have been put down to the lack of willing candidates and not a lack of jobs available. The Gateways have made the suggestion to the DWP that perhaps a wider variety of non admin specific roles (these currently makes up 25% of available roles), raising the application age to 30 and upskilling candidates with the soft skills required when contacting employers (cv writing, interview skills and verbal communication) might improve number of candidates coming forward.
- 2.7 The DWP marketing guidelines are strict and whilst they do not allow the Council or Gateways to engage directly with promoting specific roles into school's Officers will be partnering with East Coast College to promote the Kickstart Scheme at the Great Yarmouth Jobs Fair based at the Town Hall on the 17th November 2021.
- 2.8 Whilst the extension of the scheme was welcomed Gateways are feeding back that they are considering keeping placement applications closed to concentrate on filling the currently unfilled placements. Some of those with inhouse placements will create roles against candidate requirements to give on opportunity to a young person.
- 2.9 The DWP are unable to provide regular reporting to councils or Gateways and with no specific region standing out from the others as to learn from we can only look to obtain National Intelligence from the media sources highlight the following:
- Nationally by sector over 25% of the jobs are in administration which is by far the biggest sector with retail and sales 2nd and creative and media 3rd at only 10%.
 - Looking at sectors represented strongly in our economy, only 2,850 (3%) jobs have been created nationally in engineering and maintenance and (7670 = 8%) in hospitality and food. Sector information by region is unavailable, but using the East "share" above we can estimate 85 jobs in engineering and 613 in hospitality over the whole of the East.

3 PROCESS / TIMELINE

3.1 Agreed outputs for the business and timeline - The process of employing young people into these roles can take some time, and as a result, the revised window for new applications to the Kickstart Scheme from employers and variations from gateway organisations will close on 17 December 2021 with no further applications being considered after this date.

3.2 Business Agreed Outputs

- provide regular, meaningful work for the Participants that will help them become more attractive to future employers and maximise their readiness to make a successful transition into long term employment. For the work to be meaningful, the job must be equivalent to a job not funded by the Kickstart Scheme and must not involve significant classroom or online training
- provide support to help each Participant with finding future employment. This can include on-the-job training, work search support, transferrable skills development, mentoring and careers advice plus support with CV and interview preparation.

- help to build each Participant's work skills which can include developing attendance management, timekeeping, teamwork, and communication skills. This will help the Participant's employment prospects after the Kickstart Scheme job ends
- keep records and other evidence of how the above outputs are being achieved (for example, notes of positive feedback that the Participant receives, records of mock job interviews conducted) and provide details to DWP on request

3.2 Next Steps of Placements Applied for:

- If a submitted vacancy has been approved, the DWP will issue a grant offer letter and other documentation to sign, including the creation of a vacancy template (each vacancy is advertised using a strict template)
- Signed grant offer letters, bank details and completed vacancy templates must be returned to the chosen Gateway or DWP.
- If a Gateway is being used they will submit the completed templates to DWP for approval –DWP will start the process of making the vacancy live, this can take from 10 days to 5 weeks.
- The vacancy is only live once the employer has received written notification either direct from a Gateway or the DWP or they start to receive referred candidates.
- **DWP Work Coaches will identify and refer suitable candidates** to the email stated in the Vacancy Template. It is then up to the candidate to submit a CV and follow up.
- The DWP will keep referring candidates until the chosen closing date, the referral limit is reached, or the employer confirm that the position has been filled.
- Changing vacancy details—it is the responsibility of the employer to check the vacancy details and the vacancy end date, if this has passed referrals will no longer be received. If a business wishes to extend the date, they must contact the DWP via email and state request in the body of the email. This email address is also used to discuss referral numbers, revise a vacancy and all other general issues, Gateways report a long delay in responding to emails.

3.1 Interview/Employment

- Employers can select and arrange to interview chosen referred candidates either face to face, through Zoom or make arrangements with the DWP go into the Jobcentre to arrange a handful of interviews or an open day.
- Employers must follow normal HR requirements for the placement in interview, as with any other potential candidate interviewing for a position
- If an employer wishes to offer a candidate a placement they must notify the Gateway and DWP with: A start date, end date, name of the candidate and the unique DWP ID Number to start the funding process.
- Employers must ensure Employability Support is discussed and finalised with the placement at Interview or on the day of starting. This includes training, mentoring, work diaries, equipment and uniform specific to the role and monitoring well-being. This should also be monitored regularly and evidenced
- All employers are to adhere to all normal HR procedures with the kickstart placement.

3.2 Funding timeline

- Wrap Around Funding - £1,500 should be received by the Gateway within 10 working days / 2 weeks from the start date of a placement, this will then be paid to the employer.
- Wages - The placement is to be added to the employer's payroll and pay wages, PAYE, and NI as normal. The RTI within the PAYE submission will allow the DWP to verify the candidate has been paid agreed salary for the placement and will trigger the next payment to the employer – this takes approximately 2 weeks after month end (or 6 weeks from the placement start date)
- The DWP Kickstart will cover 100% of the national minimum wage (or the the National minimum wage depending on the age of the participant) for 25 hours per week for a total of 6 months, plus associated employer NI contributions and employer minimum automatic enrolment contribution.
- A higher wage can be paid, and more hours offered, but the Kickstart funding will not cover this additional amount and this will be to the cost of the business.
- The monies will be paid to the Gateway and then passed onto the business. The DWP will be validating the information using HMRC's records as they do now for Universal Credits. They will check every 30 days to ensure the young person is being paid through PAYE. If the person is employed, the DWP will then pay the grant agreed in arrears
- The placement must be paid on time each month with no delay.

3.3 Funding timeline

Funding type	When the funding it usually processed	When a business will usually receive the funding
Setup costs	After the employer has told DWP the young person has started	Up to 10-14 working days after it's been processed
First wage payment	6 weeks after the start date	Up to 11 working days after it's been processed
All other wage payments	30 days after the previous wage payment	Up to 11 working days after it's been processed

4 SUMMARY

- 4.1 Continued efforts to actively work with Gateways to promote and educate on the key benefits of the scheme to both businesses and candidates within the borough with an aim to increase the number of filled positions remains key.
- 4.2 Increased social media targeting (whilst remaining within T&C's) to encourage and educate candidate on the scheme remains the adopted method and will be used to promote inhouse webinars and availability of wraparound support and training.
- 4.3 Unfortunately officers are unable to market specific roles or employers due to the DWP's strict marketing T&C's and feedback from Gateways reports that we as a council are doing

all we can to actively promote and support the scheme and that our activity level remains high in comparison to other council.

- 4.4 It is felt that the scheme needs to provide enhanced support to candidates, most young people on Universal credit will have been out of work for some time if every employed and the basic skills of CV writing, emailing and calling a potential employer is beyond their comfortzone or skill set, with some soft skills and support Gateways are confident candidates numbers would increase.
- 4.5 Great Yarmouth Borough Council currently has 6 kickstart job opportunities for customer service roles, the Council has now received a few applications for these roles and will report back on the outcomes.

4.1 Forward Activity

Activity	Task	Oct	Nov	Dec
B2B Engagement	* Generate opportunities whilst engaging with businesses within the borough * Identify businesses within the borough whom we feel Kickstart will benefit * Use Inward calls as an opportunity to promote the provision	Daily engagement		
Digital Advertising	* Social Media: Facebook, LinkedIn, Twitter * GYBC website: Full Kickstart details available + hyperlinks for Gateways * Weekly newsletters sent to circa 1,300 businesses * GYTABIA to promote digital via SM and Newsflash updates	Weekly Daily Weekly Weekly	Weekly Daily Weekly Weekly	Weekly Daily Weekly Weekly
Marketing Campaigns	* Work with East Coast College to create wrap around support for businesses	Ongoing	Ongoing	Ongoing
Events	* Partner East Coast College to Promote Scheme at the Great Yarmouth Jobs Fair		17th Nov	
Webinars	* Develop and deliver a focused webinar for Kickstart provision to employees in partnership with JobCentre Plus			Monthly
Gateway Engagement	* Bi-weekly updates with Gateways * Implementation of best practice * Follow up application to provide enriched support to employers	Bi weekly Daily Bi weekly	Bi weekly Daily Bi weekly	Bi weekly Daily Bi weekly

Members are asked to:

1. Review and comment on the progress of the Kickstart Scheme and the proposed forward activity to continue promotion of the scheme.

Area for consideration	Comment
Monitoring Officer Consultation:	As part of an ELT update.
Section 151 Officer Consultation:	As part of an ELT update.
Existing Council Policies:	Economic Growth Strategy, Pathway to Recovery Plan
Financial Implications:	None
Legal Implications (including human rights):	None
Risk Implications:	None
Equality Issues/EQIA:	None
Crime & Disorder:	None
Every Child Matters:	N/A