

Your guide to Kickstart

Introduction

Kickstart is a government scheme to fund six-month work placements for young people aged between 16 and 24 on Universal Credit.

The REC has been successful in our bid to be a 'gateway organisation'.

This guide will help you find out more about Kickstart, the REC's role and how you can get involved.

1 What is Kickstart?

Covid19 has led to a recession like no other. But what we do know is recessions have a disproportionate impact on young people.¹

With this in mind, the Government announced that they are setting aside **£2 billion** of funding to support employers in offering work opportunities to 16-24 year olds who are unemployed. There is precedence for this - a similar scheme was announced in response to the financial crash of 2008/9 (Backing Young Britain).

Kickstart is a way of funding a work placement for an eligible young person, with an approved employer. Each placement will be six months long. The funding will be available until 31 December 2021, so the last placements will finish by summer 2022.

Employers must bid for approval if they want to access the funding - either directly or via a gateway organisation.

2 What does the funding cover?

An employer **approved** to offer a Kickstart placement can receive the following payments from government:

- £1,500 per placement to cover the employer's employability training and support costs
- The wage given to that person for their six month placement - it will be limited to the relevant National Minimum Wage / National Living Wage level, for 25 hours per week
- The employer's National Insurance contribution
- The minimum employer pension auto-enrolment contribution

¹ LSE Centre for Economic Performance, [What can previous recessions tell us about the Covid-19 downturn?](#) (August 2020). See page 15 for stats.

3 Who is eligible for a Kickstart placement?

You have to be aged between 16 and 24 years old and you have to be on Universal Credit.

The employer **cannot** identify a young person for a placement directly. Instead, once approved by DWP, the employer submits a job description and details for their placement to an online portal. Then JobCentre Plus work coaches share this potential job with their relevant customers, i.e. eligible young people.

4 What are the criteria for a Kickstart placement?

Your business has to commit:

- That this is an entirely new job. You can't make a role redundant or have someone leave your business, and then replace them with a Kickstart placement.
- You are not using this funding for a vacancy you planned to create, pre Kickstart
- The work is available for 6 months, for a minimum of 25 hours per week
- This role is suitable as an entry level role
- That you will provide support that helps a young person become more employable as a result of this placement.

DWP are not specifying the type of roles. So far, we've bid (successfully) for junior recruiter / resourcer roles, marketing execs, administrators in HR, finance, payroll, events functions and receptionists, amongst others.

5 How does my business get involved?

There are two routes:

1. Either you submit a bid to DWP directly
2. Or you apply via a gateway organisation.

In order to apply yourself, you need to be in a position to offer **at least 30 Kickstart placements** within your business.

If you don't have that many placements available, you can find a gateway organisation, like the REC.

6 What is REC doing?

Here at the REC we've submitted and been approved to be a gateway organisation for Kickstart! As a collective, we had enough members willing to offer placements for us to meet the initial threshold of 30 placements.

We will only be the gateway organisation for REC members. We have made this decision as it is important when we are in receipt of government money that there is a clear audit trail at all times.

As the gateway organisation, we will receive the government funding on your behalf, then we pass it on to your business in order to pay for your placement. Each gateway organisation also received £300 per placement to cover our administrative and compliance check costs.

7 Am I too late to join the REC's bid?

No! We submitted our initial application because we had over 30 REC member companies wanting to join our collective.

Now we have been approved, we can seek approval for new member companies, so we'll do that based on demand and eligibility. The funding is available until December 2021, so the last placements will finish in 2022, meaning there is still time (and space!) to get involved.

8 What do I need to tell the REC if I want to offer a Kickstart placement?

To start with, we will want to know the following information:

- Your Companies House / Charity Commission registration number
- The job you are creating as a Kickstart placement - the job title
- That your placement complies with the Kickstart criteria - we will want this confirmation in writing.

We will then submit these details to DWP. They will perform a "spotlight" check on your company - checking that it is financially viable in the eyes of the National Audit Office. This includes checking you have finances and mechanisms in place to pay your staff, aren't at risk of bankruptcy and that you have previously submitted audited accounts.

You cannot offer a Kickstart placement until you have been approved by DWP. Approvals are taking 4-8 weeks at present.

9 Is there anything else I need to know?

Here are our most frequently asked questions. If you think of others, let us know!

9.1 Finding someone for a Kickstart placement

Once your organisation is approved, there is a vacancy template form you can complete. This puts your job description information into a format ready to go onto DWP's portal.

Remember - you cannot identify your own candidates for this placement, they have to come from Jobcentre Plus. The whole idea of Kickstart is that this is offering work to someone who would otherwise be unemployed.

9.2 Selecting someone for your placement

Once your placement is live on DWP's portal, we will be sent matches for your job. Again, this is a process that will take time. The expectation is it can take one month between advertising your role and finishing the selection.

Once you have applicants, you will run a recruitment process as you would for any other job. Being an REC member, you'll know exactly what to do to ensure it is a transparent, compliant and inclusive process for your candidates.

We'd also recommend that everyone put forward is given some feedback, whether successful or not.

9.3 Your responsibilities as an employer

Offering a Kickstart placement is exactly the same as being an employer for any one of your employees. All your HR processes and best practice criteria apply - and we'd expect you to pay particular regard to what it will take to manage someone with little or no experience of the world of work.

9.4 What employability support am I expected to provide?

Eligible, approved employers will receive £1,500 of government funding to help you cover the costs of providing employability training and support to the person on your Kickstart placement.

DWP have not provided a legal definition of employability training - and rightly so, as every business will have different requirements of what it means to be employable in their sector.

But as a minimum, what we would expect to see from approved REC members offering a Kickstart placement is:

- The role provides a young person with a sense of the competences and skills employers need -
 - from the basics around time management and dress code, to transferable skills such as communication, team working, initiative and self-motivation, problem solving and adaptability.
- The employer provides training that allows the young person to carry out the duties expected in role - including training related to technical equipment, technology and internal processes.
- The employer designates time with the young person on a placement to review and provide constructive feedback on their CV and interview techniques - just as you would for any other candidate looking for work.

It might be that you want to put part of the funding towards a qualification or external training programme. The REC can provide information on training related to recruitment if the role is in that area for instance.

9.5 What if the placement doesn't work out?

DWP are quite pragmatic in their approach. We all know that sometimes, a job just doesn't work out. If we can show that every effort was made to support the young person and standard HR processes and regulations were followed, the employer will not be expected to pay back the employability support grant. Wages will only be paid by DWP for the time spent in work.

9.6 How will I receive the funding?

If you are bidding for a Kickstart placement with the REC as your gateway organisation, the REC will be paid the money and then pass that money onto you.

You will get the £1,500 within the first week of the start of the placement (or within 5 working days of the REC receiving the money from DWP).

The wages you pay to a young person on a Kickstart placement will be paid back to you monthly in arrears, via the REC. Again, the REC will pass this money to an employer within 5 working days of us receiving it. You will need to pay the person on placement via the HMRC PAYE system.

9.7 Who can I contact for more information?

The [gov.uk website](#) has lots of information about Kickstart and it is particularly important to read their [Terms & Conditions](#).

If you want to explore the REC being your gateway organisation, please contact Policy@rec.uk.com