


REPORT TO CABINET

13 January 2021

Subject:	The Kickstart Programme
Presenting Cabinet Member:	Councillor Singh, Cabinet Member for Employment and Skills
Director:	Chris Ward, Director - Education, Skills and Employment
Contribution towards Vision 2030:	
Key Decision:	Yes
Cabinet Member Approval and Date:	Councillor Singh, Cabinet Member for Employment and Skills: 10/12/20
Director Approval:	Chris Ward, Director Education, Skills and Employment: 11/12/20
Reason for Urgency:	Urgency provisions do not apply
Exempt Information Ref:	Exemption provisions do not apply
Ward Councillor (s) Consulted (if applicable):	This report affects the whole borough
Scrutiny Consultation Considered?	Scrutiny consultation has not been considered at current time
Contact Officer(s):	Kelly Thomas, Employment and Skills Services Manager E: kelly_thomas@sandwell.gov.uk M: 07977270823

DECISION RECOMMENDATIONS

That Cabinet:

1. Following the approved application to the Department of Work and Pensions (DWP) for £171,983, approve any subsequent applications to the Kickstart scheme up until December 2021.

1 **PURPOSE OF THE REPORT**

- 1.1 To approve applications to the Department of Work and Pensions (DWP) for the Kickstart programme with Sandwell MBC acting as an intermediary organisation representing local employers.

2 **IMPLICATION FOR VISION 2030**

2.1 **Ambition1**

Sandwell is a community where our families have high aspirations and where we pride ourselves on equality of opportunity and on our adaptability and resilience.

Ambition 3

Our workforce and young people are skilled and talented, geared up to respond to changing business needs and to win rewarding jobs in a growing economy.

Ambition 4

Our children benefit from the best start in life and a high-quality education throughout their school careers with outstanding support from their teachers and families.

Ambition 10

Sandwell now has a national reputation for getting things done, where all local partners are focused on what really matters in people's lives and communities.

3 **BACKGROUND AND MAIN CONSIDERATIONS**

- 3.1 The Kickstart initiative is part of the chancellor's package of support to tackle rising unemployment particularly amongst young people. The programme is for 16-24-year olds in receipt of Universal Credit who are at risk of becoming long term unemployed.
- 3.2 Sandwell MBC has applied to the DWP to be an intermediary within the Kickstart initiative and to represent local employers to benefit from funding which can fully fund temporary paid placements for unemployed young people.
- 3.3 An initial application was submitted to the value of £171,983 in November 2020 with a project appraisal retrospectively approved on 3 December 2020. Approval was provided at a Sandwell statutory officers' meeting in October 2020 to allow the first application to be submitted.

- 3.4 Employers can receive the full salary costs for a 25 hour per week 6-month placement paid at National Minimum Wage for an individual's age plus contributions.
- 3.5 To apply in their own right employers must have a minimum of 30 placements or join an intermediary to represent them. Intermediaries apply on behalf of the employers and disseminate the funds from DWP to the employer.
- 3.6 Placements should be new and not displace other staff and they also need to be opportunities which do not require significant training prior to starting the job. Intermediaries are responsible for working with employers to ascertain eligibility for the funding and post the opportunities on the DWP website for job matching.
- 3.7 Participants need to receive wraparound support such as CV's, mentoring, basic training, careers advice and support to get into longer term employment. A payment of £1,500 is available to provide this support and can be negotiated with the intermediary or local providers to deliver this. Intermediaries also receive a fee of £300 per placement for their administration role in the process.

4 THE CURRENT POSITION

- 4.1 Youth unemployment in Sandwell is a challenge and has been exacerbated by the pandemic. Since January 2020, there has been a 7.4% increase in 18-24 year olds claiming Universal Credit in Sandwell, compared to an increase of 5.4% in the West Midlands and a national increase of 5.5%.
- 4.2 The Employment and Skills team are actively engaging with local employers interested in the Kickstart scheme. Employers complete an expression of interest which is followed up with a series of due diligence checks including health and safety and confirming eligibility.
- 4.3 The Employment and Skills team have experience of delivering this type of programme, having administered the Future Jobs Fund and Sandwell Guarantee initiatives. They have experience of supporting employers to develop job descriptions, confirming eligibility, processing salary payments and providing recruitment support. They are also well placed to deliver the wraparound support to assist participants to move into sustainable employment.

- 4.4 An employer agreement is in development to ensure employers who join with Sandwell MBC's gateway adhere to the DWP set of terms and conditions. The agreement will also set out the role of SMBC in monitoring and auditing of the programme and the agreed model for delivery of wraparound employability support.
- 4.5 The initial application made to DWP is awaiting approval however an outcome is expected imminently. DWP have reported a backlog in the processing of applications particularly for intermediary applications.

5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)

- 5.1 Employers have already been engaged in the process with referrals from the Growth Hub, Sandwell College and enquiries directly from employers.
- 5.2 There will be an advertising campaign to engage with more employers if the report is approved. Participants haven't been consulted as referrals will be made by Job Centre Plus and only those in receipt of universal credit are eligible.
- 5.3 Job Centre will identify 16-24 year olds who are eligible for the programme.

6 ALTERNATIVE OPTIONS

- 6.1 The Council could choose to make no further applications to the Kickstart scheme. However, this could result in less opportunities for young people in Sandwell to gain employment and less Sandwell employers benefitting.
- 6.2 It is not possible to make one large application for the funding since applications require placements to have been secured with local employers and ready to start. If applications were limited to one, further identified opportunities could not be funded. Starts can take place up until December 2021 therefore it is difficult to forecast the exact number of placements to apply for.

7 STRATEGIC RESOURCE IMPLICATIONS

- 7.1 Kickstart is fully funded by DWP funds and there is no requirement for match funding. The funding pays for the salaries of the participants for up to 25 hours per week for 6 months. Employers can choose to pay a higher rate of pay or for more hours at their own cost. There is no limit on numbers therefore all eligible placements will be funded.

- 7.2 Intermediaries receive a £300 payment for each placement for administration of the grant and processing the payments to the employers.
- 7.3 A £1500 payment is also available to deliver wraparound employability support. This payment can be negotiated between the employer and the intermediary.
- 7.4 Facilitation, co-ordination, delivery and monitoring of the programme will be paid for by programme funds.
- 7.5 Intermediaries are required to commission an independent audit of the programme, funding for this will be allocated from project funds.

8 LEGAL AND GOVERNANCE CONSIDERATIONS

- 8.1 The employer agreement will be developed alongside legal to reflect the terms and conditions of the funding and the DWP.

9 EQUALITY IMPACT ASSESSMENT

- 9.1 An equality impact assessment (EIA) screening has been carried out. As the outcome found that there are no adverse impacts on protected characteristics, a full EIA is not required for this proposal.

10 DATA PROTECTION IMPACT ASSESSMENT

- 10.1 For this project, a Data Protection Impact Assessment will be completed and submitted to the Data Protection Officer (DPO) before going to Cabinet.

11 CRIME AND DISORDER AND RISK ASSESSMENT

- 11.1 There are no specific crime and disorder implications arising from this report.
- 11.2 The Corporate Risk Management Strategy (CRMS) has been complied with - to identify and assess any significant risks associated with this decision/project. This includes (but is not limited to) political, legislation, financial, environmental and reputation risks.
- 11.3 A project appraisal was conducted and approved by Strategic Finance for the initial submission with the following recommendations:

1. That the submission of an application for funding of £0.172m to the Department for Works and Pensions for the delivery of work placements for unemployed young people be retrospectively approved.
2. That terms and conditions of grant funding are adhered to.
3. That procurement for the project is in accordance with the Council's financial regulations.
4. That contracts are entered into with employers to reflect and pass on grant requirements, in order to mitigate the risk to the authority.

11.4 A risk assessment has been carried out to assess the risks associated to deliver the Kickstart programme. There were 4 moderate risks identified to date. Any risks identified will be addressed with a series of actions to mitigate the risk.

Moderate risks identified include:

1. Employers failing to comply with the listed DWP terms and conditions
2. Participant non-completion of the programme
3. Lack of capacity in the Employment and Skills team to deliver the wraparound support
4. Sandwell MBC not meeting the DWP terms and conditions

Measures will be put in place to manage these risks to an acceptable level.

12 SUSTAINABILITY OF PROPOSALS

12.1 The Kickstart programme started in November 2020 and is due to be funded until December 2021 in response to a growth in youth unemployment caused by the pandemic.

12.2 Whilst the Kickstart placements are temporary for six months, the aim of the programme is to support individuals into sustainable employment at the end of their placement. In the event of participants not finding employment immediately at the end of their placement the Black Country Impact programme also delivered by the Council can support with Employment and Training going forward.

13 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)

13.1 The Kickstart programme contributes to the health and wellbeing of residents due to the association of positive health benefits as a result of employment and skills outcomes. Supporting young people's wellbeing has been included as part of the wraparound employability offer.

14 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND

15 There are no implications on any council managed property or land in relation to this report.

16 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

16.1 The Kickstart programme responds to the growing need to tackle youth unemployment in Sandwell exacerbated by the impact of the pandemic. The proposal also supports local businesses to benefit from the scheme with the aim to support sustainable employment.

17 BACKGROUND PAPERS

[Kickstart Scheme Terms and conditions – Employers](#)

[Kickstart Scheme Terms and conditions – Gateway employers](#)

18 APPENDICES:

Section 151 Officer Appraisal Report.

Chris Ward
Director of Education, Skills and Employment