

Kickstart – VCFSE Sector Briefing Session 3

KICKSTART
SCHEME

Thursday 15th October 2020

VS6 – Working together to build
a stronger Liverpool City Region

VOLA

VOLA, VS6 & Kickstart: A Coordinated VCFSE Sector Scheme

- [VOLA](#) is a consortium of VCFSE sector skills and employment providers operating across the Liverpool City Region (LCR).
- VOLA is a member of [VS6](#), a partnership of VCFSE Sector infrastructure/support organisations working with the 8,600 VCFSE organisations and groups across the LCR.
- The VS6 partnership has agreed for VOLA to act as its lead body in coordinating a VCFSE sector option to LCR's Kickstart scheme, working with other VS6 members who will publicise and direct interested VCFSE employers to VOLA's scheme.
- These slides are an adaptation of an original set prepared the LCR Combined Authority (CA). We would like to extend our thanks to the LCR CA for allowing us to use their slides.

Kickstart

- Part of the Government's 'Plan for Jobs' scheme.
- Kickstart: £2 billion fund to create hundreds of thousands of high quality, 6-month work placements aimed at those aged 16 to 24 who are on Universal Credit and are deemed to be at risk of long term unemployment.
- Funding available for each job will cover 100% of the relevant National Minimum Wage for 25 hours a week, plus the associated employer National Insurance contributions and employer minimum automatic enrolment (pension) contributions.

Current rates

These rates are for the National Living Wage and the National Minimum Wage. The rates change every April.

	25 and over	21 to 24	18 to 20	Under 18	Apprentice
April 2020 (current rate)	£8.72	£8.20	£6.45	£4.55	£4.15
April 2019 to March 2020	£8.21	£7.70	£6.15	£4.35	£3.90

How the scheme works

- 6 month job placements for young people aged 16-24.
- Placement should support the participant develop the skills and experience they need to find work after completing the scheme.
- Employers can apply directly for placements if they have a minimum of 30 job placements on offer.
- **Employers with fewer placements can partner with other organisations (Intermediaries) to reach the minimum number of 30.**

... THIS IS WHERE VOLA COMES IN!

How the scheme works

Kickstart job placements must be new jobs.

They must not:

- Replace existing or planned vacancies
- Cause existing employees or contractors to lose or reduce their employment
(Need to check this with employers & provide evidence in application to DWP – all applications assessed by DWP panel to ensure eligibility and no job displacement.)

The roles must be:

- Minimum of 25 hours per week, for 6 months *(only 25 hrs funded, but employers can top up)*
- Paid at least the National Minimum Wage for their age group *(only NMW funded but, again, employers are encouraged to top up to the Real Living Wage)*
- Should not require people to undertake extensive training before they begin the placement

How the scheme works

In addition to the job placement itself, employers and Intermediaries need to help participants to develop their skills and experience, including:

Support:

- To look for long-term work, including career advice and setting goals.
- With CV and interview preparations.
- With basic skills, such as attendance, timekeeping and teamwork.

Role of the intermediary (DWP minimum requirements)

- Use expertise and knowledge to encourage employers to create good quality job placements.
- Collate and submit details online about employer job placements – later passing on further details to enable JCP Work Coaches to refer the right young people to apply for the jobs.
- Receive DWP payments and pass on relevant payments to employers.
- Provide employment support directly to young people on the scheme.

Additional VOLA service offer to employers

- Assess employer support needs (HR, payroll, staff training/support, reasonable adjustments) & refer to wider support, e.g. through CVS's
- Workplace mentor training
- TBC - short-listing support?
- Initial assessment and action plan for successful applicants (in partnership with employer)
- IAG & employability skills, e.g. teamwork, communication skills.
- Referral to mainstream services (Further Education courses, National Careers Service)
- CV, interview prep, job search: esp. in 2nd half, if placement unlikely to be made permanent
- Referral to wider wraparound support, e.g. health/ mental health, care, benefits advice.

NB Additional service offer will need to be funded through the £1,500 wraparound fee. Exact cost (% of the £1,500) TBC, dependent on likely volumes.

Payment of salary costs

- DWP uses HMRC info. to check participants are still employed.
- DWP will pay VOLA **monthly in arrears** when they know employee is:
 - Enrolled on the employer's payroll
 - Being paid through Pay As You Earn (PAYE)
- VOLA will then pay the employer ASAP on receipt of invoice and other potential paperwork, e.g.
 - Signed employer/employee agreement at the start
 - Timesheet, payslip - TBC
- **Consider your cash-flow ability**

Financial flows

- VOLA basic Intermediary fee = £300 per job, paid on each job start.
 - To support with associated administrative costs.
- £1,500 wraparound funding - paid to VOLA upon job start.
 - Cost of wider VOLA support offer TBC and confirmed to employers from outset.
 - Balance to quickly flow to employer for job set-up and other costs e.g.
 - DBS checks
 - IT or other equipment
 - Uniform, PPE
 - Other job-specific training

DWP Application Process

- VOLA to pull together placements (min. 30) & submit application online.

Required info:

- **Basic organisational and placement info:**
 - Companies House/ Charity Commission no., address, contact details)
 - Job role and location
- **Supporting info about how the placements are new jobs and do not:**
 - Replace existing or planned vacancies.
 - Cause existing employees, apprentices or contractors to lose or reduce their employment.
- **Info about support to help develop participant's employability skills.**

Employer info required to demonstrate no job displacement

- Changes to workforce in last 6 months and why (e.g. redundancies and changes to hours worked by existing staff)
- No. of people affected by changes to workforce in the last 6 months.
- Kinds of roles, functions and average salary of those made redundant or had hours reduced in last 6 months.
- If you would be able to create these job placements without Kickstart funding and how.
- Recruitment completed, started or paused in last 6 months, including how similar these vacancies are/were to Kickstart role(s).
- If the job placements will be similar to existing or planned roles, or the roles previously done by those made redundant/ reduced hours - why you want Kickstart funding to create similar roles
- Whether you have engaged with any relevant trade unions and any advice given

Info on support to be provided to become more employable

- What - e.g. CV, interview prep, basic employability skills training, workplace mentoring, job search.
- When - e.g. at the start, halfway through, or towards end of placement
- No. of hours
- Who will provide the support
- How support will be monitored
- How the young person can provide feedback - during & after placement - and how this will be acted on, where necessary.

Balance of roles/ responsibilities will be agreed between VOLA and employer, e.g. what employer will do / what VOLA will do

- Will need info on what employer will provide using the balance of the £1,500 wraparound funding they retain.

Other info we will need

- Confirmation that the organisation is a going concern (i.e. not in, or at risk of going in to administration).
- Confirmation of relevant insurance and policies/protocols in place, e.g.
 - Public & Employers Liability Insurance
 - Recruitment and induction, H&S, E&D, Covid policies/ protocols
- Nominated supervisor/ mentor – name and contact details
- Whether you intend to ‘top up’ hours and/or pay – e.g. Real Living Wage, >25 hrs per wk.

If application is successful...

- Grant agreement issued– includes £ & what you have agreed to provide.
- Sign and return before any job placements can begin.
- JD and application details required for each placement applied for.
- JCP Work Coaches will then match young people to appropriate placements and support them to prepare to apply.
 - *Primary/ initial focus on UC claimants – whether scope may widen later to include other 16-24 yr olds (other benefits/ non claimants) not yet known.*
- Young people matched to placements by JCP will contact / apply direct.

NB Referrals must come via DWP. Will only be funded if employer appoints someone JCP have introduced.

So why get involved?

1. To do your part – give local young people a chance!
2. Community benefit, community wealth-building.
3. Discover untapped potential.
4. Additional capacity at a time when things are stretched.
5. New ideas, innovation.
6. Help grow your ‘business’.
7. Good progression pathway for young people you may already support

Key Issues to Consider

1. No job displacement (need to provide evidence to DWP).
2. Number of placements needed?
3. Your capacity to manage a quality placement.
4. What is the potential for progression to permanent position?
5. Timing of recruitment? (Last starts on scheme Dec-21)
6. Consider potential additionality – but comes with cost:
 - a. Would you want to increase above 25 hours per wk?
 - b. Would you 'top up' to Real Living Wage? (Currently £9.30 per hr)
 - c. Additional employer pension contributions above the automatic enrolment (Govt. minimum) level
7. Payment schedule – cash-flow

Why VOLA?

1. Quality, competitive Kickstart support package
2. Strong, demonstrable track record
3. 13 years experience in supporting young unemployed people
4. Experience of ILMs
5. £18m funding for skills and employment support
6. >9,000 learners (5,000 yp) and 800 VCFSE employers supported
7. >£25m in additional social value
8. VCFSE sector specialists – understanding, expertise, experience, networks
9. Robust contract, project and partnership management processes
10. Experience of working with DWP (compliance, etc.)
11. Not-for-profit - we're not in this to make money... We're in it for the young people and the sector!

Next Steps

1. Circulate Expression of Interest forms (by 29th October)
2. Return EOI forms (by 11th November)
3. Finalise wider support package and cost (out of £1,500 wraparound funding) and inform interested employers (by end November)
4. Assemble delivery partnership (November/December)
5. First application to DWP (late December)
6. Aim for recruitment to first placements (January 2021)

Questions?

Thank you!

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