



Kickstart: Frequently Asked Questions

Is my business eligible for Kickstart?

The key criteria is that you must be a Limited Company (sole traders are not allowed) or a registered Charity. You must have been trading for at least 12 months and have accounts registered with Companies House.

What is a Representative and what do you do for us?

As part of the Kickstart scheme, small businesses seeking less than 30 placements must club together with other small businesses and have their application done collectively via a representative / intermediary – This is the function Pegasus is undertaking. Pegasus is on the DWP's list of approved Gateways. Once we have a number of businesses who collectively have requested over 30 placements, we will submit the group application and manage the interface between you and the DWP. We also administer the delivery of all grants that are paid to us to distribute to the individual businesses, We also have a reporting duty to the DWP to ensure you are providing the Kickstart placement person the appropriate support and training.

Does your representative service cost us anything?

No. Our service is free to you. However, one of the criteria of the programme is to provide detailed employability training; we take £200 from the initial grant to cover the cost of providing this to each kickstarter.

When do we get the £1,500 initial grant and what can we spend it on?

The initial grant of £1,500 (minus the £200 for employability training, so actually £1,300) is paid within 10 days of you proving the individual has started with you.

In regards to what you can spend it on, it is intended to cover the cost of any equipment or subscriptions the individual will need to do their job (for example, workwear, computer, software licenses, etc) and any associated training costs.

At this stage (November 2020) we are still seeking guidance on whether this will have to be accounted for or not.

How the payments made and when?

The initial grant is paid within 10 days of you proving the individual has started with you. In terms of support for wages, the government issues grants from the end of month two in arrears based on 25 hours per week and minimum wage (varies dependent on the age of the individual) plus Employer's NI contribution and pension payments. So you would get the grant for the wages of month one at the end of month two and so on. It is therefore advisable to ensure you can cashflow their wages for the first two full months.

Who pays the Placement individuals?

You must cover their wages whilst they are on placement with you. At months 2,3,4,5,6 and 7, the DWP make a payment (called a grant) to cover the wages costs for each month respectively. This is paid via your representative; so us in this case (hence why we need your bank details).

What happens after the application?

The DWP advise that after a group application has gone in, we will hear within 30 days whether we have been successful (this may well be sooner, but right now as the Kickstart scheme has only just begun (Launched in September 2020), we don't know. Once we have we can begin reviewing applicants for the placements.

How do we get candidates from?

The DWP have a database of young people and will begin to send us them (we assume this will be via the representative). However businesses are also allowed to advertise for candidates themselves (Pegasus can do this for you, please the Additional Pegasus Service document), as long as they make clear in the advert that individuals must be eligible for the Kickstart scheme and that it is only a six month placement. Eligibility is;

- They must be 16-24 years old
- They must be on universal job credit and unemployed

Do we have a choice of who we take on placement with us?

So the spirit of the Kickstart scheme is to get young people in to work, this may include individuals with no prior work experience so it is hoped companies will be supportive of this. That said, yes, there is a screening and interviewing process, you only have to take on a

placement if you are happy that you have the right calibre of individual who would also get your culture.

What are our responsibilities as Employers of the Kickstart placements?

Obviously, as with any employee you must satisfy the regulations and obligations of an employer; providing a safe and non-discriminatory work environment. As for the Kickstart scheme itself, frankly the guidance is a little vague from the DWP, they have said employers need to support kickstart placements with the following basic skills;

- Attendance
- Time Keeping
- Communication
- Team work
- Travelling to work

We support you with this as some of the above is dealt with in our employability training, but of course there is the theory then the practice! On from there, our view is that you need to give these young people some genuine skills they can then take on into the world of work, so you certainly should give some thought to this.

What happens if the placement just doesn't work out?

As per the last question, the spirit of the scheme is to support young people into work; this may mean that some need more support than others and it is hoped businesses will give them the necessary support. However, should the placement not work out, then like any employment contract, you can let the individual go. In terms of payments from the government, this is paid pro-rata up until the day the day the individual finishes employment with you.

Can we delay/stagger the start date?

Yes, in theory, once approved, you have until the end of 2021 to start them.

Can a kickstart placement be extended?

The placements only last six months; the same individual will not be funded further by DWP. You can however start a placement of another young person for the same role.

Can we employ the individual on after the placement?

Absolutely – in fact that is what the scheme is hopeful of creating – more permanent jobs or apprenticeships for young people.

Are there additional financial incentives should we employ the individual?

No, well certainly not as an extension of the kickstart scheme. We understand there is additional funding available should you take them on as an apprentice, however we are not certain how long this window is open for and would advice you to take further advice from the Apprenticeship Service - <https://www.apprenticeships.gov.uk/#>

For any additional questions, please do use the secure message service in our portal, or call us on 0113 3452740 or email Hayley Thornton on ht@pegasussearch.com

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