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## **New Kickstart Scheme Open for Applications**

The government's new 'Kickstart' job creation scheme to help unemployed young people is now open for applications but is not as straight forward as was initially thought.

Under the scheme, employers can offer a six-month work placement to youngsters aged 16-24 who are claiming universal credit.

The **government will fully fund each Kickstart job**, paying 100% of the agerelevant national minimum wage, National Insurance and statutory automatic enrolment minimum pension contributions for 25 hours a week. Employers will be able to top up this wage, while the government will also pay employers £1,500 per job placement to cover support and training and to help pay for uniforms and other set up costs.

Applications must be for a minimum of 30 job placements. This requirement will clearly make the scheme much less attractive to many small and medium-sized employers who will not be looking to create 30 placements or more.

Businesses which are only able to offer one or two job placements can partner with other organisations, such as similar employers, local authorities, trade bodies or registered charities, to reach the minimum number.

The intermediary applying on behalf of a group of employers is eligible for £300 of funding to support with the associated administrative costs of bringing together

these employers.

The other key eligibility criteria for the scheme are:

- The jobs must be new jobs and must not replace existing/planned vacancies or cause existing employees/contractors to lose or reduce their employment.
- The roles must:
  - Be a minimum of 25 hours per week for six months.
  - Be paid at least the National Minimum Wage for the age group.
  - Not require people to undertake extensive training before they start.
- Each application should set out how the employer will help workers develop their skills and experience, including support to:
  - Look for long-term work including support with CV and interview preparations.
  - Develop basic skills, such as attendance, timekeeping and teamwork.
- Once a job placement is create, it can be taken up by a second person after the first successful applicant has completed their six-month term.

Applications can be made online if the employer is creating more than 30 job placements or if they are the representative for a group of employers.

Applications have to be considered by a panel and responses could take up to a month.

Initial payments will be made once the employer has confirmed to the DWP the young person has started work, is enrolled on their payroll and is being paid through PAYE.

https://www.gov.uk/government/collections/kickstart-scheme? utm\_source=9110972d-4588-4bc2-a272-6bb7da082115&utm\_medium=email&utm\_campaign=govuknotifications&utm\_content=immediate

The Allens Team







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