

# Thirty-Ninth Report of Session 2021-22

## Department for Work and Pensions

### DWP Employment Support: Kickstart Scheme

#### Introduction from the Committee

The Department launched the £1.9 billion Kickstart Scheme in September 2020, as part of its response to the COVID-19 pandemic. It planned for Kickstart to create up to 250,000 jobs that would each last six months, pay at least the minimum wage, and provide at least 25 hours a week of work for young people aged 16–24 who were: on Universal Credit; had little or no income; and whom the Department’s front-line work coaches believed were at risk of long-term unemployment. The Department initially planned to put 250,000 people into Kickstart jobs by the end of December 2021. However, more people found non-Kickstart jobs than the Department had expected as the economy opened up during 2021, and as vacancies in the wider economy reached record levels. In October 2021, the Department extended the scheme to allow new Kickstart job starts until the end of March 2021, and now expects to put around 168,000 young people into Kickstart jobs, at a cost of around £1.26 billion.

Based on a report by the National Audit Office, the Committee took evidence on Monday 6 December 2021 from the Department for Work and Pensions. The Committee published its report on 25 February 2022. This is the government’s response to the Committee’s report.

#### Relevant reports

- NAO report: [Employment Support: The Kickstart Scheme](#) – Session 2021-22 (HC 801)
- PAC report: [DWP Employment Support: Kickstart Scheme](#) – Session 2021-22 (HC 655)

#### Government response to the Committee

**1: PAC conclusion: The Department launched Kickstart very quickly but at the expense of clear guidance and basic management information.**

**1a: PAC recommendation: The Department should review how it will be able to maintain the administrative processes and relationships it has established in the Kickstart Scheme, so that in a future recession it will be able to ramp up a successor scheme without having to design administrative processes, guidance and management information from scratch. It should write to us with details of this review within six months.**

1.1 The government agrees with the Committee’s recommendation.

#### Target implementation date: Summer 2022

1.2 The Department for Work and Pensions (the department) is reviewing successful features of the Kickstart Scheme to include in the wider service provided to claimants, including maintaining elements of the employer account management approach for use through the Way to Work Campaign. This will include details of the design elements, infrastructure, capability and functions which will be retained after the scheme and can be used as a reference source for future government programmes.

**1b: PAC recommendation: The Department should develop and periodically review a 'recession plan', with a set of well-designed policy proposals to rapidly address a surge in unemployment, reflecting evidence and lessons from previous schemes in Great Britain and internationally.**

1.3 The government agrees with the Committee's recommendation.

**Target implementation date: Winter 2022**

1.4 Economic downturns present different challenges and any planning on recession readiness needs to be informed by previous experiences and to be sufficiently agile to respond to the circumstances at any given time. The department has developed high-level principles to ensure that the department is able to respond to changes in the economy, recognising that recessions present different circumstances to address. These principles were applied in response to the expected economic downturn caused by the pandemic. The department will ensure it captures key learning points from Plan for Jobs, including drawing on the challenges and decisions presented through Kickstart in its response to any future economic downturn. The department will keep this under review.

**2: PAC conclusion: Many employers have been frustrated at the slow progress in finding suitable people to fill the Kickstart vacancies they have created.**

**2a: PAC recommendation: The Department should ensure Kickstart jobs are accessible to the people Kickstart is trying to help, and that employers have realistic expectations about the potential candidates.**

2.1 The government agrees with the Committee's recommendation.

**Recommendation implemented**

2.2 The department disagrees with the assertion of the Committee that slow progress was made in finding suitable people to fill Kickstart vacancies. Since the scheme started, around 160,000 Kickstart jobs have been filled by young people, with the final Kickstart jobs started by young people on 31 March 2022. The department expects the number of starts to increase further as employers report the commencement of employment. Kickstart District Account Managers actively engaged many employers and gateway organisations, that help employers get funding to create Kickstart jobs, by supporting them from the application process through to filling approved vacancies. The department has introduced creative and innovative ways to directly engage with employers such as: bespoke employer events, job fairs and attendance in Jobcentres to directly recruit young people and matching young people to jobs on the same day they are referred to the scheme. This approach has proved successful in attracting new employers to the scheme, increasing the range of Kickstart job opportunities and increasing the numbers of participating young people.

2.3 The department has also provided advice to employers from making their job adverts both compliant with Kickstart Scheme criteria to managing their expectations on the likely skills set and experience that most eligible young people would have acquired prior to participation.

2.4 The department also enhanced the functionality on the Find a Job service to both advertise all available Kickstart roles and introduce a self-serve option which allowed customers to match their skills and experience against their preferred jobs. As of January 2022, figures show that, since the scheme's inception in November 2020, an average of 2,051 young people started a Kickstart job each week. In the final quarter of 2021-22 the average job starts have been over 3,000 a week.

**2b: PAC recommendation: The Department should ensure it is able to record and report accurately on basic measures such as the number of people on Universal Credit that are suitable for Kickstart by location and how long it takes for a Kickstart job to be filled, and should write to us with this data within three months.**

2.5 The government disagrees with the Committee's recommendation.

2.6 The department believes the Committee's recommendation is no longer applicable, given that the last Kickstart Scheme participants started their jobs on 31 March 2022.

2.7 The number of young people by specific geographic area, duration on Universal Credit, and conditionality groups is published monthly as part of the Universal Credit Official Statistics – and has been throughout the life of the Kickstart Scheme. The data is available on [GOV.UK](https://www.gov.uk) and [Stat-Xplore](https://www.stat-xplore.com).

2.8 The department has worked closely with employers to identify suitable Kickstart jobs for eligible young people. Restrictions due to COVID-19 have at times affected the availability of roles and the speed of filling of vacancies. Over the life of the scheme and as restrictions on the economy have been removed, the speed of filling jobs has improved.

**3: PAC conclusion: The Department plans to evaluate Kickstart but has not set out clearly enough the measures of success or reported regularly enough on how the scheme is progressing.**

**3a: PAC recommendation: The Department should set out how, on all its major employment support programmes, it will report progress as it goes along, beginning with Kickstart. It should publish performance data on its programmes on its website on a regular basis, rather than on an ad hoc basis solely as answers to parliamentary questions.**

3.1 The government disagrees with the Committee's recommendation.

3.2 As with the government's response provided to the [Employment Support Study recommendations](#), the department will not be introducing regular statistical publications at this stage given that many of the programmes are about to come to an end. Instead, the department is considering how best it can put information about these schemes into the public domain after their closure and how information is best provided on schemes that will continue for longer.

3.3 The department has been working to improve data collection to support operational planning and policy decisions. As it does so, it has released more information into the public domain over time as the department's understanding of the data, and its confidence in it, increases.

3.4 The department will look to develop an agreed approach as to how often it will publish updated information and the most appropriate method of doing so.

3.5 The department has committed to publishing evaluation findings which will give details on the impact of Kickstart on young people's future employment prospects.

**3b: PAC recommendation: The Department should ensure that plans for frequent and granular reporting are built into the design of future employment support schemes, including any proposals that feature in the 'recession plan' recommended earlier.**

3.6 The government agrees with the Committee's recommendation.

**Target implementation date: Summer 2022**

3.7 The department's Major Change Portfolio Office is working with the Infrastructure and Projects Authority on new advice and guidance for business case development. The new guidance will include a recommendation to include the strategy for Data Management and the publication of routine statistics.

**3c: PAC recommendation: The Department should ensure its Kickstart evaluation covers as robustly as possible all of the expected impacts of Kickstart that are given in the business case.**

3.8 The government agrees with the Committee's recommendation.

**Target implementation date: Spring 2023**

3.9 The department has publicly committed to publication of the evaluation of the Kickstart Scheme once this is complete. It is aiming to publish process evaluation findings in Spring 2023, subject to ministerial approval and associated governance processes and protocols.

3.10 The evaluation is ongoing and includes large scale surveys to capture the views and experiences of Kickstart participants, employers and gateway organisations. It also includes qualitative case-study research in selected Jobcentre Plus districts across Great Britain. The evaluation is considering how experiences and outcomes from the scheme vary and how participants' and employers' characteristics, local context and local approaches to delivery have affected experiences.

3.11 The department will continue to evaluate the longer-term outcomes for Kickstart participants after they have completed their six-month jobs. This is part of a robust evaluation of how the Kickstart Scheme has improved employability and chances of sustained employment of those at risk of long-term unemployment in the 16- to 24-year-old age group. The department will use findings to improve current employment support and inform how it will deliver employment support in the future.

**4: PAC conclusion: Work coaches decide which young people will benefit most from Kickstart, but the Department has no way of knowing if they refer the right people to employers.**

**4a: PAC recommendation: The Department should use management information to monitor and manage how work coaches are deciding what support would work best for different claimants.**

4.1 The government agrees with the Committee's recommendation.

**Recommendation implemented**

4.2 However, the department disagrees with the assertion of the committee that the department has no way of knowing if work coaches are referring the right young people to employers. Management Information is fundamental to the design and implementation of the department's support for customers and to monitor their outcomes. The department uses insights drawn from Management Information to frame and refresh the guidance issued to work coaches.

4.3 The current Quality Assurance Framework assesses appropriate targeting of referrals and Management Information is also used to support performance discussions with work

coaches. Work coach discretion is fundamental to the department's approach to supporting people into employment. They are best placed to understand the personal circumstances of the customers on their caseload. Using a tailored approach, work coaches are empowered to identify the right support for the customer, using appropriate interventions to support them either closer to or into work, where they are able to work. In delivering the Kickstart Scheme, the department has used insights and analysis of the characteristics of claimants to refine work coach guidance and leadership engagement about scheme suitability and eligibility.

**4b: PAC recommendation: The Department should also implement our previous recommendation, which it accepted, to publish a full evaluation of how well its work coaches provide employment support and how consistently they apply their judgement, by December 2022.**

4.4 The government agrees with the Committee's recommendation.

**Target implementation date: December 2022**

4.5 As mentioned in the government's response to the referenced [Employment Support Study recommendations](#), the department has developed an approach to further evaluate how effectively work coaches provide employment support. Part of the focus of this work is on developing the evidence base on how the core regime is and has been delivered during the COVID-19 pandemic. The department is now carrying out plans to explore the wider support offer through programmes introduced as part of the Plan for Jobs 'as a system' to inform the department's future delivery strategy. The Kickstart evaluation is just one of these research projects and the department has committed to publishing this once complete.

4.6 As well as looking at the whole system, several pieces of research are being undertaken to support understanding of the effectiveness of individual policies, such as work search reviews and employment programmes offered through Jobcentre Plus. Findings are expected to start becoming available during the course of 2022.

**5: PAC conclusion: The Department does not monitor properly how well employers are supporting Kickstart participants.**

**5: PAC recommendation: The Department should set out clear and specific expectations from employers and Gateways to ensure that Kickstart participants get the experience and the employability support that they have been promised, and it should begin examining a sample of Kickstart placements each month to help ensure that these expectations are being met. The Department should write to us with an update on this work in three months' time.**

**In addition, the Department should ensure that it is able to, and does, claw back employment support costs where the employer has not used the money in line with its expectations, and allow Gateways to withhold the £1,500 employment support until employers demonstrate high quality employability support**

5.1 The government agrees with the Committee's recommendation.

**Target implementation date: Summer 2022**

5.2 Part of the Scheme evaluation is covering the delivery of employability support using employer and gateways surveys. This will provide the department with an overview of employers' compliance to deliver employability support. Any findings which prompt immediate action will be addressed through enhanced communications with employers or potentially increasing operational checks on them. In addition, the department is considering options for undertaking sample checks on employers, which will include whether the employability support is delivered as set out in the employer's grant application. The department expects to

complete this options scoping work by the end of Spring 2022 The department is also considering options for recovery of misspent funds.

**6: PAC conclusion: It is not clear how the Department uses Kickstart in tandem with its other employment support to best sustain young people in work.**

**6a: PAC recommendation: The Department should work out the best blend of all the support it offers to help Universal Credit claimants be confident to apply for a job, give each individual the best chance of getting that job, and work with employers to sustain jobs.**

**It should set out the criteria by which it will determine which form of employment support it offers will be most appropriate for different Universal Credit claimants, given their age, needs, skills, and employment history.**

6.1 The government agrees with the Committee's recommendation.

### **Recommendation implemented**

6.2 Work coach discretion is fundamental to the department's approach to supporting people into employment. Using a tailored approach, work coaches are empowered to identify the right support for the customer. Young people aged 16-24, receiving Universal Credit and in the intensive work search regime can access the department's Youth Offer. This offers wrap-around support through the 13-week Youth Employment Programme, complemented by joined-up local delivery through the department's Youth Hubs and specialist Youth Employability Coaches.

6.3 Work coaches offer support throughout the Kickstart job, including through voluntary month one and four interventions. At the four-month stage, support is focused on whether the young person will remain with the Kickstart employer, or whether they will be looking for other work. Advice focuses on the most suitable options for the young person following Kickstart job completion, including apprenticeships.

6.4 Through the Way to Work campaign, the department has built on the experience of Kickstart and the many new relationships developed with employers. Many of these employers may have never considered recruiting from Jobcentres before the delivery of the Kickstart Scheme and some are now retaining former Kickstart participants as apprentices or in other full-time roles. The department actively works with employers, both nationally and locally, to understand their recruitment and skills needs across sectors to better tailor support and promote employment schemes and apprenticeships.

6.5 Comprehensive guidance for DWP colleagues assists them in supporting those young people who return to claiming Universal Credit following a Kickstart job. The guidance covers an extensive range of resources available to young people with the aim of moving them into work, building on the experience from their Kickstart job.

**6b: PAC recommendation: In addition, the Department should make sure that either itself, or the Department for Education, talk to all Kickstart employers to make sure they know what other employment schemes they could get involved in, including apprenticeships.**

6.6 The government agrees with the Committee's recommendation.

### **Recommendation implemented**

6.7 Responsibility for apprenticeships is a devolved matter. In England, the Department for Education is responsible for apprenticeships. A data sharing agreement agreed in October

2021 enabled the sharing of details of employers participating in both the Kickstart and Apprenticeship Schemes being held by both the Kickstart team and the Department for Education to enable both departments to encourage participation in Kickstart and Apprenticeships. Information has also been provided to Kickstart District Account Managers to communicate to employers. The department works with national stakeholders, local government organisations and local employers to better understand their recruitment and skills needs across individual sectors to tailor support and promote incentives.

6.8 The department is actively working with the Scottish Government to promote the Kickstart Scheme and the Young Person's Guarantee in partnership to develop opportunities for young people at local level. The department has a partnership agreement with Skills Development Scotland and a joint action plan to work together to contribute to the delivery of an effective employment and skills service in Scotland.

6.9 The department utilised existing Welsh Government funding from Careers Wales to help support young people with access to the appropriate support, based on their individual needs, so they were fully prepared for Kickstart jobs. As Kickstart jobs come to an end, the department works with Careers Wales to support customers to access apprenticeships and other employment opportunities.