

Written evidence submitted by ACS

(The Association of Convenience Stores) welcomes the opportunity to submit evidence to the House of Commons Public Accounts Committee on the Kickstart Scheme. ACS represents over 33,500 local shops and petrol forecourt sites including Co-op, BP, McColls and thousands of independent retailers, many of which trade under brands such as Spar, Budgens and Nisa. The convenience sector provides 392,000 jobs across all types of communitiesⁱ. These are good quality local, secure and genuinely flexible jobs, often taken as a first step into the workplace by young people; 18% of convenience store colleagues are under 25 years oldⁱⁱ.

ACS welcomed the introduction of the Kickstart Scheme and has encouraged members to participate. The Scheme has brought forward innovative new job opportunities for young people deemed at risk of long-term unemployment, particularly following the removal of gateway requirements for employers providing fewer than 30 placements. ACS polling in April 2021 following the removal of these requirements found that 16% of retailers were participating in the scheme, 24% had applied but not yet started placements and 20% would be interested in offering opportunitiesⁱⁱⁱ. This clear interest from retailers who were not yet participating was a key reason we called for an extension to Kickstart Scheme deadlines ahead of the Budget announcement.

We have received feedback from members to inform your inquiry which can be grouped into four key areas:

DWP administration:

Retailers are reporting that turnaround times from DWP on submitted paperwork varies from three to ten weeks and is unduly delaying placement start dates and the reliability of approximate start dates. The additional time required to market and recruit roles means beginning a placement is at least a three-month process, with longer timeframes common. Another issue highlighted to us is the lack of helpful feedback from DWP when rejecting applications for funding, when those rejections have most often been related to detailed requirements alone or an interpretation of job responsibilities.

The Policy Landscape:

We understand the need for a range of government schemes and routes towards skills development, training and more productive employment. However, one effect of this diverse policy landscape is hesitancy from small businesses to engage, due to the resource and time required to understand the skills framework. Once committed to making people investments via formal schemes or qualifications, smaller employers must consider the suitability, costs and benefits of the Kickstart Scheme, apprenticeships, traineeships, and others. The Young Person's Guarantee in Scotland which pulls these items together further complicates retailers looking to understand their options.

Effective Local Partnerships:

Effective local partnerships have been essential to commencing Kickstart placements. DWP has a role to encourage partnerships to ensure the Kickstart Scheme fits the strengths, opportunities and challenges of different places. Job Centre Plus should work flexibly with these partnerships to prepare and handover candidates in a smooth and joined-up manner which reduces the gap between referrals and applications. A more proactive profiling of candidates to best match them to opportunities would help to reduce reported placement drop-out rates of 20-30%. The activity of LEPs around enabling skills partnerships should also be considered.

Employer Resources & Comms:

We recommend that DWP better adapts its employer resources for different-sized businesses. Independent convenience retailers fundamentally need to first understand the purpose, requirements, and process behind Kickstart (or any other scheme) via simple and clear comms before further engagement and commitment. We also recommend a greater emphasis through DWP's comms on the practical support available via gateways to make bids and organise placements.

The overall purpose of the Kickstart Scheme is to move young people with lesser labour market prospects into sustainable, unsubsidised employment in newly created jobs. The Scheme has been far more effective than the previous Future Jobs Fund, which effectively excluded the private sector. We would welcome this inquiry either advocating for its further extension or use as a template for future jobs initiatives.

ⁱ ACS Local Shop Report 2021

ⁱⁱ ACS Local Shop Report 2021

ⁱⁱⁱ ACS National Living Wage Survey 2021

November 2021