

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

Cabinet
4th November 2020

Report of the Head of Property and Regeneration
S. Brennan

Matter for Decision

Wards Affected: All Wards

Department for Work & Pensions (DWP) Kickstart - Gateway Representative

Purpose of Report

To seek Members approval for NPTCBC to commence the role of *Gateway Representative* for the DWP Kickstart scheme.

Executive Summary

On 8th July, the Chancellor Rishi Sunak set out a 'Plan for Jobs', which included a scheme called Kickstart. The scheme will provide funding to employers to create a new 6-month job placement(s) for young people aged 16-24 who are currently on Universal Credit and at risk of long-term unemployment.

The jobs will give young people the opportunity to build their skills in the workplace and to gain experience to improve their chances of finding long-term work.

The scheme requires the business to take 30 placements or to collaborate with other businesses (or the local authority) to collectively offer 30 placements.

The published contract duration is currently until December 2021.

Local Perspective

The end to the current government furlough scheme on 31st October, is expected to have a significant impact on businesses across the country. DWP recognise that benefit claimants for young people has significantly risen; **DWP have published unemployment figures for Neath Port Talbot for February and July 2020 for the those aged 18-24, highlighting a 56% increase in claimants**

February 20 total caseload of **1536**

July 20 total caseload **2399** (of which 1143 are intensive jobsearch workgroup).

The scheme is reportedly very much welcomed by both businesses and young people, however criteria has led to some criticism that the scheme is tailored towards larger businesses. Smaller companies would typically not offer 30 placements or have the capacity to set up and support a collaboration of companies to create some 30 placements, in addition to managing the support, financial and administration requirements. This can be overcome however, by creating the roles of 'Gateway Representatives'.

NPTCBC meets the criteria set out by DWP to be a '*Gateway Representative*', which effectively means acting as the Managing Agent for placements and administering wage/incentive reimbursements.

The *Gateway Representative* must have:

- experience of managing partnership agreements with third parties
- robust financial and governance processes to manage the application

The concept of providing paid work placements is not new to our Regeneration & Economic Development Department who, through the Workways+ project, support businesses with recruitment and 'paid work opportunities'. In addition, nearly 300 people were previously placed via a very similar DWP contract 'Future Jobs Fund' which ran until 2011.

Whilst the Kickstart scheme is a stand alone contract, it will be essential to continue the joined up working between the support provision offered by DWP and the Council's employability programmes (Communities for Work, Communities for Work Plus and Cam Nesa) reducing any potential confusion of multiple local authority departments contacting the same businesses. In addition, this is an opportunity for the Council's Business Services Team to engage with small businesses to ensure they access all applicable funding, grants and gain support to aid sustainability.

Financial Impact

For every Kickstart placement the authority will receive a £300 payment, therefore will attract £9,000 for the minimum 30 placements (it is anticipated that there will be considerably more than 30 placements). All employers must provide a package of support which we will offer to do for an agreed financial amount. This will be covered by the 'set up' costs; a £1,500 allowance employers will receive therefore no cost to the company. Any deficit in costs will be covered by existing Workways+ funding.

Staffing

The operation will employ 1 x Fulltime Employer Liaison Officer to work alongside the Business Team and the current Employability Employer Liaison Officers within NPTCBC.

Integrated Impact Assessment

An Integrated Impact Assessment (IIA) has been undertaken on the DWP Kickstart scheme to assist the Council in discharging its Public Sector Equality Duty under the Equality Act 2010. The Integrated Impact Assessment is attached to the report at Appendix I.

Workforce Impact

There is no impact on the existing workforce, but there is potential to create one additional post as referred to above.

Legal Impact

DWP are currently not in a position to release a copy of a contract. If and when we have the 30 positions to offer to DWP and they are satisfied we meet the criteria, they will then release a 'Terms of Contract'. We will of course at that point liaise with our Legal team.

Risk Management

The scheme will maintain a risk register which will be reviewed on a quarterly basis.

Consultation

There is no requirement under the Constitution for external consultation on this item.

Recommendation(s)

That Members approve for submission to the DWP the Kickstart application to enable NPTCBC to act as a *Gateway Representative*, to support local businesses and young unemployed people with this opportunity.

Reason for Proposed Decision(s)

To enable the Kickstart scheme to have a positive impact on the number of 16-24 year olds claiming Universal Credit in the County Borough and provide local businesses with the opportunity to create new posts to support their business through this period of uncertainty.

Implementation of Decision

The decision is proposed for implementation after the three day call in period.

Appendices

Integrated Impact Assessment – Appendix I

List of Background Papers

None

Officer Contact

For further information regarding this report, please contact Andrew Collins, Regeneration and Economic Development Manager.
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