

Written 1 February 2021

Changes to the Kickstart Scheme grant

The Kickstart Scheme, that provides funding to employers to create job placements for 16 to 24 year-olds on Universal Credit, is changing. So far, more than 120,000 jobs have been created and the new changes make the scheme easier for businesses to apply.

Employers of all sizes can apply for funding which covers:

- / 100% of the National Minimum Wage (or the National Living Wage depending on the age of the participant) for 25 hours per week for a total of 6 months
- / associated employer National Insurance contributions
- / employer minimum automatic enrolment contributions

Employers can spread the start date of the job placements up until the end of December 2021.

From 3 February 2021, employers can apply directly to the Kickstart scheme for any number of job placements. The Government is removing the threshold of 30 job placements.

Businesses can also choose to apply through a Kickstart gateway, including those supporting sole traders. Kickstart gateways already working with the scheme can continue to add more employers and job placements to their grant agreement.

Grants available are:

- / £300 per job placement to cover admin costs
- / £1,500 per job placement for employers

This funding is for setup costs and to support the young person to develop their employability skills. Employers can choose to get someone else to do this for them, such as a Kickstart gateway or a service provider. If they choose to do this they will have to agree how to share the £1,500.

Kickstart Scheme wages and related costs for employers

- / 100% of the National Minimum Wage (or the National Living Wage depending on the age of the participant) for 25 hours per week for a total of 6 months
- / associated employer National Insurance contributions
- / employer minimum automatic enrolment contributions

See: <https://www.gov.uk/government/collections/kickstart-scheme>
