Attachment 2

**Employer Agreement**

[Gateway’s name and address]

[contact name and details]

[Insert date]

[Employer's name]

[Employer's address]

Attn: [Employer’s contact name]

By email to: [Employer’s contact email address]

Dear [Insert Employer’s contact name],

**Kickstart Scheme – Funding Letter**

We are pleased to inform you that the Secretary of State for Work and Pensions (**DWP**) has accepted our application to take part in the Kickstart Scheme and work with you to create jobs for young people at risk of long-term unemployment. This letter explains what happens next and how you can access candidates and funding for your Kickstart Scheme vacancies.

Before DWP will submit candidates for your Kickstart Scheme vacancies or provide any grant funding, you will need to enter into an agreement with us that explains what you can use the funding for and the standards you will need to uphold as a recipient of public money.

The agreement between you and us (**Kickstart Employer Agreement**) comprises:

* this Funding Letter, which gives you an overview of your duties as a Kickstart Scheme employer and the funding; and
* the Kickstart Scheme Terms and Conditions for Gateways and Employers produced by DWP, as updated from time to time (the **Conditions**). We may provide you with a copy of the Conditions directly (e.g. alongside this Funding Letter) and/or the latest version is made available to view at <https://www.gov.uk/government/publications/kickstart-scheme-terms-and-conditions>.

Once you sign this Funding Letter, the Kickstart Employer Agreement between you and us will take effect. Please ensure you have read and understand this Funding Letter and the Conditions.

Unless the context otherwise requires, capitalised expressions used in this Funding Letter have the same meanings as in Annex 1 of the Conditions.

1. **Kickstart Scheme overview**

The table below explains what you can use Kickstart Scheme funding for and how it will be paid:

|  |  |
| --- | --- |
| **Funded Activities** | We will provide you with Grant funding from DWP to help you provide six months of paid employment for young people, including employability support to develop their work skills and to help them find future employment. The activities funded are as follows:1. Funding will be used to create six-month, meaningful jobs for young people, aged 16-24, who are claiming Universal Credit and referred to you by DWP (directly or via us) for employment opportunities (**Participants**).
2. Funding can only be used by you to employ Participants in new jobs. The jobs must not:
* replace existing or planned vacancies; and/or
* cause existing employees, apprentices or contractors to lose work or reduce their working hours.
1. All jobs supported by Grant funding must:
* provide regular work for the Participant, for a minimum of 25 hours a week on average each month, for six months; and
* pay at least the National Minimum Wage/National Living Wage (as applicable) for the Participant’s age group and national insurance and minimum automatic enrolment contributions.
1. You will help Participants to develop their skills and experience to find work with you or another employer after completing the Kickstart Scheme.

A more detailed description of the Funded Activities is set out in Annex 2 (Funded Activities) of the Conditions. |
| **Maximum number of employment opportunities to be funded** | [Insert details]The maximum number of employment opportunities funded and the amount of funding provided may be increased or decreased from time to time as explained in the Conditions, including clauses 3 and 21. |
| **Funding Period** | The period from the date on which the Kickstart Employer Agreement takes effect until the Project End Date. |
| **Project End Date** | 31 December 2021or the date on which our final Funding payment is made, whichever is later. Please note:The Kickstart Employer Agreement may be terminated earlier, as explained in the Conditions, in which case the Project End Date will be the effective date of termination. New Kickstart Scheme jobs can start up until 31 December 2021. |
| **Payment Schedule** | DWP will provide us with Grant funding to contribute to our costs and the costs of the employers we represent, including you. From this Grant funding, we will pay you the following for each Participant employed by you in accordance with the requirements of the Kickstart Employer Agreement:1. Initial payment of £[insert amount – to be agreed by the gateway and the employer] for set-up costs, support and training.
* DWP will only provide us with funding for this payment when it is satisfied that the Participant has started employment with you.
1. Six further payments of the remainder of the funding, paid in arrears, for each Participant.
* DWP will only provide us with funding for these payments on confirmation that the Participant has been paid through PAYE by you in the previous month.

The six further payments will cover for each Participant in the relevant time period 100% of the relevant National Minimum Wage (or the National Living Wage depending on the age of the Participant) for 25 hours a week plus the associated employer National Insurance contributions and minimum automatic enrolment contributions.A more detailed description of how payment works is set out in Annex 3 (Payment Schedule) of the Conditions. This includes important notes on how payment works in different scenarios.If you need us or any other organisation to supply you with any goods or services (e.g. training) in connection with the Funded Activities, the value of those goods or services may be subject to VAT, depending on the specific circumstances. You should consult your own tax advisers or local HMRC office if necessary (DWP cannot give tax advice). |
| **Review**  | We and DWP may review the Funded Activities during the lifetime of the Funding Period. |
| **Employer Representative** | [Insert name, title and contact details (phone and email) of Employer's main point of contact for the Kickstart Scheme] |
| **Gateway Representative** | [Insert name, title and contact details (phone and email) of the Gateway’s main point of contact for the Kickstart Scheme] |

1. PAYMENT
	1. DWP provides Grant funding for the Kickstart Scheme pursuant to section 2 of the Employment and Training Act 1973.
	2. Subject to your compliance with the terms of the Kickstart Employer Agreement, we will make payments to you in accordance with the Payment Schedule. We will pay you as soon as possible and in any event within five (5) Working Days after we receive the Grant funding from DWP.
	3. DWP may contact you from time to time to check how quickly you are receiving payments from us. Requests for payment must not be submitted to DWP.
	4. We will ask you for details of the bank account into which payments will be made. This bank account must be in the name of your business and located in the UK. All payments will be made in pound sterling (GBP) into this bank account.
2. The Kickstart Employer Agreement between you and us
	1. The Kickstart Employer Agreement is a legally binding agreement between you and us so please make sure you understand what your obligations are. Failure to comply with the terms and conditions of the Kickstart Employer Agreement may result in payments being suspended, reduced, reclaimed or withheld, and/or your involvement in the Kickstart Scheme ending, without prejudice to any other civil or criminal sanctions which may be appropriate.
	2. You should note that DWP is entitled to enforce the terms of the Employer Agreement as if it was us. If requested by DWP, we will provide DWP with a signed copy of the Kickstart Employer Agreement between you and us.
3. filling Vacancies & no guarantee of funding
	1. You will provide full details of the proposed Kickstart Scheme vacancies being offered by you following the signing of this Funding Letter. DWP will review the vacancies, check they match the Eligibility Criteria for the Kickstart Scheme and refer any suitable candidates from its records for the vacancies. DWP reserves the right not to refer people to fill the vacancies or provide Grant funding for them if you or any of the vacancies do not meet the Eligibility Criteria for the Kickstart Scheme in its opinion. You understand that there is no guarantee of any funding or obligation on us or DWP to provide it.
	2. DWP will only provide Grant funding for you to engage candidates referred to you by DWP. This allows DWP to check that the candidate is properly employed and receiving salary and ensure that public money is being used appropriately.
4. Accepting the offer

To accept this offer of funding, please arrange for an authorised signatory to sign and date this Funding Letter as indicated below and return it to the following address within one calendar month of receipt (**Deadline**):

**[add return address details]**

DWP will not refer candidates or provide funding until it receives written confirmation from us that a Kickstart Employer Agreement is in place with you. If we do not receive this documentation by the Deadline, this offer of funding will lapse. If you will not be able to meet the Deadline or have any other questions about this Funding Letter, please let us know immediately.

1. DECLARATION
	1. By signing this Funding Letter, you warrant and represent that:
		1. your obligations under the Kickstart Employer Agreement are legal, valid, binding and enforceable;
		2. all authorisations and consents necessary to enable you to enter into and perform the obligations in the Kickstart Employer Agreement have been obtained;
		3. you have read and understand the application criteria for the Kickstart Scheme (available at <https://www.gov.uk/government/collections/kickstart-scheme>) and your business and the vacancies provided by you meet those criteria;
		4. the person signing this Funding Letter is duly authorised to sign on your behalf; and
		5. your Kickstart Representative referenced in the table above is authorised to make decisions and provide information on your behalf.

Yours sincerely

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ for and on behalf of [name of gateway organisation] (**Gateway**)

Name of Gateway’s signatory: [                    ]

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I confirm the agreement of [Employer name] (**Employer**) to the terms and conditions in this Funding Letter and the Conditions. I am authorised on behalf of the Employer to accept this offer on the terms set out in this Funding Letter and the Conditions.

Signature:

Name:

Position:

Date: