

8. We have engaged BEIS to better understand the employment status of Kickstart participants and assess whether there are risks associated with not mandating that Kickstart participants are classed as employees, not workers. The definition for defining an employee is set out in case law, not legislation. BEIS advised that there are a number of factors which decide employment status, including the level of employer control, mutual obligations between an employer and the participant, personal service and other relevant factors.
9. Having clear requirements around hours worked, the type of job, and the provision of training may make it more likely that a Kickstart participant would be seen as an employee rather than a worker, but we have not received legal advice on this and it is difficult to offer assurance for the wide variety of jobs that Kickstart could create. Recent estimates indicate that the vast majority of job holders in the UK are classed as employees. It should also be noted that some of the additional rights of employees only come with time in service, so people in a job for six months would generally have fewer rights than those in post for several years.

**For information: national coverage**

10. To try and create more jobs than FJF, DWP is streamlining the employer application process and removing barriers to private sector involvement. However, given the unpredictable nature of the local and national economic situation, where entire areas may be locked down, DWP is creating a strategy to ensure Kickstart can adapt and achieve national coverage.
11. In advice to the SoS, DWP recommend not setting regional targets for the volume of Kickstart jobs created and people placed in post, but instead using a series of indicators to identify any local areas over or under performing. These indicators would include Kickstart metrics; unemployment data; data on vacancies; and benefit off/on-flow data. If an area or sector was underperforming, DWP would use their existing network, the umbrella organisations in Kickstart and targeted communication to drive more jobs in underperforming areas and sectors.

**For information: fraud and error**

12. To tackle employer fraud and ensure jobs are truly additional, DWP will implement a bid assessment process that combines automated checks with local labour market knowledge. The current plan for bid assessment will see all bids triaged centrally, where an automated digital tool will run due diligence checks on the employer to ensure they pass minimum standards (registered company, not bankrupt etc.) The bids will then be evaluated for suitability by a board who will assess the submitted documentation alongside local JCP input from staff responsible for employers and partnering. These staff will use their understanding of the local labour market to provide additional commentary and checks on the employer's assessment of additionality. Umbrella organisations, such as local chambers of commerce, will also use their knowledge of local businesses and the labour market to offer an additional layer of due diligence to the process.
13. DWP is also working to implement further controls to deter abuse of the system and ensure participants get a valuable Kickstart experience. Performance management obligations will be outlined in grant agreements and DWP's ability to recover misused grant funds will be outlined. DWP has also agreed to look at implementing a system whereby the employer and participant outline their mutual obligations to each other and are advised to speak out if they aren't being met.