



Scotland's Employer Recruitment Incentive

Dear all,

As you may be aware employers have access to the new Scottish Government Employer Recruitment Incentive which was recently introduced from the 1st of July 2015. The scheme is aimed at encouraging employers to recruit unemployed young people aged 16-29 into sustainable employment, including Modern Apprenticeships. This incentive is delivered through Scotland's 32 Local Authorities.

The new Incentive is targeted at 2 groups. Firstly, employers with 50 or fewer employees recruiting an apprentice and secondly to any employer recruiting a young person with significant barriers to employment.

Local Authorities have been awarded a **limited number** of Incentives through the programme and will be issuing these on a first come first serve basis to firms taking on a Modern Apprentice. Due to the limited number and different audit requirements around proving additionally Local Authorities will not be able to back-date any applications so require to have any paperwork in place prior to a young person taking up the post. On a plus side the value of the incentive is up to £3963.00 per employee with the addition of a further £500 if the employer pays the Living Wage with payments spread over a year.

The payment Schedule will involve:

- An activation payment on commencement - £350
- Payment after 3 months (12 weeks) - £903.25 No payment for less than 12 weeks
- Payment after 6 months (26 weeks) - £903.25. No payment for less than 26 weeks
- Payment after 12 months (52 weeks) & on presentation of evidence that the job has been sustained- £1,806.50. SDS will not award a pro-rata payment between 26-52 weeks
- Additional payment if participant is paid the living wage £500, at the end of the 52 weeks, to be paid on completion.

The eligibility criteria is available from - <https://www.ourskillsforce.co.uk/funding-for-skills/employer-recruitment-incentive/> This website link also contains all the necessary documents that you will require such as Application Form, Operating Rules, Application Guidelines etc.

ELIGIBILITY

Which employers are eligible for the recruitment incentive? SCOTLAND'S EMPLOYER RECRUITMENT INCENTIVE Q&A 4 Small and micro business – employing not more than 50 people can employ a young person aged 16-24 as a Modern Apprentice (MA). Participants on this element of the programme do not need to meet Group 1 or Group 2 eligibility. (Small and micro businesses who employ an MA will not be able to recruit more than 2 participants through this programme). A

private business or third sector organisation of any size can recruit a young person with barriers to employment (Group 2 Annex B) aged 16-24, and; if the participant has additional support needs (Group 1 Annex B) the age criteria is extended up to 29. This can include recruitment into a MA (in line with existing MA programme rules)

Which young people are eligible for support through the programme? The Modern Apprenticeship element of the programme is accessible to all young people aged 16-24, without a requirement to fall within Group 1 or 2 (Annex B). However, the age criteria for those being employed as an MA will be extended to young people aged 16- 29, who fit Group 1 eligibility. This applies from day 1 unemployed up to entry to the work programme and work programme completers (as stated on a self-declared basis). Participants will also be eligible if they are both: aged between 16-24 years (Group 2 – Annex B), this age range will be extended up to 29 years if the participant meets the 'additional supports needs' eligibility criteria (Group 1 - Annex B); and · day 1 unemployed up to entry to the work programme and work programme completers (as stated on a self-declared basis).

Once eligible participants will be: · employed for a minimum of 16 hours or more per week and will be in line with the young person's working time regulations; supported for up to 52 weeks. There will be flexibility within the rules of the scheme, for young people with additional support needs (Group 1 Annex B), to allow hours to be accumulated over a monthly period. · eligible for one ERI through this programme¹ however if the 1st post is deemed to be unsuitable they would be able to transfer their support if they found employment with another employer who is will to participate in the programme (this 2nd chance option would mean that they could transfer the balance of their support to a new employer – adviser discretion would be applied).

Please note that Scotland's Employer Recruitment Incentive will end on the 31st March 2016 and all applications must be completed and approved by this date.

For employers requiring more information please contact your Local Authority - details attached (Local Authority – Contact List).

Kind regards

Dale

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