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**EMPLOYMENT GRANTS APPLICATION GUIDANCE**

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**A: THE HEADLINES**

**Eligible Businesses:**

* Will have less than 50 employees;
* Will be creating an additional job either permanent or be a minimum of 18 months in length;
* Will be ensuring the job offering 21 hours to 45 hours per week.

**The Recruit:**

* Will be either unemployed or not working;
* Will not have left a job voluntarily;
* Will require to meet the additional eligibility criteria.

**The Employment Grant:**

* Will offer 40% of the gross wage for either 26 weeks for 25 year olds and over or 52 weeks for under 25 year olds;
* Will support a maximum of 3 active posts per 12 month period based on the National minimum wage / National Living Wage rates;
* A training allowance may also be applied for.

**B: THE DETAILS**

This Grant is operated by the Highland Council and supported through the European Social Fund. It provides grants to encourage employers to recruit out- of- work Highland residents in to permanent posts across the Highlands Council area.

 **1. Which businesses are eligible?**

The Employment Grant is available to small and micro business who employ fewer then 50 people (full -time and part- time) in the whole group.

Businesses in all sectors of industry located within The Highland Council area are eligible and may be private companies, co-operatives or social enterprises.

New businesses may also be eligible but a business is not regarded as new merely because of a change in name, ownership or address.

**2. Which jobs are eligible for grant support?**

To qualify for grants jobs must:

(a) Be **Additional**; for all applications the new job must add to the maximum number of employees of the business in the Highlands over the six month period prior to making an application. For repeat applications, the number of employees recorded on previous applications will also be taken in to consideration. The increased total numbers must be maintained for the grant period. Grants cannot be used to subsidise employees recruited because of natural turnover or to make good earlier reduction in the six month period. The increased **Total** number of employees must be maintained for 18 months after the grant is awarded to the business.

(b) Be **Permanent**; jobs are not considered to be permanent if they are seasonal, or are created for the execution of a specific/temporary contract, unless the job will extend beyond 18 months. A contract of employment will be required to be provided to the recruit and a copy provided to the Council.

(c) Have basic hours (excluding overtime) of between 21 and 45 hours per week. Zero hour contracts will not be supported.

(d) Satisfy the **AGE** related **Nationa**l **Minimum Wage** restrictions or National Agreements. Employment grants will not support the National Minimum Wage Apprentice Rate.

(e) Be located within **The Highland Council** local authority area.

**3. Which recruits are eligible?**

The recruit requires to be either unemployed or not working and must meet at least **two** of the additional eligibility criteria stipulated by the Scottish Government. The additional eligibility criteria are detailed at the back of this guidance. Don’t be alarmed at this list – please call the Employability Team to discuss these.

**With each of eligibility criteria, the Highland Council will require evidence before the first grant claim is paid. The evidence requirements are detailed on the council website at** [**www.highland.gov.uk/employgrants**](http://www.highland.gov.uk/employgrants)

All recruits **must have their permanent residence** with The Highland Council local authority area

**4. Which jobs/ businesses are normally excluded?**

(a) Businesses who fill the posts which are the subject of an application ***before* *written approval*** has been received do not qualify unless agreed in advance with The Highland Council.

(b) Businesses who have recently reduced employment or are planning redundancies do not qualify.

(c) Jobs with basic hours less than 21 per week or paying less than the Minimum Wage restriction are ineligible.

(d) Zero Hour contract jobs are not eligible for support.

(e) Businesses or recruits located out with The Highland Council local authority area.

(f) Where businesses have other monies owing to The Highland Council this will be taken into consideration in determining grant eligibility.

(g) Persons who have voluntarily terminated their contract of employment with a previous employer and more specifically, as a result of encouragement to take up a position with a new employer who seeks to benefit under the Scheme.

(h) Company Directors and Partners.

**5. What is the level and period of grant?**

The grant:

* Will be based on the National Minimum Wage or national Living Wage rates. However the business can of course pay the employee more for example to reflect the market rate for the post.
* Is available at 40% of the employees eligible gross wage.
* Will be for 26 weeks/ 6 months support for people aged 25 years and over(capped at a Maximum of £3,369.90 total grant).
* Wil be for 52 weeks/ 12 months support for people aged 24 years and under (capped at a maximum of £6,271.20 total grant)
* **The maximum grant per employee will be £150 per week.**

**Table 1: Example of Grant Levels**

|  |  |
| --- | --- |
|  |  Grant level (at 40% Gross wage)  |
|  | Period  | 21 hours  | 35 hours  | 45 hours  |
| 16-17 years £4.00  | 52 weeks | £1,747.20 at £4.00 per hour | £2,912 at £4.00 per hour | £3,744 at £4.00 per hour  |
| 18-20 years £5.55  | 52 weeks  | £2,424.24 at £5.55 per hour | £4,040.40 at £5.55 per hour | £5,194.80 at £5.55 per hour  |
| 21-24 year £6.95  | 52 weeks  | £3,035.76 at £6.95 per hour  | £5,059.60 at £6.95 per hour | £6,505.20 at £6.95 per hour  |
| 25 years plus £7.20  | 26 weeks  | £1,572.48 at £7.20 per hour | £2,620.8 at £7.20 per hour | £3,369.60 at £7.20 per hour |

**6. Training Allowances**

As part of the grant the business is expect to have a basic training plan setting out the training which will be available for the new recruit to improve their skills in the job. The Highland Council may be able to provide a training grant for external training purchased by the business if Skills Development Scotland (SDS) are unable to provide assistance. 50% of external training up to a maximum of £1000 is available. Please contact the Employability Team for further details.

**7. How is the grant claimed and paid?**

To allow the Council to claim back a proportion of the grant support from the European Social Fund, it is vitally important that the correct paperwork is provided as part of a claim process. Without the correct documentation, a grant cannot be paid.

The grant claim:

* Will be paid retrospectively in instalments and should be claimed by submitting a standard form. The form requires information regarding the number of employees currently working at the business each month.
* Will be supported by copies of business payroll records as well as a business bank statement for the claim period which demonstrates that the wage has been paid to the employee. Please note that the Council is only interested in seeing the amount that has been paid to the employee on the bank statement therefore all other transactions, the balance, the account number and sort code can be redacted i.e. blacked out/ hidden.
* Will support the Gross Wages of the recruit based on the their **Minimum Wage** this may include up to a maximum of **10 hours** of overtime per month, shift work premiums, any other payments which form part of the normal wages of employees (this excludes employers contributions e.g. National Insurance Contributions, superannuation). The total grant per week will be capped at £150.00
* The training allowance must be approved in advance and will be claimed through the provision of copies of invoices for the training and evidence that the business has paid for the training provision.

The Highland Council requires the contract of employment before any of the grants are paid out to the business.

Applicants must note that they must not apply for, or accept, any grants or other forms of assistance for the salary/wage costs of jobs being supported by the employment grant.

Once the grant is approved, a simple guide to claiming will be provided to the business

**8. What if an employee leaves during the grant period?**

Employees who leave or prove unsatisfactory may be replaced by approved recruits following acceptance by The Highland Council. The employer will only be entitled to receive the balance of the grant within the originally agreed subsidy period. A new grant for the full 26 or 52 week outstanding period will not be payable.

**9. How many grants can a business claim?**

A business may receive up to a maximum of 3 grants for active posts in any one calendar year subject to the availability of funds.

**10. What support is provided after the grant is approved?**

During the period of the grant, businesses will be visited by an Employability Advisor near the beginning of the grant and towards the end period if the grant. The purpose of the visit is to identify any additional support which the employee may require, undertake a short survey with the participant to record basic information such as previous training and skills. The visit can also support the business in completing its first project claim.

All the information on individual applicants will be treated as confidential and will be used only for administration of the Employment Grant Scheme. The names and addressed of companies receiving assistance may be reported to the Council’s Development and Infrastructure Committee and thereby made public through committee agendas and the minutes of the Council. The Council reserves the right to report the number of jobs applied for, the number of jobs supported and the amount of grants awarded and paid to each recipient company to the Development and Infrastructure Committee and to the Full Council.

**11. How does the business recruit an individual eligible for grant support?**

The business can either:

* Identify an eligible recruit themselves however please talk to the Employability Team first before hiring to ensure eligibility. If the recruit is later to be found to be not eligible, then the grant cannot be paid; or
* The Highland Council will be able to work with our partners to try and find a recruit / selection of recruits who may be will suitable for the position meet the eligibility criteria.

**12. How can business apply?**

It is **essential** that the business initially contacts the Employability Team for a discussion about the opportunity and the eligibility criteria for the business and the recruit. This will help to ensure that the application is more likely to be approved.

After talking to the Employability Team, please fill in the application form. Incomplete forms will result in delays.

Please send the completed form to the Employability Team, details as below.

**13: What is the closing date?**

The total funds are limited therefore the Scheme will operate until such time as its resources are fully committed or the project has closed. Any closing date will be advertised on the Council’s website.

**14. Our contact Details**

The Highland Council

Employability Team

Development and Infrastructure Service

Council Headquarters

Glenurquhart Road

Inverness

IV3 5NX

Or Scan and email a signed copy to employability@highland.gov.uk

Our Telephone Number is 01463 702771

**Please ensure application is made only for the additional posts which are normally required to be filled within 8 weeks of the approval date. The Council reserves the right to cancel any application failing to comply with this**.

***WRITTEN APPROVAL MUST BE RECEIVED PRIOR TO THE POSTS BEING FILLED UNLESS PREVIOUSLY AGREED WITH THE HIGHLAND COUNCIL.***

***GRANTS WILL NOT BE PAID IN RESPECT OF RECRUITS ENGAGED PRIOR TO APPROVAL BEING GIVEN UNLESS PREVIOUSLY AGREED WITH THE HIGHLAND COUNCIL.***

**Please note:-**

The Highland Council reserves the right to refuse grant, or to seek repayment of grant paid, in the event that an applicant:

1. Fails to comply with any of the conditions stated in the foregoing sections
2. Fails to disclose information relevant to their grant application
3. Provides information which is misleading, incorrect or incomplete