

NORTH LANARKSHIRE COUNCIL
REPORT

To: ECONOMIC DEVELOPMENT COMMITTEE		Subject: NORTH LANARKSHIRE COUNCIL EMPLOYMENT GRANTS SCHEME 1996
From: DIRECTOR OF PLANNING AND DEVELOPMENT		
Date: 15 April 1996	Ref: EB/LT/REP.0.23	

PURPOSE OF REPORT

To seek approval from Committee on operational guidelines and application form for Employment Grants Scheme, further to a Report dated 1 March 1996 submitted to Committee and which received approval to operate this scheme as from 1 January 1996.

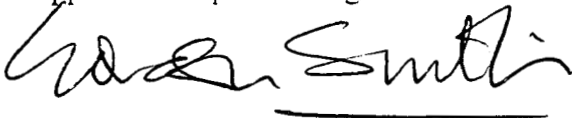
Background

The Employment Grants Scheme was established by Strathclyde Regional Council to encourage employers to create new jobs for unemployed people by offering financial incentives to employers to take on new workers. Since its inception in 1982 it has supported the creation of over 40,000 completely new jobs. It is supported by the European Social Fund.

Recommendation

It is recommended that the committee:

- Approve the operational guidelines for the Employment Grants Scheme as contained in Appendix 1..



Gordon Smith
Head of Business Development & Property

For further information contact Maurine McConachie, Economic Development Manager

1. WHAT IS THE EMPLOYMENT GRANT SCHEME 1996?

This scheme is designed to encourage employers to create NEW JOBS for unemployed people by offering financial incentives to employers to take on new workers. It is run by the Council with support from the European Social Fund.

2. WHICH COMPANIES ARE ELIGIBLE?

Firms in all sectors of industry in North Lanarkshire who employ less than 250 people world-wide including Community Businesses, Independent Voluntary Organisation and Nationalised Industries, but not other public sector organisations. New firms may be eligible but a business is not regarded as new merely because of a change in name, ownership or address.

Grants are discretionary and the Council reserves the right to refuse grant at its sole discretion.

3. WHICH JOBS ARE ELIGIBLE?

To qualify for grant jobs MUST:

- (a) be ADDITIONAL : The new jobs must add to the maximum number of employees of the Company in Strathclyde over the 3 monthly period prior to making an application. The increased total number of employees must be maintained for the grant period. Grant cannot be used to subsidise employees recruited because of natural turnover or to make good any earlier reduction in that period (see also section 5).
- (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.
- (c) have basic hours (i.e. excluding overtime) of between 21 and 45 hours per week.
- (d) pay a minimum wage of £3.25 per hour and comply with National Agreements etc. where higher.
- (e) be located in North Lanarkshire.

4. WHICH RECRUITS ARE ELIGIBLE?

Any employer taking on ADDITIONAL WORKERS under the following categories is eligible to apply:

- (a) person aged 16 to 24 years on the date of recruitment who have been unemployed for a period of not less than 3 months immediately prior to recruitment.
- (b) persons aged 25 to 64 years on the date of recruitment who have been registered as unemployed for a total of 12 months out of the last 15, with the last 2 months being continuous unemployment.
- (c) disabled persons aged 16 to 64 years on the date of recruitment who are registered as unemployed.
- (d) all recruits must live in the Strathclyde area.
- (e) person participating in Skillseekers, Training for Work and Community Action Schemes who are NOT "Employed Trainees" are considered to be unemployed for the Employment Grants Scheme purposes (see also section 7).

3. WHICH JOBS / COMPANIES ARE EXCLUDED?

- (a) companies who employ more than 250 people world-wide.
- (b) companies which fill the posts which are the subject of an application before WRITTEN approval has been received do not qualify.
- (c) firms who have recently reduced employment or are planning redundancies do not qualify.
- (d) jobs paying less than £3.25 per hour or with basic hours less than 21 per week.
- (e) firms of recruits located outwith North Lanarkshire.
- (f) where firms have other amounts owing to the Council this will be taken into consideration in determining grant eligibility.

6. WHAT IS THE LEVEL OF GRANT?

The grant payable will be determined by the approval category of the new recruit:

- (a) persons aged between 16 to 24 years and have been unemployed for 3 months or longer will qualify for grant of 40% of eligible gross wages for a period of 6 months, subject to a maximum grant payable of £88 per week.
- (b) persons recruited aged 25 to 64 years, who have been unemployed for 12 months or longer, will qualify for a grant of 40% of eligible gross wages for a period of 6 months, subject to a maximum grant payable of £88 per week.
- (c) persons recruited aged 18 to 64 years, who have been unemployed for 24 months or longer will qualify for a grant of 50% of eligible gross wages for a period of 6 months, subject to a maximum grant payable of £110 per week.
- (d) persons recruited aged 16 to 64 years, who are unemployed and are Disabled, will qualify for a grant of 60% of eligible gross wages for a period of 12 months, subject to a maximum grant payable of £132 per week.

Gross wages may include guaranteed overtime, shiftwork premiums, regular bonuses and any other payments which form part of normal wages of employees (**this excludes employers contributions, e.g. National Insurance Contributions, Superannuation**).

Applicants must note that they must not apply for, or accept, any grants or other forms of assistance for the jobs being supported by the Employment Grants Scheme.

7. WHAT ABOUT TRAINEES?

Jobs / Training places which are supported by any other grant or subsidy through for example Training and Employment Grants Scheme (SE), Business Start Up (or equivalent), Training for Work, Community Action, Skillseekers, Urban Aid, Inplant Training Scheme, Job Splitting Scheme, and Youth Employment and Training Initiative, **cannot also be jointly supported by the Employment Grants Scheme and therefore would not be eligible.**

Where an employer / employing organisation is considering "converting" a training place under any of the above schemes (with the exception of Urban AID, TEGS and YETI) to an additional and permanent job, such new jobs would be eligible for assistance from the Employment Grants Scheme, **but written approval MUST be obtained before conversion takes place.**

Employees who leave or prove unsatisfactory may be replaced by approved recruits following acceptance by the EGS Unit but the employer will only be entitled to receive the balance of the grant within the original agreed subsidy period. A new grant will not be payable.

If the leaver is not replaced by an eligible recruit, grant for the period the leaver was in employment will only be paid if the leaver is directly replaced by an ineligible recruit (i.e. the total number of employees returns to the level existing immediately before the leaver left).

9. **WHAT IS THE CLOSING DATE?**

The total funds available are limited, therefore the scheme will operate until such time as its resources are fully committed or until 31 December 1996.

10. **WHAT ABOUT LARGE APPLICATIONS?**

Applicants who submit an application concerning more than 15 jobs or applications which cumulatively total more than 15 jobs will require to provide additional information. Such applications will also be subject to special terms and conditions, including a visit from a Business Adviser.

11. **WHAT CHECKS ARE MADE PRIOR TO THE GRANT BEING APPROVED?**

The information provided on the Application Form by the applicants and their accountants will be checked, and bank references will be taken up where appropriate.

Checks will be made to ensure that the applicants are not in default on any previous EGS applications.

12. **WHAT CHECKS ARE MADE AFTER THE GRANT IS APPROVED?**

Firms will be asked about current employment when claiming instalments. Grant is paid retrospectively in instalments each covering a 13 week pay period and is claimed by submitting a standard form. This form must be certified by an accountant and supported by copies of P11 Tax Deduction Cards or Company Payroll records. The Council reserves the right to require production of records relating to the recruitment and payment of employees involved, and to visit business premises and inspect appropriate records.

13. **WHAT CHECKS ARE MADE AFTER THE GRANT EXPIRES?**

Checks will be made on the permanence and additionality of the grant aided jobs for a full 18 month period from the date of recruitment. This will require the completion of a simple questionnaire.

14. **WHO WILL RUN THE SCHEME?**

The scheme will be administered wholly by the Council. In special circumstances and in furthering the aims of the scheme, the council reserves the right to delegate authority to approved agencies in respect of certain aspects of administration of the Scheme.

Staff administering the Scheme will deal only with the Applicant (or the Applicants authorised staff), and will not deal with third parties, such as consultants, accountants etc.

15. WILL THE INFORMATION PROVIDED BE USED FOR ANY OTHER PURPOSES?

The Council reserves the right to report the number of jobs applied for, the number of jobs supported and the amount of grant awarded and paid to each recipient company to its Committee.

All other information on individual applicants will be treated as confidential to the Council and the Department of Employment. Information provided by applicants and used to administer the Scheme will be stored in computer files. As such it is subject to the provisions of the Data Protection Act.

16. HOW DO I APPLY?

1. **COMPLETE IN FULL** all questions on the attached application form, Pages 3 to 10. Incomplete forms will result in delays.

Then ask your accountant to certify the application as detailed on Page 8 of the Application Form.

Please ensure that the application is made only for additional posts which are to be filed within 3 months of applying. The Council reserves the right to cancel any application failing to comply with this condition.

2. Detach Page 9/10 and send it to your local job centre or Careers Office. **All vacancies must be notified to your local office on this form.** Recruits must be engaged only through the Job Centre or Careers Office.

3. **WRITTEN APPROVAL MUST BE RECEIVED PRIOR TO THE POSTS BEING FILLED THROUGH THE JOB CENTRE OR CAREERS OFFICE. GRANTS WILL NOT BE PAID IN RESPECT OF RECRUITS ENGAGED PRIOR TO APPROVAL BEING GIVEN.**

4. Once you have found a suitable recruit proceed as follows:

- (a) send the recruit to your local Job Centre / Careers Office for confirmation of their eligibility for employment grant. (The Job Centre or Careers Office will also complete a "A Certificate of Confirmation of Unemployment" which they will send direct to the EGS Unit).

- (b) if the recruit is confirmed by the Job Centre / Careers Office, complete and return to the EGS Unit the recruitment form which will have been sent to you with the approval letter.

5. Claim forms will be sent to you after 13 and 26 weeks (and 39 and 52 weeks for disabled recruits) and payment should be made approximately 4 weeks after receipt of each claim.

FREE ASSISTANCE in completing EGS application forms etc. is available from Council staff, or from your local Enterprise Trust (see details with application form).

17. PLEASE NOTE :-

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

- ♦ fails to comply with any of the conditions stated in the foregoing sections or
- ♦ fails to disclose information relevant to their grant applications or
- ♦ provides information which is misleading, incorrect or incomplete.

Applicants must not enter into any arrangements with any third party which involves the abatement of the EGS grant for work done by the third party.

PROVISION OF FALSE INFORMATION MAY LEAD TO PROSECUTION.

APPLICATIONS ARE SPECIFICALLY WELCOMED WHICH RELATE TO WOMEN, ETHNIC MINORITIES, DISABLED PERSONS AND OTHER MINORITY GROUPS

Should you require any further information please contact

**ECONOMIC DEVELOPMENT UNIT
PLANNING AND DEVELOPMENT DEPARTMENT (THIRD FLOOR)
NORTH LANARKSHIRE COUNCIL
FLEMING HOUSE
CUMBERNAULD
G67 1JW**

TELEPHONE: 01236 457266

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EMPLOYMENT GRANTS SCHEME

1996 APPLICATION FORM

PLEASE USE BLACK INK AND BLOCK CAPITALS

SECTION 1

Name Of Firm/Company.
 Address

 Postcode Telephone Number Fax Number

DS
 DV

SECTION 2

Provide details of "designated contact person" (i.e. the person who will normally deal with this EGS application, and who will normally sign/certify correspondence etc.).

Name Name
 Designation Designation
 Signature Signature

Address (if different from section 1 above)

 Postcode Telephone Number Fax Number

Note : THE COUNCIL will deal direct with applicant companies / firms, and not deal with third parties

SECTION 3

Provide details of work location for EGS recruits , if different from Section 1 above.

(a) Address

 Postcode Telephone Number.....

(b) How long has the business operated from this address?..... years.

(c) If these are new premises, when will/did* business operations begin?..... date.

*Delete as appropriate

SECTION 4

Provide details of the business:

- (a) Describe the nature/type of business carried out SIC
- (b) VAT Registration Number
If not VAT registered, state why
- (c) Company Registration Number and Date of Incorporation (if appropriate)
-

SECTION 5

- (a) How long has the business operated under the name shown in section 1 above?
.....years.....months
- (b) if less than 1 year, please provide details of previous trading name(s)
-

SECTION 6

- (a) Is this business in any way part of larger group? YES/NO*
- (b) If "YES", how many does the group employ in total world-wide?
- (c) Provide names and addresses of Parent Company/Organisation.
Name
Address
- Postcode..... Telephone Number Fax Number

Delete as appropriate*SECTION 7**

Provide details of total employment in North Lanarkshire, including those employed in all branches, subsidiaries, associates businesses etc.

- | | Full Time | Part Time (under 30 hours per week) | |
|--------------------------------------------------|-----------|-------------------------------------|--------------------------|
| (a) Current employment at
Date of Application | | | |
| (b) Employment 1 month ago | | | |
| (c) Employment 3 months ago | | | <input type="checkbox"/> |
-

SECTION 8

Approximately what is your annual turnover?
(of the company or business making this application.
Group turnover is NOT required)

£/annum		£/annum	
0/45,000	<input type="checkbox"/>	250,000/1,000,000	<input type="checkbox"/>
45,000/100,000	<input type="checkbox"/>	1,000,000/15,000,000	<input type="checkbox"/>
100,000/250,000	<input type="checkbox"/>	over 15,000,000	<input type="checkbox"/>

SECTION 9

Provide details of your business account:

Name of Bank
Branch Name
Sort Code
Account Number

SECTION 10

Details of Jobs to be supported by Employment Grants Scheme

Brief Job Title/Job Description	Proposed No. of Recruits	Proposed Basic Hours per week (min 21- max 45)	Proposed Hourly Rate (min £3.25)	Proposed Basic Weekly Wage

SECTION 11

Details of Job Centre and/or Careers Office at which the vacancies have been notified.

Note: This should normally be the Job Centre or Careers Office nearest to your business premises.

Name of Job Centre
Address

Post Code Telephone No.

OR

Name of Careers Office
Address

Post Code Telephone No.

Give reasons is using a Job Centre or Careers Office other than the one nearest your premises:

.....
.....
.....
.....

SECTION 12

(a) How did you hear about the scheme?

- Mailshot
- Enterprise Trust
- Local Enterprise Company (LEC)
- Job Centre/Careers Office
- Business Advice

Other (please specify)

.....

.....

(c) Business advice is available from your local Enterprise Trust. If your company requires assistance, contact your local Enterprise Trust from the list enclosed with this application form.

APPLICATIONS ARE SPECIFICALLY WELCOMED WHICH RELATE TO WOMEN, ETHNIC MINORITIES, DISABLED PERSONS AND OTHER MINORITY GROUPS

SECTION 13

DECLARATION BY APPLICANT FIRM/COMPANY

I/We (Name of Applicant)

.....
 apply to the Council for a grant under the Council's Employment Grants Scheme. I/We understand that if this application is accepted by the Council, payment of the grant will be made subject to compliance throughout the grant period with the conditions of the scheme as specified in the application form guidelines which I/We have read and which include the following conditions:

- (a) companies who fill the posts which are the subject of an application before written approval has been received do not qualify.
- (b) if the jobs which are the subject of this application do not remain *additional and permanent* (as defined in Section 3 of the guidelines) during the agreed subsidy period, grant payments will be stopped and any grant payments received will require to be repaid to the Council
- (c) wages paid to recruits must comply with National Agreements where applicable. Recruits must not be paid less than £3.25 per hour.
- (d) grants are discretionary and the Council reserves the right to refuse grant at its sole discretion.

I/We further confirm that:

- (e) the vacancies forming the subject of this application are not directly or indirectly replacements for employees (a) who are serving their notice, or (b) who were dismissed or left voluntarily within the last 3 months.
- (f) no employees are currently subject to redundancy notices.
- (g) the company will repay any grant where the Council decides that the conditions under which the grant has been offered have not been fulfilled.
- (h) the company agrees to fully comply with the Race Relations Act 1976 and understands that in the event of non-compliance the Council may cancel this application and require repayment of any grant paid..
- (i) I/We certify that no other grant or assistance is being received for these jobs, and no application will be made for any other assistance.
- (j) Failure to disclose information material to my/our company's application may result in refusal of grant.
- (k) the information given on this application form is correct and complete in all respects.
- (l) I/We understand that the provision of false information may lead to prosecution.

N.B. this application should be certified by your accountant. Do not send this direct to us.

Signed

Dated

**Delete as appropriate*

See notes overleaf for guidance for your accountant.



FREE ASSISTANCE to help you complete these forms is available from the Council or from your Local Enterprise Trust - See attached list for details of your local Trust.

ACCOUNTANT'S CERTIFICATE

All application form should be certified by your independent accountant, who may be Chartered, Certified etc.

You should ask your accountant to return this form *direct to us* under their letterheaded notepaper certifying the following:

Specimen
 Employment Grant Scheme
 Economic Development Unit
 Planning and Development Department
 North Lanarkshire Council
 Fleming House
 Cumbernauld
 G67 1JW

Dear Sir/Madam,

COMPANY/BUSINESS XYZ

I enclose the above company/businesses Employment Grants Scheme application form dated xyz which I confirm is in order.

Yours faithfully

Chartered Accountant

For Official Use Only

ARC	
PCC	
ACC	
AYP	

SECTION 14

NOTE: EMPLOYERS - SEND THIS FORM TO THE LOCAL JOB CENTRE OR CAREERS OFFICE WHERE YOU WISH TO NOTIFY THE VACANCIES.

EMPLOYMENT GRANTS SCHEME 1996

Name of Firm/Company

Address

Postcode

Name of Designated Contact Person

Job Title or Designation

Telephone No.....Fax No.

I/We* am/are interested in recruiting

- | | | |
|-----|-------------------------------------------------------------------|---------|
| (a) | persons in the 16 to 24 years age category | YES/NO* |
| (b) | persons in the 25 to 64 years age category | YES/NO* |
| (c) | persons who are registered disabled, or eligible for registration | YES/NO* |

Signature

Name

Designation

(Designated Contact Person/Owner/Partner/Director/Company Secretary)*

Date

*Delete as appropriate

PLEASE COMPLETE INFORMATION OVERLEAF

