

## NORTH LANARKSHIRE COUNCIL

AGENDA ITEM No. 18

REPORT

To: ECONOMIC DEVELOPMENT COMMITTEE	Subject: MANAGEMENT AND TECHNOLOGY TRAINING GRANT 1999	
From: DIRECTOR OF PLANNING & DEVELOPMENT		
Date: 26 November 1998	Ref: JT/REP/506	

**1. Purpose of Report**

1.1 This report seeks Committee approval for the Operational Guidelines of the 1999 Management and Technology Training Grant (MTTG).

**2. The MTTG Scheme**

2.1 The MTTG programme provides grants to small and medium sized enterprises to cover part of the costs of employee training required to maintain or stabilise company growth, where companies would not otherwise be able to undertake training. The scheme is targeted at companies with growth or development potential.

2.2 MTTG operates to encourage employers to provide employees with up to date skills in technological, manufacturing and management techniques. This encouragement is provided by offering to eligible companies a grant covering up to 50% of the fees charged by external trainers for approved training programmes. Companies can only utilise MTTG after a full business appraisal has been conducted by an Economic Development Officer of the Council

**3. Proposed Organisation and Management of the MTTG Scheme**

3.1 The scheme will be delivered by the Economic Development Unit in accordance with the attached guidelines (Appendix 1). These guidelines have recently been reviewed to ensure that the scheme is being implemented in a manner which fully complements, where applicable, other services provided by the Council and commercial and industrial sector programmes.

3.2 All companies applying for assistance under the programme will require to complete an Application Form.

3.3 All applicant companies who appear eligible in outline will be subjected to a comprehensive business/training project appraisal. This will assess:

- the stability of the business
- the direction/strategies of the business
- linkages between the proposed training and the above
- whether the company would not be able to undertake the training without subsidy
- the quality and value for money of the proposed training programme
- the impact/relevance of the business and its effect on the local economy

3.4 Output targets will also be agreed. These will be both person centred (i.e. what trainees will be able to do after being trained) and business centred (i.e. what will be the impact of the training on the business and on the local economy).

3.5 The Economic Development Officer responsible for carrying out the above assessment will prepare a report on the project and recommend approval or rejection. Formal approval or rejection will be made by a senior officer within the Economic Development Unit in accordance with the undernoted delegated authority:

- applications with a value of under £5,000 would require to be approved by the Director of Planning and Development, Head of Economic Development & Property, Economic Development Unit Manager or Senior Economic Development Officer
- applications of a value between £5,000 - £15,000 would require to be approved by the Director of Planning and Development, Head of Economic Development & Property or Economic Development Unit Manager.
- applications with a value exceeding £15,000 would require to be approved by the Economic Development Committee.

3.6 Grant will only be paid when training is completed and all trainees can demonstrate they have achieved the prior agreed targets. Payment will be authorised in terms of the above levels of delegation. Attainment of business related targets will be assessed on a sample basis between six and twelve months after project completion.

3.7 Progress on the administration and management of the 1998 MTTG scheme will be reported to the Economic Development Committee on a quarterly basis.

#### 4. Eligibility

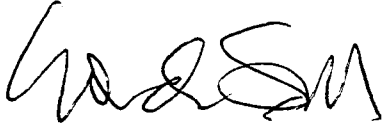
4.1 To qualify companies must employ less than 250 persons world-wide (including holding companies and subsidiaries) and be able to prove they comply with at least one of the following:

- generate over 50% of turnover from manufacturing
- generate over 50% of turnover from outwith the Strathclyde area
- directly support the manufacturing process.

## 5. Recommendation

6.1 It is recommended that the Committee :

- (i) approve the proposed administrative arrangements detailed in the report;
- (ii) approve the 1999 Operational Guidelines; and
- (iii) note that progress reports will be submitted to the Committee on a quarterly basis.



Stanley C Cook

Director of Planning and Development

9 November 1998

For further information contact John Turley, Senior Economic Development Officer (Tele: 01236 616271)

**OPERATIONAL GUIDELINES**

**1 WHAT IS THE SCHEME?**

- 1.1 It is a training grant scheme operated by the Planning and Development Department of North Lanarkshire Council, in collaboration with the Lanarkshire Development Agency.
- 1.2 It is aimed at helping eligible North Lanarkshire companies to improve their business performance by providing new skills to their workforce. The skills must be associated with the installation of either :
  - **New Technology**
  - **New Management Techniques**
- 1.3 Skills must be new and additional to the company. Grants will not be awarded for routine training or training required by legislation.

**2 WHICH COMPANIES ARE ELIGIBLE?**

- 2.1 To qualify companies must employ less than 250 persons world-wide (including holding companies and subsidiaries) and be able to prove they comply with at least one of the following:
  - **generate over 50% of turnover from manufacturing**
  - **generate over 50% of turnover from outwith the Strathclyde area**
  - **directly support the manufacturing process**

Where companies do not meet the above the Council has discretion to award grant where the training would enhance company competitiveness, assist growth and contribute to the economy.

- 2.2 For programmes involving new technology, applicant companies must have the relevant equipment, hardware or software installed in their business or be about to install it as part of the project. Proof of ownership will be required before any grant will be paid.

**3 WHAT TYPE OF TRAINING PROGRAMME IS ELIGIBLE?**

- 3.1 Eligible training programmes must be aimed at improving the applicant company's operating performance and have a measureable impact on at least one of the following:
  - **Business turnover**
  - **Business efficiency**
  - **Level of exports or exportable services**
  - **Prevention of imports and**
  - **General increase in profitability**

- 3.2 Eligible programmes will normally last for at least 40 hours but this can be spread over a number of months if this is appropriate to the programme.

- 3.3 In certain instances a ceiling on the length of the programme may be imposed.

**4 WHAT TRAINEES ARE ELIGIBLE?**

- 4.1 Trainees must be Strathclyde residents and proof of this may be required.
- 4.2 Trainees must be permanent employees of the company applying for grant.
- 4.3 Trainees must be in jobs which are directly relevant to the training programme

- 4.4 Trainees must have the necessary background, qualifications, experience, etc. for them to effectively undertake the training programme.

**5 WHAT IS THE LEVEL OF GRANT?**

- 5.1 Grant will be calculated using the following formula:  
Grant = Hours required by trainer for face to face training x trainers hourly rate x 50%.
- 5.2 The number of hours requested for any particular training programme and the hourly rate being charged must be broadly comparable with other similar applications received by the Council. In certain instances reductions may be imposed.
- 5.3 Applicants will have to provide details of the full cost of the project including any other financial assistance awarded.
- 5.4 Travel and accommodation grants will only be paid with respect to trainees who, as part of the training programme, must spend at least one night away from home. Travel and accommodation costs will only be paid where there is no local training provider to deliver the required training. The grant will be based on the following formula:

**Travel**

- **50% of the standard rail or air fare.**

**Accommodation**

- **Anywhere in the UK £30 per night**
- **Elsewhere overseas £60 per night**

- 5.5 In all cases the following ceiling on grant will be imposed:

- **£5,000 per trainee per year**
- **£35,000 per company per year**

**6 WHO CAN DO THE TRAINING?**

- 6.1 Only training organisations who are on the MTTG trainers list can carry out training.
- 6.2 New trainers to the scheme will be added to the list only when they have a specific company to be trained.
- 6.3 Each training programme funded under the scheme will be monitored. Any adverse reports on the training will be investigated by Council Officers. This may result in training organisations being removed from the trainers list.

**7 WHAT IS THE APPLICATION PROCEDURE?**

- 7.1 The first stage is for the applicant company to complete a MTTG Application Form. These can be obtained from the Economic Development Unit.
- 7.2 Completed forms should be returned directly to the Economic Development Unit.
- 7.3 **AN UP TO DATE COPY OF THE COMPANY'S ACCOUNTS (BALANCE SHEET AND P/L) MUST BE ATTACHED TO THE APPLICATION FORM.**
- 7.4 All applications will be acknowledged within 5 days of receipt.
- 7.5 If the application appears eligible a case officer will be appointed and they will contact the company

to arrange a visit to discuss the application. During this visit long term objectives and short term trainee competencies will be agreed. A report on the application will be prepared.

- 7.6 The application will then be considered for full approval by the funders of the scheme.
- 7.7 If full approval is given, the company will be informed by letter. This will usually be within 14 days of the visit by the case officer.
- 7.8 If the application is rejected the decision will be communicated by letter and reasons given.
- 7.9 If an applicant wishes to appeal against a rejection or level of grant awarded they must do so in writing to the address below clearly stating the basis for the appeal. If this concerns either the length of time allowed for a training programme or the trainers fee charges the Council may request a competitive quotation for comparison purposes.
- 7.10 Training programmes must indicate start and finish dates.

**N.B. TO BE ELIGIBLE FOR A GRANT AWARD, TRAINING MUST NOT COMMENCE UNTIL WRITTEN APPROVAL IS RECEIVED FROM NORTH LANARKSHIRE COUNCIL.**

**8****WHAT HAPPENS NEXT?**

- 8.1 The approved company must confirm acceptance of the terms and conditions of the grant.
- 8.2 Failure to return the acceptance form and training dates within 4 weeks of approval may result in the grant being withdrawn.
- 8.3 Any changes to the programme must be approved by Council officers and written confirmation given prior to the changes taking place.
- 8.4 It is the applicant company's responsibility to draw up an appropriate contract with their specified trainer.
- 8.5 All monies due to the trainer must be paid before release of grant is considered.

**9****HOW TO CLAIM GRANT?**

- 9.1 When the training is complete and the conditions of the offer have been met, companies should submit their claim.
- 9.2 Claims must include the following:
- Completed "Claim for Payment" form
  - Training records for all trainees
  - Proof that the trainer has been paid i.e. the original trainers invoice and either the returned cheque for the payment or a copy of the bank statement showing the appropriate transaction.
- 9.3 On receipt of the above you will be visited by a Council officer who will assess the outcomes of the training programmes.
- 9.4 Grant will only be paid to the company if competencies have been achieved and are considered satisfactory by Council officers.

**10****ARE THERE ANY OTHER CONDITIONS?**

- 10.1 The names of all companies receiving grant and the amount of grant may be reported to Council committees.
- 10.2 Additional conditions may be imposed on any applicant as may be considered appropriate by the funders of the scheme.
- 10.3 The determination of eligibility in respect of any applicant for grant under this scheme shall be within the absolute discretion of the Council.
- 10.4 Please note: These guidelines are published so that all interested parties will fully understand the requirements of the scheme. Payment of grant will be withheld if any guideline is not complied with, (unless a written dispensation is obtained) or if any information is provided which is misleading or incorrect.

**11****SEND YOUR APPLICATION TO:**

Senior Economic Development Officer  
Planning & Development Department  
Economic Development Unit  
North Lanarkshire Council  
2 Tryst Road, Fleming House  
Cumbernauld G67 1JW

Telephone: 01236 616265  
Fax: 01236 616272



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