

NORTH LANARKSHIRE COUNCIL

AGENDA ITEM No. 21

REPORT

To: ECONOMIC DEVELOPMENT COMMITTEE		Subject: Youth Employment & Training Initiative (YETI) 1999
From: DIRECTOR OF PLANNING & DEVELOPMENT		
Date: 26 November 1998	Ref:JT /Rep505	

1.0 Purpose of Report

1.1 The purpose of this Report is to seek Committee approval for the operational procedures for the Youth Employment & Training Initiative (YETI) for the 1999 Programme.

2.0 Background

2.1 The Youth Employment & Training Initiative (YETI) is a scheme designed to encourage employers to employ young persons, aged between 18 and 24, who are unemployed or in unskilled jobs and providing them with quality skilled employment and training over a two year programme, over which time the employers may receive a grant to subsidise this cost of employment and training for this individual.

3.0 The 1999 Programme

3.1 As in preceding years the YETI Programme would cover a two year period offering a grant covering the equivalent of 45% of the wage paid, and in the second year 25% - any wage above £160 per week must be met by the company. Over both years the young person employed under the scheme must be able to attend college on a day-release basis for which all fees would be paid for by the YETI programme. Additionally the employer may reclaim all employers National Insurance Contributions, and travel expenses to and from college paid to the YETI employee.

3.2 It is proposed that for the 1999 Programme trainee(s) must be paid a minimum hourly rate as determined by the Government's minimum wage rate. At present the minimum wage levels are £3.00 per hour for recruits aged between 18 and 21 and £3.60 for recruits aged 22 or over.

3.3 The priority of the YETI programme is the opportunity to offer skilled employment and training opportunities to unemployed residents across North Lanarkshire, however where appropriate the YETI Programme would be directed toward skill gap areas within the North Lanarkshire economy.

3.4 It is proposed for the 1999 Programme that a more strategic focus is placed on the programme. Developmental work and consultations with partner organisations are presently ongoing to ensure this strategic delivery during 1999.

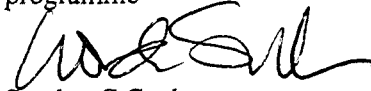
4.0 Recommendation

4.1 It is recommended that Committee :-

(i) note the contents of this report

(ii) Approve a minimum hourly rate of £3.00 for recruits between 18 and 21 and £3.60m for recruits aged 22 and over being introduced for the 1999 Programme

(iii) approve the Operational procedures for the Youth Employment and Training Initiative for the 1999 programme



Stanley C Cook

Director of Planning and Development

9 November 1998

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

YOUTH EMPLOYMENT AND TRAINING INITIATIVE

1999 OPERATIONAL GUIDELINES

1. PURPOSE OF THE SCHEME

- 1.1 The aim of this initiative is to increase the number of vocational traineeships available to people who are resident in North Lanarkshire.
- 1.2 This will be achieved by the Council offering grant to companies who are prepared to employ additional persons whilst they undergo on-the-job vocational training. Priority will be given to jobs which are shown to be filling a skills gap in the North Lanarkshire area.

2. ELIGIBLE COMPANIES

- 2.1 Employ less than 250 people on a world-wide basis.
- 2.2 Have existing employees able to pass on skills to the proposed trainee.
- 2.3 Have a permanent base within North Lanarkshire.
- 2.4 Where companies have other amounts owing to the Council, this may be taken into consideration in determining grant eligibility.

3. ELIGIBLE TRAINEES

Eligible trainees must:

- 3.1 Be aged between 18 and 24.
- 3.2 Have been resident in the Strathclyde area for the period of grant otherwise payment will cease.
- 3.3 Have no remaining entitlement to any other Government or Local Authority sponsored schemes (e.g. YT., Skillseekers, etc.).
- 3.4 Be unemployed
or
Be in an unskilled job which offers no training.
- 3.5 If the proposed trainee is already in a non-skilled job and is to be offered the

opportunity of training for a skilled job, within the same company, the council will require to see a copy of the existing and new contracts of employment.

- 3.6 If the proposed trainee was previously on a different scheme with the same company (YT/Skillseekers, etc.) this particular grant will only be paid if the former training was of a general/work experience nature. Grant is not available to continue training started under another scheme.

4. ELIGIBLE JOBS

- 4.1 Eligible jobs must be skilled and require off and on-the-job training leading to a specific qualification.
- 4.2 The council reserves the right to include or exclude any occupation.

5. ELIGIBLE TRAINING

- 5.1 The off-the-job element must include at least a day release course or equivalent at a local college of Further Education leading to a qualification recognised within the industry. This day release can be an integral part of an off-the-job block course.
- 5.2 Only in very exceptional circumstances will training be approved at an establishment outside the Strathclyde area.
- 5.3 The on-the-job element must be organised by the firm and conducted in a way recognised within the industry.
- 5.4 Degree level training is ineligible.

6. RATE OF GRANT

The grant will be paid for a minimum of 1 year and a maximum of 2 years.

- 6.1 During the first, year the grant will cover:
- a) 45% of wages (including employers NIC)
 - b) 100% of fees for off-the-job training. (See guideline 10.3)
 - c) Travel expenses to/from College (if normal practice of company).
- 6.2 During the second year, the grant will cover:
- a) 25% of wages (including employers NIC)
 - b) 100% of fees for off-the-job training. (See guideline 10.3)
 - c) Travel expenses to/from College (if normal practice of company).

- 6.3 The minimum wage paid must be at least £3.00 per hour for youths aged 18-21, and £3.60 per hour for youths aged 22-24. The grant will not be paid on wages above £160 per week.
- 6.4 The Council reserves the right to limit the amount of grant awarded.

7. NUMBER OF TRAINEES PER COMPANY

- 7.1 The number of trainees is limited to a ratio of one permanent skilled employee to 2 trainees with a maximum of 4 trainees. At the discretion of the Council, the maximum may be increased.
- 7.2 This scheme is aimed at creating additional employment. Companies will have to demonstrate that any jobs funded under this scheme are additional to any routine intake of trainees over the last 3 years.

8. APPLICATION PROCEDURE

- 8.1 Applications must be made as follows:
- a) Employer submits company application form which includes brief details of the type of training proposed.
 - b) If the proposals appear eligible, a Council Advisor will contact the Company to assist in the next stage of the application.

9. RECRUITMENT AND CONDITIONS OF TRAINEES

- 9.1 Trainees will be employees of the participating company, which will be responsible for their recruitment.
- 9.2 Recruitment of a trainee must not be confirmed without prior written consent from the Council.
- 9.3 Trainees must be offered conditions similar to other employees of the Company and must be given a contract covering at least the training period. Companies will be encouraged to retain trainees as permanent employees on completion of the training programme.
- 9.4 It will be the employer's responsibility to ensure that the trainees of appropriate calibre are recruited. However, if their performance is unsatisfactory, **A DECISION TO DISMISS MUST ONLY BE TAKEN BY THE EMPLOYER AFTER CONSULTING THE COUNCIL AND RECEIVING APPROVAL IN WRITING.**

- 9.5 IF THE TRAINEE IS DISMISSED WITHOUT THE COUNCIL'S CONSENT, REPAYMENT OF THE GRANT WILL BE SOUGHT.
- 9.6 If the trainee leaves to take up permanent post elsewhere, or if the Council accepts the circumstances of the dismissal, the Company will be given an opportunity to recruit a "replacement" trainee, for the remainder of the period. This will only be agreed to under the following conditions:
- a) The new trainees must be able to attend College for at least one full academic year's off-the-job training whilst on the scheme.
 - b) The company must enter into an agreement with the trainee to honour the complete training period and the conditions required for the job.
- 9.7 Any change in circumstances of the company or trainees must be notified to the Council IMMEDIATELY.

10. PAYMENT PROCEDURE

- 10.1 Grant covering wages and travelling expenses will be paid retrospectively in instalments each covering a 13-week period and is claimed by submitting a standard form. This form should be supported by copies of P11 Tax Deduction cards or Company Payroll Records. The Council reserves the right to require production of relating to the recruitment and payment of employees involved, and to visit business premises and inspect appropriate records. Monitoring visits will be carried out on a 6 monthly basis.
- 10.2 The proposed wage rises over a period of grant must be specified and agreed at the application stage, and the grant payment will otherwise only be adjusted to reflect nationally agreed negotiations.
- 10.3 All fees should be paid by the Company, and will be reimbursed by the Council upon submission of receipts. Full instructions on these procedures will be included in the approval letters to Companies.
- 10.4 A Council Adviser will monitor training and costs at regular intervals.

11. GENERAL CONDITIONS

- 11.1 Dual funding is not permissible under any circumstances. A claim for financial assistance from other sources in respect of the training programme will immediately disqualify the applicants from the scheme and they will be required to repay any monies already paid.
- 11.2 To provide opportunities across the range of eligible occupations/activities, the Council retains the right to give preference to certain applicants.

- 11.3 The Council reserves the right to impose such conditions as it considers appropriate in relation to any grant awarded.
- 11.4 The name of all Companies offered grant and the number of trainees will be reported to the Economic and Employment Development Committee of North Lanarkshire Council.

Continuing compliance throughout the grant period with these guidelines and any further conditions imposed is, in itself, an essential part of any grant. In the event of failure to comply, the Council will terminate the award and will seek repayment of grant already paid.

**SEND YOUR APPLICATION TO:
SENIOR ECONOMIC DEVELOPMENT OFFICER
NORTH LANARKSHIRE COUNCIL
PLANNING & DEVELOPMENT DEPARTMENT
ECONOMIC DEVELOPMENT UNIT (THIRD FLOOR)
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