

# Employer Recruitment Incentive

## Information Pack

## Contents

1.	Introduction.....	3
2.	About the Discover Work Employer Recruitment Incentive .....	3
	Is this fund for my organisation? .....	3
	Meeting the Real Living Wage rates.....	4
	Who can I employ? .....	4
	What can I use the fund for? .....	5
	What does the fund offer? .....	5
	How does the fund work? .....	5
	How do we pay the grant funding? .....	6
	What are the timeframes for recruitment? .....	6
	Subsidy Control Act 2022 .....	7
3.	Application guide and conditions .....	7
	Your application.....	7
	The application process.....	8
	What happens once we've approved your application?.....	8
	How do I get the funds? .....	8
4.	Contact us .....	9

# 1. Introduction

Our local **Discover Work Employer Recruitment Incentive (ERI)** helps people of all ages with the greatest barriers to employment get jobs and stay in jobs. It is supported by the Scottish Government and administered by Dundee City Council.

Employers can apply to help with the costs of recruiting and employing individuals supported by local Employability Providers funded by Discover Work. It can provide **up to £8000** for **newly created jobs or vacancies**. Employers who are successful in applying to the fund receive the money direct.

Employer Recruitment Incentives (ERIs) play an important role in supporting those with the greatest barriers to employment, to enable them to obtain and remain in sustainable employment. The **Discover Work ERI** is available to use as a contribution to the additional costs of recruiting and sustaining individuals in employment.

The **Discover Work ERI** can be utilised in several ways such as for additional supervisory costs, training, initial travel to work costs, specialist in work support, or wages. No single use is prescribed.

This employer's pack summarises the key points of the fund and includes information on the terms and eligibility conditions and a guide to help you complete your funding application.

# 2. About the Discover Work Employer Recruitment Incentive

The objectives of the **Discover Work ERI** are to positively contribute to a fairer, more inclusive economy and to help address many of the deep-seated challenges of inequality and disadvantage within the Scottish labour market. The specific objectives are to:

- ✓ Reduce the number of people out of work or experiencing in work poverty
- ✓ Tackle inequalities within the labour market, including employment gaps and occupational segregation
- ✓ Support high quality and fair work for all
- ✓ To create a person centred, more joined up, flexible and responsive form of support

## Is this fund for my organisation?

Employers from all sectors are eligible for the **Discover Work ERI** and there is no restriction on the size of employer, but encouragement will be given to private SMEs<sup>1</sup> and third sector organisations (including social enterprises). You should use the **Discover Work ERI** to fill newly created and additional jobs.

The number of individuals you can recruit and appropriately support using the **Discover Work ERI** is usually no more than two individuals in any 12-month period; however, additional applications will be determined on a case-by-case basis. All employers in receipt of the **Discover Work ERI** must adhere to Scottish Government's [Fair Work First Guidance](#) which states:

*For public sector grants awarded from 1 July 2023, the default position is that Fair Work First criteria for paying **at least the real Living Wage** and **providing effective workers' voice** will be mandatory while the other criteria will continue at this stage to be encouraged. Only in limited circumstances may the grant maker/funder consider making an exception to the mandatory criteria, as outlined below.*

- *In general, a grant recipient must demonstrate it is paying **at least the real Living Wage** before it can access a grant.*

<sup>1</sup>Micro business and small to medium sized companies or organisations from the Private and Third sectors with up to 250 employees

- All UK-based staff aged 16 and over, including apprentices, who are directly employed by the grant recipient, must be paid **at least the real Living Wage**; and any UK-based workers who are not directly employed but are directly engaged in delivering the grant-funded activity, whether they be sub-contractors or agency staff, **must also be paid at least the real Living Wage**.

The **Discover Work ERI** is a beneficiary employment support measure and relates to the employed individual's post code but you, as the employer, can be located throughout Scotland. This means that you should apply for funding via the local authority in which your new employee lives. The **Discover Work ERI** can only offer funding for employees with home postcodes within Dundee City's local authority boundary. The employer's postcode does not need to be within Dundee City's local authority boundary.

### Meeting the Real Living Wage rates

You must pay **at least the real living wage** to new starts, as well as all existing staff, to be eligible to apply for the fund. The current real living wage rate is £10.90 per hour for those aged 18 years and older.

### Who can I employ?

The **Discover Work ERI** is available for the employment of individuals of all ages. However, it is not for everyone. It is for the employment of individuals who experience barriers to employment and, without additional support, might not secure and sustain work. You can employ an individual supported by local employability providers who:

- ✓ are out of work or experiencing in work poverty
- ✓ are aged between minimum school leaving age - 67 years
- ✓ live within [Dundee City](#)<sup>2</sup>
- ✓ have the right to live and work in the UK
- ✓ belong to our priority customer groups as detailed in our [Discover Work Strategy 2022-2027](#), such as:
  - Those who are long-term unemployed
  - Those with physical and mental health conditions, including disabilities
  - People requiring specialist support to access the workplace
  - Neurodiverse people (e.g. Autism)
  - Families with children experiencing poverty
  - Lone parents
  - Women returners
  - Young people most at risk of not participating in education, training or employment (e.g. those with experience of care)
  - Those with convictions or an offending history

The following do not meet the eligible criteria for the fund:

- ✓ registration with a recruitment agency or other third-party employment (unless employees are employed solely for the agency and no other party)
- ✓ employment supported by other public-sector funded employment / employability support such as Intermediate Labour Market (ILM) opportunities
- ✓ Other work-related activity that is not subject to a contract of employment e.g. unpaid voluntary work, work experience, work placements
- ✓ employment which has already started
- ✓ employment with employers that do not adhere to Scottish Government's [Fair Work First Guidance](#)

<sup>2</sup> Funding for individuals who live out with [Dundee City](#) may be available from their local authority.

## What can I use the fund for?

You can use the fund to help with the costs of recruiting and keeping a person in employment including an apprenticeship for up to 52 weeks. Costs may include but are not limited to:

- ✓ wages
- ✓ additional supervisory costs
- ✓ initial travel to work costs
- ✓ training
- ✓ specialist support designed to help a person sustain a job past 52 weeks
- ✓ other job-related costs.

## What does the fund offer?

The fund offers an employer a tiered amount of up to **£8,000** over a period of **52 weeks**. The amount you receive is based on the contracted hours for each employee as shown in the table below:

A job where pay is at the Real Living Wage rates or above	
Contacted Hours Per Week	ERI Amount (£)
8-15	2,000
16-20	4,000
21-29	6,000
30+	8,000

## How does the fund work?

- ✓ We pay the fund directly to employers.
- ✓ It applies to new job starts.
- ✓ New employees should not start the job until funding is agreed.

For a job to be eligible for funding it must:

- ✓ offer a minimum of 52 weeks employment
- ✓ guarantee a minimum of 8 hours employment each week
- ✓ pay the Real Living Wage rates or higher
- ✓ pay a salary greater than funding received
- ✓ have a contract of employment i.e. permanent contract, a fixed term contract for 52 weeks or more or a fixed term contract for the duration of the apprenticeship
- ✓ and, by law, employees must receive a written contract of employment within two months of starting (we will need a copy of this)

It is also expected that the Employers:

- ✓ Ensure that the employee receives formal training as part of their job and as part of their investment in workforce development.
- ✓ Ensure that quarterly reviews are undertaken to ensure a quality experience for both employee and employer.
- ✓ Be proactive in their collection and use of data to address specific equality issues. For example, public sector employers publish their ethnicity pay gap and produce an action plan to deliver identified outcomes.
- ✓ Will take action to create a more diverse and inclusive workplace.
- ✓ Ensure a safe and healthy working environment.
- ✓ Make a commitment to retain the employee beyond the period of the ERI support.

The **Discover Work ERI** should not:

- ✓ Be used to create a job to cover a period of existing staff sickness or maternity leave.
- ✓ Be used to replace a post from which someone was made redundant.
- ✓ Duplicate costs that will be paid for by other programmes such as the Job Start Payment and Access to Work. Please Note: It **can** be used to pay for support for a period prior to Access to Work funding being established, to ensure the job is retained, but it does not replace your duty under the Equality Act to make reasonable adjustments. This is particularly relevant to Public Sector employers, who have a duty to provide reasonable adjustments which must be funded directly.

### How do we pay the grant funding?

- ✓ We will pay you directly providing you send us the necessary documentation, following the payment schedule below. This schedule starts from your employee’s first day of employment. We will only make a payment if the employee completes each stage.
- ✓ If your employee leaves your employment before the end of the 52-week period, monies already paid to you are not required to be returned to us.

Contacted Hours Per Week		8-15	16-20	21-29	30+
ERI Amount (£)		2,000	4,000	6,000	8,000
Payment Points	4 weeks after employment start date (10%) - No payment for less than 4 weeks	200	400	600	800
	13 weeks after employment start date (20%) - No pro-rata payment between 5 - 12 weeks	400	800	1,200	1,600
	26 weeks after employment start date (20%) - No pro-rata payment between 14 - 25 weeks	400	800	1,200	1,600
	39 weeks after employment start date (25%) - No pro-rata payment between 27 - 38 weeks	500	1,000	1,500	2,000
	52 weeks after employment start date (25%) - No pro-rata payment between 40 – 51 weeks	500	1,000	1,500	2,000

### What are the timeframes for recruitment?

- ✓ The **Discover Work ERI** is for new job starts up to the point where **all available funding has been committed**. There are a limited number of places so we will deal with applications on a first come, first served basis.
- ✓ All applications for jobs starting within the incentive period must be completed and approved with the individual started in their employment.
- ✓ We aim to give you a decision on your application within 10 working days. As soon as you have our decision you are free to issue a start date to your new employee if you are proceeding with employment.
- ✓ If you would like help to advertise your vacancy and identify suitable individuals supported by local Employability Providers, we can provide free support to do this via **our ERI Co-ordinators**. Please let us know if you would like this support.

## Subsidy Control Act 2022

For an award of financial assistance to be defined as a subsidy, several conditions outlined in the [Subsidy Control Act 2022](#) must be met. Through the use of this [Subsidy Control Guide for Public Authorities](#), Dundee City Council has determined that an ERI award is not a subsidy as:

- a) the financial assistance is not provided on favourable terms as it is not limited to specific enterprises i.e. all enterprises are eligible for an ERI. Eligibility for an ERI is based on the employment of specific beneficiaries (priority customers / participants / clients supported by employment support services); and,
- b) the value of the financial assistance is not capable of having a genuine effect, that is more than incidental or hypothetical, on competition or investment in the UK, or on international trade or investment.

## 3. Application guide and conditions

### Your application

- ✓ Funding is not guaranteed – we assess applications on a case-by-case basis. You **cannot** employ a person **before** submitting a funding application.
- ✓ You cannot apply for funding for someone who is already in post. It must be for a new job and the person must have been receiving support from local employability providers at the time of applying. The employee cannot start the post until funding is approved.
- ✓ You can make an application for funding before you know who you wish to employ. We will give you a provisional decision and reassess your application once you have selected your employee to ensure they meet the eligibility criteria. We can assist you with advertising the post through our [Discover Work ERI Coordinators](#).
- ✓ We will score your application based on the information you provide, so please ensure you give us as much detail as possible to get the best possible score. If information is missing, we will need to ask you to provide this which will delay the process for you.
- ✓ We aim to score your application and let you know the outcome of this within 10 working days.
- ✓ We will use your information to process your application form

## The application process

You can download the application form from [www.discoverworkdundee.co.uk/support-for-employers/employer-recruitment-incentive-eri/](http://www.discoverworkdundee.co.uk/support-for-employers/employer-recruitment-incentive-eri/) or email [ERI@discoverworkdundee.co.uk](mailto:ERI@discoverworkdundee.co.uk). Please give us as much detail as possible in your application. This will allow us to make sure we base our decisions on accurate information to avoid disappointment further down the recruitment process.

- ✓ Please make sure you answer all the questions.
- ✓ We make any offer of funding on the condition that the person you recruit is an individual supported by local employability providers and meets the eligibility criteria.
- ✓ You will need to outline the economic and employment benefits of your application. Here are some suggestions:
  - **Economic Benefits** - how does your organisation / this job contribute to **Dundee City's** economy? Small businesses contribute to local economies by bringing growth and innovation to the community where the business operates. Small businesses also help stimulate economic growth by providing employment opportunities to people who may not be employable by larger corporations. How will the employee contribute to business growth? Will having an additional member of staff allow you to increase workload/output?
  - **Sector potential for growth** – What is the predicted growth of the sector over the next few years? Are you expecting an increase in demand for your goods or service? Why?
  - **Employability Benefits** - what training and qualifications will the employee gain? What are the employee's prospects beyond this post once they have completed 52 weeks of employment? Will skills, knowledge, qualifications, and experience gained by the employee help them to stay within your employment or find work elsewhere beyond this employment?
  - **Contract** – please make sure you answer this question.
  - **Salary** – please make sure you answer these questions.
- ✓ Return the application to [ERI@discoverworkdundee.co.uk](mailto:ERI@discoverworkdundee.co.uk) so that we can assess and score it.
- ✓ We will send you an email stating whether your application is successful or not.
- ✓ When you have recruited your employee, we will need to visit you both to complete the final paperwork for this stage and make sure all parts of the application process are signed and completed.
- ✓ Before your employee starts work, we will need to meet with them to complete an action plan of support for the funding period. We will arrange a suitable time for this with you and the employee. We will need to carry out quarterly reviews throughout the 52 weeks and will arrange a suitable time for this with you and the employee.
- ✓ We will need a copy of your employee's employment contract within two months of their start date.

## What happens once you have recruited your new employee?

- ✓ We need to show how the **Discover Work ERI** funding is allocated and spent. We will therefore need all applicants and recipients to comply with the Scottish Government and **Dundee City Council's** application, monitoring and finance processes.
- ✓ Once your employee is in post, we will need to meet with you both to complete the final paperwork for this stage. We are required to record information about the job and the employee on our management information system.
- ✓ We will meet with you and your employee quarterly to complete action plans for your employee. These are goals that your employee will work towards as part of their job.
- ✓ To receive payment from us, we will require you to submit supporting documentation (contract of employment, payslips, review sheets, etc.) along with completed action plans.

## How do I get the funds?

- ✓ We will pay you directly providing you send us the necessary documentation. The payment schedule starts from your employee's first day of employment. We will only make a payment if the employee completes



each stage.

- ✓ If your employee leaves your employment before the end of the 52-week period, monies already paid to you are not required to be returned to us.
- ✓ If we haven't already set you up as a supplier to **Dundee City Council**, we will need to do this to make sure we can pay you. You will be contacted by Dundee City Council's Finance Department via email or telephone to verify your details.
- ✓ We will explain what information and evidence you need to provide for approval of payment at each stage (examples below). Alternatively, one of our ERI Co-ordinators will visit your company if preferred
  - payslips to cover the corresponding period (4 weeks, 13 weeks, 26 weeks, 39 weeks, and 52 weeks)
  - completed review sheets
- ✓ Please return these documents to: [ERI@discoverworkdundee.co.uk](mailto:ERI@discoverworkdundee.co.uk). We cannot approve payment until after each payment stage has been completed. Before we can make any payments, you must complete and return all required paperwork to us.
- ✓ We will make payments within 5 working days on receiving supporting documentation (contract of employment, payslips, review sheets, etc.).
- ✓ As part of the **Discover Work ERI** funding we will carry out four quarterly reviews against the agreed action plan. Our team will meet with you and your employee when they begin employment and again after 4, 13, 26, 39 and 52 weeks of employment.

## 4. Contact Us

You can download an application form or get more information at [www.discoverworkdundee.co.uk/support-for-employers/employer-recruitment-incentive-eri/](http://www.discoverworkdundee.co.uk/support-for-employers/employer-recruitment-incentive-eri/). Alternatively, you can email [ERI@discoverworkdundee.co.uk](mailto:ERI@discoverworkdundee.co.uk)