

# East Dunbartonshire Council -Youth Employment Initiative (YEI) Programme

## Information and eligibility

### Background

- YEI Programme is funded by the Scottish Government and European Social Fund (ESF), and is delivered via Local Authorities with support from partners including the voluntary sector, Jobcentre Plus, Skills Development Scotland, local colleges and other learning and skills providers. This operation has received funding from the ESIF and the Youth Employment Initiative.
- YEI takes the form of an employer incentive, via a wage subsidy, to encourage local employers to create a new youth job, enabling them to employ local young people who are job ready but who may lack work experience.
- East Dunbartonshire Council has approval for 60 wage subsidy jobs for young people who are resident in East Dunbartonshire area over 2 years.
- All of the available funding must be used on wage subsidy, there is no provision for training monies, nor is there provision for the management or administration of the Programme.

### Eligible Young People

- The wage subsidy is only available to 16-29 year olds who are not in employment, education or training (including individuals who are inactive, unemployed and long-term unemployed);
- All young people should be job ready;
- Resident of East Dunbartonshire;
- Must have a legal right to work in the UK.

## Establishing Young Persons Eligibility

- It is essential that only eligible young people are supported by YEI. Eligibility must be established before the start of the employment. East Dunbartonshire Council must retain evidence of the employees eligibility.

## Ineligible Young People

Young people who are

- Of compulsory school age
- Aged 30 or over (they must be no more than 29 years of age on the date of employment commencing)
- Attending school or college full-time as a learner or student
- In full time higher education
- Have an existing contract of employment (including as a Modern Apprentice)
- An ineligible overseas national
- In custody or on remand in custody
- Not domiciled in East Dunbartonshire

## Wage Subsidy Details

- The wage subsidy is 50% of the national minimum wage for the age of the young person being employed, for up to 6 months (26 weeks). The employer must meet the cost of the other 50% of the wage plus all of the employer NI contributions. If an employer wishes to pay more than the national minimum wage then they must meet the additional cost in full.

### Current National Minimum Wage Rate as from 1<sup>st</sup> October 2016

Under 18 years - £4.00 per hour

18 – 20 years £5.55 per hour

21 – 24 years £6.95 per hour

25 years and over - £7.20 per hour

General Apprentice Rate - £3.40\* However some apprenticeships may have higher rate, employer needs to check this with governing body and provide evidence.

- Employers should be advised that the National Minimum wage increases every year on the 1<sup>st</sup> October, and all YEI employees must move to the new rate.
- The wage subsidy will only be paid for up to 26 weeks. However, it is the ambition of the YEI Programme that employment offered to young people should be sustainable after the 6 months, therefore jobs should be quality opportunities providing young people with valuable work experience which will help them achieve sustained employment at the end of the subsidy period.

- Jobs must be for a minimum of 25 hours per week, and no more than a maximum of 40 hours per week. Jobs must be for a minimum of 26 weeks.

## Eligible Employers

- Private sector SME's are eligible. Private sector SME's can recruit eligible clients aged 16-29 years. Third Sector Organisations and Social Enterprises are also eligible.
- Definition of SME - must be less than 250 staff members (total number of full-time equivalent staff including directors working in the business and across the group where applicable), **and** it must have turnover of less than 50 million euros **and** a balance sheet figure of less than 43 million euros.
- State Aid Applies – The YEI Programme will be covered by de-minimis Aid, which means that an employer cannot have exceeded 200,000 euros of public funding given under the de-minimis aid regulation over a 3 year fiscal period. (The sterling equivalent is calculated using the Commission exchange rate applicable on the written date of offer of the de minimis funding).
- No public sector employers can be supported.
- Non SME companies (larger than 250 employees) cannot be supported.
- All jobs must be **additional** to the existing workforce and **must not replace positions that would otherwise be filled.**
- Jobs **cannot be filled prior to the formal authorisation** of the YEI subsidy.
- At the end of the agreed wage subsidy period the YEI employee cannot be replaced by another YEI employee. However, if a YEI employee leaves the waged subsidy post prior to the end of the agreed wage subsidy period then the post can be refilled.
- There is no maximum number of employees able to be supported via YEI for an eligible employer, however each case will be considered on its merits and additionality will require to be evidenced for future posts.
- The employer must have a job description for the YEI post.
- The employer must issue YEI employees with a contract of employment which includes terms and conditions. The employers terms and conditions will apply with regard to holiday entitlement and sick pay.

## Application Process for East Dunbartonshire Council YEI

### Employer

- The application form signed by the employer should be completed by the employer and returned to **Katie Graham, ESIF Employability Job Broker, East Dunbartonshire Council, Kirkintilloch Campus, 50 Southbank Road, Kirkintilloch. Telephone for enquiries 0141 777 3084.**
- If approved East Dunbartonshire Council will send the employer the YEI Offer of Financial Support. The Offer will contain the full terms & conditions, Acceptance Form and Bank Details form, all to be returned to East Dunbartonshire Council.

### Young Person

- YEI Application form for young person to be completed by young person with assistance from East Dunbartonshire Council Skills for Learning, Life and Work. Form must be signed and dated by the young person and East Dunbartonshire Council staff.
- If approved, the application can proceed for young person to be considered for YEI vacancy/vacancies.
- A 2 day Customer Service course ran by Skills for Learning, Life and Work Team for all employees prior to their start date will be provided.

## Payment of the Wage Subsidy

- East Dunbartonshire Council will pay the wage subsidy direct to the employer via BACS.
- Payment of the subsidy will be at weeks 13 and 26 on receipt of the fully completed YEI Wage Subsidy Claim Form and Employee Action Plan Review. This must be accompanied by
  - payroll documentation for each pay made to the employee in the given claim period, the BACS listing showing the employees name on the payroll listing, the total amount of the payroll, BACS reconciliation (if necessary), and the employers bank statement showing the defrayal of the BACS amount; and
  - completed reviews with the employee showing progress made ie, through their skills, abilities and any training either on the job, in-house or specialist.
  - Evaluations completed by employer and employee prior to final payment.
- **No wage subsidy will be paid unless ALL of the above documentation is available.**