



# Employer Recruitment Incentive

## 2025 – 2026 Information Pack

## Contents

<u>Introduction</u>	3
<u>About ERI</u>	
<u>Is this fund for me?</u>	4
<u>What can I use the fund for?</u>	4
<u>What does the fund offer?</u>	5
<u>How does the fund work?</u>	5
<u>How do we pay the grant funding?</u>	6
<u>What are the timeframes for recruitment?</u>	6
<u>Who can I employ?</u>	6
<u>Application guide and conditions</u>	7
<u>Your application</u>	7
<u>The application process</u>	8
<u>What happens once we've approved your application?</u>	9
<u>How do I get the funds?</u>	10
<u>Contact us</u>	10
<u>Appendix 1: Who can you employ and about the barriers</u>	11

## Introduction

The [No One Left Behind Employer Recruitment Incentive \(ERI\)](#) helps people of all ages with the greatest barriers to employment get jobs and stay in jobs. It is funded by the Scottish Government and administered by local authorities.

Employers can apply for funding to help with the costs of recruiting and employing someone who fits the eligibility criteria for the fund. It can provide [up to £6000](#) for [newly created jobs or vacancies](#). Employers who are successful in applying to the fund receive the money direct.

**Employers offering a contracted 25 hours per week or above will receive an [additional £1000 payment](#).**

Employer Recruitment Incentives play an important role in supporting those with the greatest barriers to employment, to enable them to obtain and remain in sustainable employment. The Employer Recruitment Incentive has been developed to integrate and link fully with existing employability and skills programmes and is available to use as a contribution to the additional costs of recruiting and sustaining eligible individuals in employment.

The Employer Recruitment Incentive 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.

## About ERI

The objectives of 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 unemployed.
- ✓ To create a person centred, more joined up, flexible and responsive form of support.
- ✓ Provide a seamless set of interventions that complement each other.

### Is this fund for me?

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

The number of individuals you can recruit and appropriately support using ERI is usually two individuals, however any additional applications will be determined on a case-by-case basis. All employers in receipt of ERI should promote and embed fair work in line with the Fair Work First Guidance. ERI is a beneficiary employment support measure and relates to the employee'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 Employer Recruitment Incentive can only offer funding for employees with home postcodes KW15 to KW17.

### 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:

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

---

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

### What does the fund offer?

The fund offers an employer 50% of wage costs up to a maximum **£6,000** over a period of 52 weeks. Wages must be at the Real Living Wage to be eligible for ERI funding. For clarity, anything below the Real Living Wage is not eligible, this includes Apprenticeship minimum wage.

**Scottish Real Living Wage is currently £12.60 per hour.**

### How does the fund work?

- ✓ We pay the fund directly to employers.
- ✓ It applies to new job starts up to 30<sup>th</sup> September 2025
- ✓ New employees should not start the post 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 16 hours employment each week
- ✓ pay Scottish 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. Companies who employ a person on zero-hour contracts will not be eligible
- ✓ and, by law, employees must receive a written contract of employment within two months of starting.  
(We will need a copy of this.)

ERI funding 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 Job Start Payment and Access to Work.
  - It **can** be used as a progression from one of these programmes into paid employment but the conditions of the ERI funding must be met.
  - It **can** be used to pay for support for a period prior to Access to Work funding being established, in order 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.

ERI can be aligned to other employability programmes where appropriate to support the sustainability of

employment, however they can't be used at the same time.

### How do we pay the grant funding?

- ✓ Once your grant has been agreed and the candidate offered employment you will receive a one-off upfront payment for 100% of the agreed grant funding.
- ✓ You will then be expected to provide Orkney Islands Council with copies of the employee's payslips as proof of continued employment. The schedule below shows details of when the payslips will be expected.
- ✓ If the employee leaves before 52 weeks you may be asked to return any unspent funding to Orkney Islands Council.

Payslip Evidence Date
13 weeks after employment start date
26 weeks after employment start date
39 weeks after employment start date
52 weeks after employment start date

### What are the timeframes for recruitment?

- ✓ ERI is for new job starts up to **30<sup>th</sup> September 2025**. 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, approved and the individual started their employment **by 30<sup>th</sup> September 2025**
- ✓ 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, we can provide free support to do this via CLD Employability Team, please let us know if you would like this support.

### Who can I employ?

You can employ someone who meets **all** of the following criteria:

- ✓ is unemployed
- ✓ is aged between 16-67 years
- ✓ lives within Orkney
- ✓ has the right to live and work in the UK

- ✓ falls within two or more of the fund's eligible groups.

Orkney Island Council's Employer Recruitment Incentive is for all ages. However, it is not for everyone. It is for people who experience barriers to employment and, without additional support, might not make a successful transition into or be able to secure work.

- ✓ **Barriers:** This means that one or more of the factors presents a barrier to a person's learning or entering the workplace: environment; family circumstances; disability or health need; social or emotional factors.
- ✓ **Disabilities:** The [Equality Act 2010](#) defines a disabled person with a disability. A person has a disability for the purposes of the Act if he or she has a physical or mental impairment, and the impairment has a substantial and long-term adverse effect on his or her ability to carry-out normal day-to-day activities (S6(1)). A young person with ASN can also be included where a careers advisor or related professional believes there is a significant and on-going barrier to employment (referred to as a 'disabled' person).
- ✓ **Carer:** A person who has a significant role in looking after someone else who is experiencing illness or disability, or a young parent (referred to as a carer).
- ✓ You need to give employees a written contract of employment. It is a legislative requirement that an employee receives a contract of employment within two months of starting. The employment contract should be a permanent contract; a fixed term contract for 52 weeks or more; or a fixed term contract for the duration of the apprenticeship. Companies who employ a person on zero-hour contracts will not be eligible.

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

- ✓ unpaid voluntary work
- ✓ registration with a recruitment agency or other third-party employment fully or part financed by additional public-sector funding.
- ✓ employment which has already started
- ✓ zero hours contracts.

You can get a full list of the eligible barriers in [Appendix 1](#) (page 13).

## 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 be out of work 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 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 and, if unsuccessful, we will remove it from our systems. If you would like to remain on our mailing list, please make sure you 'opt in' on the application form.

### The application process

You can download the application form or email us for a copy at [employability.support@orkney.gov.uk](mailto:employability.support@orkney.gov.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.
- ✓ If you don't have an employee in mind yet, you are still able to make an application. We make any offer of funding on the condition that the person your recruit meets the eligibility criteria. However, we will reassess your application to make sure the employee meets the eligibility criteria.
- ✓ If we do not receive the employee information within 8 weeks of your application being approved, the funding may be reallocated to another employer.

You will need to outline the economic and employment benefits of your application. Here are some suggestions:

- **Economic Benefits** - how does your organisation/how will this job contribute to the Orkney 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 find work elsewhere beyond this employment?
  - **Contract** – please make sure you answer this question.
  - **Salary** – please make sure you answer these questions.
- 
- ✓ Make sure you and the potential employee sign the form. The employee can sign at later date if you do not know who this will be at the point of application.
  - ✓ Return the application to [employability.support@orkney.gov.uk](mailto:employability.support@orkney.gov.uk) so that we can assess and score it.
  - ✓ We will send you an email stating whether your application is successful or not. If it is successful, you will need to return a signed acceptance form. Once we receive this, we will send you a formal offer of the grant.
  - ✓ As soon as you have returned this to us, you can issue an official start date to your employee which is suitable to you both.
  - ✓ 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 startdate.

#### What happens once we've approved your application?

- ✓ We need to show how Orkney Island Council's Employer Recruitment Incentive funding is allocated and spent. We will therefore need all applicants and recipients to comply with the Scottish Government and the Orkney Island Council 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 payslips and an invoice 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 the Orkney Island Council, we will need to do this to make sure we can pay you. Our finance team will send you a 'vendor' or 'new supplier' form. Please complete this and return it to the email address on the form as soon as possible. If you are already one of our suppliers, we may ask you to register again due to changes in the law regarding storing data.
- ✓ When a payment is due, we will email you a 'purchase order' number. We will also send details of what you need to send us for each payment stage. For each payment you will need to send us:
  - an invoice addressed to ORKNEY ISLAND COUNCIL, SCHOOL PLACE, KIRKWALL, ORKNEY KW15 1NY (This should be exclusive of VAT)
  - payslips to cover the full stage period (13 weeks, 26 weeks, 39 weeks and 52 weeks)
  - completed action plans
- ✓ Please return these documents to: [employability.support@orkney.gov.uk](mailto:employability.support@orkney.gov.uk) - Alternatively, you can post them to the above address. We cannot make a 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 30 days of receiving satisfactory invoice and supporting documentation (wage slips, contract of employment etc.).
- ✓ As part of the Orkney Island Council's Employer Recruitment Incentive funding we will carry out four quarterly reviews (action plans). Our team will meet with you and your employee when they begin employment and again after 13, 26, 39 and 52 weeks of employment.

## Contact us

You can contact us at:

ADDRESS: CLD Employability Team, Orkney Island Council, School Place, Kirkwall, KW15 1NY

EMAIL: [Employability.support@orkney.gov.uk](mailto:Employability.support@orkney.gov.uk)

TELEPHONE: 01856 873535

You can employ someone who meets all five of the following criteria:

- ✓ is unemployed
- ✓ is aged between 16-67 years
- ✓ lives in Orkney
- ✓ has the right to live and work in the UK
- ✓ falls within two or more of the fund's eligible groups.

See the list below for some of the eligible groups.

Although consideration will be given to all applications that meet TWO barriers, priority will be given to applications for individuals that meet highlighted criteria.

1. Disabled and or D/deaf person (includes those experiencing mental health issues and those who have an impairment or long-term health condition)
2. Care experienced young people
3. Lone Parent
4. Person with a conviction (including CPO's)
5. Person aged over 50 years
6. Primary Carer
7. Person with no or limited work experience
8. Early leavers from the armed forces, veterans, and ex-forces personnel
9. Long-term unemployed (6 months or over) who are not on Community Work Placements
10. Person who has failed their ESA Work Capability Assessment
11. People from Ethnic Minority backgrounds and racial groups, with a targeted approach informed by local population data.
12. Gypsy/travelling community
13. Partner of current or ex-Armed Forces personnel
14. Person requiring support with language, literacy, or numeracy, including those for whom English is an additional language
15. Low skilled <sup>2</sup>
16. A young person who was receiving additional support for learning in school
17. Refugee or other granted leave to stay in the UK
18. Homeless person (including temporary or unstable accommodation)
19. Person affected by substance misuse.
20. Living in a household with children in poverty
21. Person living in the 15% most employment deprived SIMD geographies (see ESF Scottish Local Authority Employment Deprived Area Postcodes list).
22. Person living in an area defined as "rural area<sup>3</sup>" or "very remote rural<sup>4</sup>"
23. Living in a jobless household
24. Young person at risk of becoming NEET <sup>5</sup>

<sup>2</sup> A person with SCQF level 4 or below

<sup>3</sup> a person residing in thinly populated areas according to the Degree of urbanisation (DEGURBA category 3) classification. Thinly populated areas means that more than 50% of the population lives in rural grid cells

<sup>4</sup> a person residing in the Scottish Government 8 fold Urban Rural Classification (see 'Rural Area Rating' column on ESF Scottish Local Authority Rural Area Postcode list)

<sup>5</sup> A young person aged 16-19 years old who is not engaged in education, employment or training