

**To: Economy & Jobs Policy Board**

**On: 22 March 2017**

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**Report by: Director, Development & Housing Services**

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**Heading: Extension of Invest in Renfrewshire Employer Recruitment Incentive (RERI)**

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**1. Summary**

- 1.1 This report seeks approval to extend the revised Invest in Renfrewshire Recruitment Incentive (RERI) approved by Board on 1<sup>st</sup> February in order to:
- increase the number of recruitment incentives for those aged over 50 years; and
  - create new recruitment incentives for clients who are chronic long term unemployed on health related benefits participating on the City Deal Working Matters Programme.
- 1.2 The recently approved RERI programme committed existing funding from the ESF Youth Employment Initiative for 16-29 year olds and previous approval was given for up to 20 recruitment incentives for those aged 50+.to be funded through the ESF Employability Pipeline Programme.
- 1.3 The new proposal would allow for up to 60 additional wage incentives to be supported through the existing Renfrewshire Council ESF applications to support the creation of additional posts in local companies for priority groups.
- 1.4 The additional incentives will be funded by existing approved grant programmes supported by the European and Structural Investment Funds (ESIF) through the European Social Fund (ESF) Employability Pipeline.
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## **2. Recommendations**

### **2.1 It is recommended that the board:**

- i. agree to increase the numbers of RERI offers by 60 places, total maximum cost of £240,000, to support clients of the Working Matters programme and an increased number of 50+ Invest in Renfrewshire clients; and
  - ii. agree that further updates on employer recruitment incentives will be reported to the Economy and Jobs Policy Board.
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## **3. Background**

- 3.1 Since its launch in 2012, Invest in Renfrewshire has provided a range of wage incentives to local employers to create jobs for young, unemployed people. These programmes have been funded by Renfrewshire Council, the Scottish Government and European Social Funds and have contributed to significantly reducing youth unemployment in Renfrewshire from 9.5% (1430 individuals) to the current rate of 3.8% (575 individuals).
- 3.2 In 2015 the Board recognised the growing numbers of unemployed people over the age of 50 years and approved a small budget to provide wage incentives for this group.
- 3.3 The number of claimants aged over 50 years currently sits at 775 people and this group makes up 25 % of all registered unemployed in Renfrewshire. Older people find it increasingly difficult to find employment and are more likely to be longer term unemployed. They are a priority group for Invest in Renfrewshire.
- 3.4 Another priority group are those individuals in receipt of Employment Support Allowance (ESA) and long term sickness benefits. This group are not included in the Claimant Count numbers which relate to Universal Credit and JSA claimants but they represent 11% of the total working age population.
- 3.5 The Working Matters Programme targets this particular group and is being delivered as part of the City Deal by all 8 local authorities in Glasgow City Region. Those with significant health barriers to employment are considerably more disadvantaged in the labour market and the average Working Matters client in Renfrewshire has been unemployed for more than 13 years; over 70% are aged over 40 years.
- 3.6 The Working Matters programme in Renfrewshire has a target of 451 engagements and 68 job outcomes by August 2018. To date the programme has engaged 200 individuals and has had 1 confirmed job outcome with several others currently on permitted work.

- 3.7 Individuals supported by Working Matters have multiple and complex barriers to employment and the progression rates to date provides evidence of the challenge for these individuals to compete effectively in the labour market. A tailored recruitment incentive would assist in creating suitable employment for these individuals and employers would receive in work and financial support to enable these individuals to make the transition to sustainable employment.

#### **4 Extending the Renfrewshire Employer Recruitment Incentive (RERI)**

- 4.1 It is proposed to extend the current approved RERI programme to target those with health related barriers on the Working Matters Programme and to increase the number of 50+ wage subsidy places.
- 4.2 The extended programme will provide a maximum of 60 additional incentives of up to £4000 each. The costs of this can be met from the existing approved Renfrewshire Council employability programmes supported by the European and Structural Investment Funds (ESIF) through the European Social Fund (ESF) Employability Pipeline.
- 4.3 The extended programme will be supported by an additional dedicated member of staff to work with employers to create and broker 60 additional jobs for the target groups. This additional post can also be fully funded from existing resources and will work alongside the existing Invest in Renfrewshire team for the duration of the programme.

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#### **Implications of the Report**

1. **Financial** – There are no financial implications. All costs will be met through the approved ESF programme budgets as previously presented to Board.
2. **HR & Organisational Development** – Programme will be managed within the existing Invest in Renfrewshire team and the additional post requested will work specifically to achieve the additional 60 Recruitment Incentives over the next 15 months.
3. **Community Planning – Jobs & The Economy** – This proposal will contribute to the approved job creation targets
4. **Legal** – This is in accordance with the European Structural & Investment Fund (ESIF) National Rules in accordance with the Offer of Grant accepted
5. **Property/Assets** – None
6. **Information Technology** – None

7. **Equality & Human Rights** - The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report.
  8. **Health & Safety** – None
  9. **Procurement** – None
  10. **Risk** – None
  11. **Privacy Impact** – None
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#### **List of Background Papers**

None

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