**ReAct Programme support for employers – What you need to know**

**What is ReAct?**

The ReAct programme, which is part-funded by the European Social Fund (ESF) through the Welsh Government, provides a package of support to help people find new employment in as short a time as possible and can do this in two ways:

1. **For Individuals**

* A Vocational Training grant to help unemployed individuals get the skills they need to find a new job and an Extra Support grant to help with training-related expenses such as travel and accommodation costs. For more information please **contact Working Wales on 0800 028 4844.**

1. **For Employers**

* An Employer Recruitment and Training Support grant to help towards the wages and any job-related training costs for employers who wish to recruit an unemployed individual. More information can be found at <https://businesswales.gov.wales/skillsgateway/skills-and-training-programmes/react>

*Important – You will have to apply for this grant and it must be approved by the Welsh Government* ***BEFORE*** *the new recruit starts their employment.*

**These Guidance Notes are designed for recruiting employers**

**Can you apply?**

The table below outlines the ReAct eligibility requirements and the evidence you will need to provide *in relation to the new recruit* to support your application:

|  |  |
| --- | --- |
| **Eligibility** | **Evidence** |
| **Unemployed no later than 12 months before the date of the application for a ReAct grant** | * **Redundancy letter** * **Formal Notice of Redundancy** * **Letter from the last employer or other evidence of the loss of the job** |
| **Resident in Wales** *at the date of redundancy/unemployment* ***and*** *at the date of the grant application* | **Evidence of address such as a letter from HMRC/DWP** |
| **Age 16+** | **Evidence of date of birth such as a copy of birth certificate, driving licence** |
| **Right to live and work in the UK** | **Evidence of NI number** |

For more information on support for employers please visit <https://businesswales.gov.wales/skillsgateway/skills-and-training-programmes/react>

For more information on an individual’s right to live and work in the UK please refer to <https://www.gov.uk/check-job-applicant-right-to-work>

The Welsh Government’s ReAct Team looks at all applications individually; if you are worried that you won’t be able to apply you can contact the ReAct Team at [reactenquiries@gov.wales](mailto:reactenquiries@gov.wales) to ask for advice.

**EMPLOYER RECRUITMENT AND TRAINING SUPPORT GRANT**

**Before you apply**

* Check the eligibility of the new recruit against the criteria outlined in these Guidance Notes.
* You will need to supply evidence of the new recruit’s eligibility, as outlined above, in the form of *certified copies (e.g. scanned, photograph)* of the documents to make sure that you are able to apply for the grant.
* Please do not forget that the Welsh Government **must** approve the grant application before the new recruit starts their employment.
* It is important that you understand that the award of a ReAct wage subsidy is subject to State Aid rules.
* The new recruit must not be undertaking any training paid for from public funds at the date of application and will not take part in any Welsh Government work-based learning programme during the period of ReAct support.

**Conditions of employment**

The ReAct programme can help businesses employ workers who have become redundant/unemployed from their previous jobs by providing a contribution towards their wages. The new job must be available as a result of business expansion, or the need to replace a member of staff who has left. Funding is not available for existing employees who are moving between internal posts.

A contribution towards the costs of employing an eligible person can be provided as long as the following extra conditions are met. The job must:

* be for at least 16 hours a week
* not be supported by other public or European funds
* be expected to last at least 12 months
* be paid at National Minimum Wage (NMW) or above (we encourage recruiting employers to be Living Wage Employers). Be advised that payment of wages must be made via BACS transfer. Please visit [www.gov.uk](http://www.gov.uk) for further information on the NMW requirements for employees
* be eligible for support under European State Aid regulations. This means that we cannot support jobs in certain sectors such as fishery, aquaculture and the production of some agricultural products. In addition, we cannot support jobs in the public sector. For further advice, please contact the **Skills Gateway for Business on 03000 6 03000**

Businesses who apply for ReAct support will be asked to provide details about any previous public funding they have received e.g. grants at the time of application.

Please note that we are unable to provide a contribution towards the wages of a person where the recruiting employer has a director in common with the shedding employer. We will use various electronic resources to establish company directorship and ownership.

We are also unable to provide a wage subsidy for the employment of a company director, regardless of the number of other directors on the company’s board.

**Application process**

The Welsh Government’s ReAct Team uses a digital application and claims process. You must apply for a grant before your new recruit starts their employment. Public and European funding regulations mean that we have no discretion in applying this rule and applications which do not comply cannot be considered.

If you wish to apply for ReAct Employer Recruitment Support, you must complete the application form providing details of your organisation and of the new recruit, and submit this, along with the evidence of the new recruit’s eligibility to [reactenquiries@gov.wales](mailto:reactenquiries@gov.wales).

We know that some people may not be able to apply for a ReAct grant digitally so please let us know if you need paper copies of the application form.

**IMPORTANT - What happens next?**

The Welsh Government’s ReAct Team cannot begin to process your application until they have all the information they need. If your application is successful, the ReAct Team will, within 10 working days:

* Let you know by email that your application for Employer Recruitment Support has been approved.
* Provide more information about how to claim the grant.

As soon as you’re told by the Welsh Government that your ReAct grant is in place, you can make the arrangements for your new recruit to start their employment.

**Please don’t forget that the Welsh Government must approve your grant application before your new recruit starts their employment.**

**Employer Recruitment Support (contribution towards wages)**

The Welsh Government can pay a contribution of up to £3,000 towards the cost of employing an eligible person. We pay the contribution in four stages when we receive a claim form confirming the new recruit’s continued employment. We will need evidence of wages paid before we can make the payment. This should be in the form of a certified copy of the P11 (HMRC Deductions Working Sheet) and/or payslips for the whole period, with the employee’s name clearly identified.

We will also require evidence of payment to the employee via BACS transfer in the form of bank statements and payroll run with the employee clearly identified. Unfortunately, this will preclude applications from businesses which pay their employees by cash or cheque.

The four staged payments\* are as follows:

* £750 after 13 weeks of employment
* £750 after 26 weeks of employment
* £750 after 39 weeks of employment
* £750 after 52 weeks of employment

\*Where the new employee is employed on a part-time basis between 16 and 24 hours per week, the wage subsidy will be paid at a rate equivalent to 50% of that shown above.

In some circumstances e.g. if the new recruit’s work pattern changes during the first year of employment, the contribution towards wages may be reduced to the 50% rate or withdrawn. Please contact the Skills Gateway for Business on 03000 6 03000 for further advice.

If the new employee works irregular hours each week and is expected to work less than 25 hours during some weeks, we will provide a wage subsidy at the lower rate. Similarly, if circumstances change during the first year of employment and your new employee changes their work pattern so the time worked falls below 25 hours for one or more weeks, the grant approved will automatically fall to the lower rate for the remainder of the programme.

If the hours worked in any week falls below 16 hours the grant will be withdrawn and you may be asked to repay any grant already paid. In such circumstances, any associated training subsidy grant approval will also be withdrawn.

If claims are not received within one month of the relevant measurement date, the ReAct grant may be withdrawn.

**Employer training support (training grant)**

Please be aware that if your organisation is registered for VAT the maximum grant to support external, work-related training will amount to 50% of the cost net of VAT but will not exceed £1,000 as long as the recruit is still working after 26 weeks. Claims for training can only be made once the training has been completed.

The earliest this claim can be made is at the 26 week measurement stage but it can be made later where training has not been completed. Where training extends beyond the 52 weeks of ReAct support we will be able to provide a contribution only towards the first 52 weeks of training.

The amount we pay will be based on the costs you as an employer have paid for the training in line with the following conditions:

* training must be related to the job and approved by the Welsh Government, prior to incurring any costs and before the start of the training; wherever possible training should commence within one month of the start of employment.
* wherever possible, the training should be at a minimum of CQFW Level 2 (or equivalent).
* the employer can choose the most suitable provider of training. We will only make a payment where the training delivered aligns with that described on the application form and there is evidence of direct cost to the employer.
* we will not support in-house training costs.

We cannot fund lost production costs incurred during attendance at training courses.

At the claim stage for employer training support, we will require evidence of the time spent on training in the form of an attendance record signed by the training provider and the employee, an invoice from the training provider and evidence of payment. A template will be provided with the Employer Training Support Claim Form.

**ReAct – Privacy Notice**

In order for you to receive support from the ReAct programme (part-funded by ESF), the Welsh Government is required to collect information from you. Processing this application is part of our public task to administer the funding and will form part of our contract with you.

The Welsh Government is the data controller for any personal data you provide as part of your application for funding.

Providing your data is necessary for you to participate in the programme. You must provide all the information we ask for: this includes questions where ‘prefer not to say’ is an option.

All the information you provide will be stored and used in accordance with the current data protection legislation (the Data Protection Act and the General Data Protection Regulation (GDPR)). This Privacy Notice sets out how the information collected from you will be used and who will have access to it. For further information on how the Welsh Government will use this data please visit <https://gov.wales/welsh-government-privacy-notice>.

**Who will we share your information with and what will they use the information for?**

We will not share your information with any third party outside our organisation, other than as set out below.

Please be aware that your information is shared and used in the following ways:

* The Welsh Government will use and pass your information to the Welsh European Funding Office (WEFO), as appropriate, to:
  + - Process your application and allocate funding.
    - Fulfil the reporting requirements of the European Commission for projects funded by the European Social Fund.
    - Monitor and report on the number of people taking part in projects/programmes and the number of people from different groups being supported (e.g. different age, gender and ethnicity).
    - Carry out the funding, planning, monitoring and inspection of training and learning.
    - Produce statistical publications.
* Information will only be shared with Careers Wales and Jobcentre Plus to support your application and to provide you with the best advice and guidance which suits your needs;
* Information may be shared with other Welsh Government departments to establish the most suitable support available to you;
* With auditors to assess whether the project/programme has followed the correct procedures;
* To link your records to other data sources held by the Welsh Government and UK Government departments to facilitate research into the impact the project has had on those who took part. These data sources might include the Longitudinal Educational Outcomes dataset, Careers Wales data, the Lifelong Learning Wales Record (LLWR), records held by HM Revenue Customs (HMRC) and Department for Work and Pensions (DWP), the Labour Force Survey, Annual Population Survey and the ESF Leavers Survey;
* To help us understand the effectiveness of the scheme we may share your contact details with approved research organisations so that they can talk to you about your experiences. Not everyone who takes part in the scheme will be contacted. If you are contacted by researchers, the purpose of the interview will be explained to you and you will be given the option not to be interviewed. The research organisations will delete your contact details once the research is complete. Research organisations may also be given access to anonymised data (versions of the data that doesn’t identify you) for the purposes of research, analysis or equal opportunities monitoring;
* Fraud prevention agencies will use it to prevent fraud and money-laundering and to verify your identity. If fraud is detected, you could be refused certain services, finance or employment in future. Further details of how your information will be used by us and these fraud prevention agencies, and your data protection rights, can be found by contacting [**dataprotectionofficer@gov.wales**](mailto:dataprotectionofficer@gov.wales)

**Security and Storage**

The Welsh Government follows strict security procedures in the storage and disclosure of information you have given to us. Under European Guidelines we are required to store your details for 10 years following the closure of ESF projects in 2023 i.e. until 2033. When we no longer need to retain your information we will ensure it is disposed of securely.

The computers and servers in which we store your personal information are kept in a secure environment.

Under the data legislation you have the right to:

* Access the personal data that we are processing about you.
* Rectify inaccuracies in that data.
* Object to or restrict processing (in certain circumstances).
* Request for your data to be ‘erased’ (in certain circumstances).
* Lodge a complaint with the Information Commissioner’s Office (ICO).

The ICO can be contacted at:

Information Commissioner’s Office,

Wycliffe House,

Water Lane,

Wilmslow,

Cheshire,

SK9 5AF

Tel: 0303 123 1113 (UK Helpline)

0330 414 6421 (Wales Helpline)

Fax: 01625 524 510

Email: [**wales@ico.org.uk**](mailto:wales@ico.org.uk)

**How to contact us**

For further details about the information the Welsh Government holds about you and its use, or if you want to exercise your rights under the GDPR, please contact [**reactenquiries@gov.wales**](mailto:reactenquiries@gov.wales).

You can also contact [**dataprotectionofficer@gov.wales**](mailto:dataprotectionofficer@gov.wales)if you have a concern about how your personal information is being processed or you can contact the Information Commissioner’s Office (ICO).