

ReAct

Guidance Notes



Llywodraeth Cymru
Welsh Government

Please read these guidance notes carefully before sending in your application for ReAct funding



Cronfa Gymdeithasol Ewrop
European Social Fund

General Information	3
Vocational Training (A) – Form 1	5
Extra Support (B) – Form 1	7
Don't Forget – Help Us to Help You	9
Next Steps - Vocational Training	10
Employer Section (C) – Form 3	11
Don't Forget – Help Us to Help You	14
Next Steps – Employer Recruitment and Training Support	15
Privacy Notice	16

What can ReAct do to help you return to work after redundancy?

We provide a package of support that helps people gain new skills, overcome obstacles and improve their chances of returning to work in the shortest time possible following redundancy.

The package is additional to, and is offered in collaboration with, a wide range of support from the Welsh Government and our partner organisations such as Careers Wales and Jobcentre Plus. The ReAct programme is supported by the European Social Fund (ESF). There are three parts to the scheme.

- (A) A vocational training grant for people who need to update their skills to return to work.
- (B) Extra support to help remove any barriers to vocational training.
- (C) A contribution towards wages and help with training costs for recruiting employers.

Please note that support cannot be provided under part (A) and part (C) at the same time. Support under part (B) is only available to people receiving support under part (A).

This booklet provides you with an overview of the ReAct eligibility criteria. Each application is assessed individually against the overall requirements and aims of the ReAct programme and final approval is at the discretion of the Welsh Government.

ReAct – Who is eligible?

This support is available if you:

- have become unemployed in the last three months as a result of redundancy. At the time we process your application, you must be unemployed and not have worked (16 hours or more per week) for six weeks or more in between the date of your redundancy and the date you apply for ReAct funding. However, for individuals who have already been awarded a ReAct Vocational Training grant within 3 months and have completed ReAct funded Vocational Training, we will allow an additional 3 months from redundancy in which to receive an application for Employer Recruitment Support from an employer.
- are under a current notice of redundancy with a leave date within the next three months.
- are resident in Wales at the date of issue of notice of redundancy and reside in Wales at the time of application and have the legal right to live and work in the UK.
- are currently not undertaking any training which is funded directly or indirectly by public funds. This includes, but is not exclusive to, the Welsh Government's work-based learning programmes.

If you are a current or ex-director or current or ex-company secretary of the company from which you are being made redundant you will not be eligible for support. Also, if you are a current director or current company secretary of an active company at the time of application, you will not be eligible for ReAct funding. Please contact the Skills Gateway for Adults on 0800 028 4844 to discuss your individual circumstances.

The application process

ReAct uses an application and claims process for each of the three parts outlined above. This means that you must apply for a grant and obtain our approval before you start your new job, training or incur any costs. European funding regulations mean that we have no discretion in applying this rule and applications which do not comply cannot be considered.

Once your application has been approved, you can start work/training. You will receive a letter informing you of our decision. If you do not start within 30 days of the agreed start date identified on your application form, the offer of a grant will be withdrawn and a letter will be sent notifying you of this. Your employer/training provider is required to notify us that you have started by completing a ReAct start form. At the end of your training, or every three months of your new employment, your training provider/employer will ask you to countersign and date a claim form so that we can pay the grant. You should check the details entered on this form carefully and only sign it if they are correct.

This form should only be signed after the period of training has ended, or your employment has reached the relevant date entered on the claim form. Please notify us immediately if you are asked to sign the claim form before the end of your training or before the relevant employment date entered on the form. We will need copies of any certificates which have been awarded as a result of your training. While you are the recipient of the ReAct grant, by accepting our offer of a grant you agree that we can make payment directly to your training provider or new employer.

Common problems that will delay your application

There is a lot of information requested on the application form and while some of this may seem unimportant, it is necessary to comply with the requirements of the European funding that supports ReAct. Any incomplete or unanswered questions will result in your application form being returned to you. All errors should be crossed out and the correct information entered above. Please enter your initials alongside any corrections to show that you are aware that they have been made.

We regret that we cannot accept application forms where correction fluid has been used to amend the details entered on the form. In order for us to consider your application you must include the supporting documentation requested on the form. However, we realise that there may be situations where it is not possible to obtain a redundancy letter. In such cases, we may be able to accept other proof of redundancy such as a letter from the appointed Administrators or even a news article detailing the closure of the company. Please contact the Skills Gateway for Adults on **0800 028 4844** for advice if you are in any doubt.

Don't forget...

We must approve your application before you start training or employment. We will be unable to pay for training or employment which has started before your application has been considered and approved. We are also unable to reimburse any costs incurred prior to the approval of applications. Failure to comply with the European funding conditions that support ReAct means that we will be unable to consider your application.

Form 1

We can provide a contribution towards the cost of vocational training courses to provide you with the new skills identified by Careers Wales as necessary to improve your chance of finding new employment. We can provide a contribution towards agreed training of up to 100% of training costs, to a maximum of £1,500. We will consider factors such as the cost, duration and location of the course and whether it is relevant to the local economy. Where possible, training should result in work relevant qualifications which sit within the Credit and Qualification Framework for Wales (CQFW). We consider each application individually.

The identification of the skills needed will be discussed, agreed and documented during an Adult Guidance Interview with an adviser from Careers Wales, who will provide you with a written Careers Wales Action Plan.

Please note that the grant is intended to assist applicants in securing new employment following redundancy; it is not intended to aid career development once new employment has been gained or to aid business development.

We will consider only one vocational training application per applicant. We must receive a fully completed and signed Vocational Training Application Form (Form 1) before training starts. This must be accompanied by a Training Plan (Form 2), signed by your chosen training provider(s). Where your application applies to more than one training provider, a separate Training Plan should be completed and signed by each provider. The Training Plan(s) must show how the proposed training meets the requirements outlined in the Careers Wales Action Plan.

All applications for vocational training must have your Careers Wales Action Plan attached which clearly identifies all the training needed before an application for support is considered for approval. We will take into account the labour market and future employment prospects when considering applications.

In some cases you will be required to provide evidence of existing qualifications, cards or licenses with your application. Your Careers Wales adviser will be able to advise you about this.

We will not support a course where the training provider is the same as the company which made your job redundant. Please contact the Skills Gateway for Adults on **0800 028 4844** should you require advice about this.

We must also receive your letter of redundancy (or formal Notice of Redundancy) and official evidence of your National Insurance (NI) number. We will also require evidence of your legal right to live and work in the UK. Your Careers Wales adviser will be able to provide you with a list of suitable documents. Your Careers Wales adviser will also be happy to copy and certify documents for you.

All applications must be received within three months of the date of your redundancy and all vocational training (including exams and assessments) must be completed within 12 months of the date of your redundancy.

In accepting the grant, you agree that we will make payments directly to the training provider at the end of training. Your training provider will be required to send us an itemised invoice and claim form, with evidence of the training completed and any qualifications gained.

You should check with your chosen training provider that they are prepared to accept the Welsh Government's payment terms. Some training providers may request payment from you before training starts. If you are asked to do this, please contact the Skills Gateway for Adults on **0800 028 4844** for advice before paying any money or committing yourself to any training.

We will not provide a vocational training grant in support of distance learning courses. For further advice please contact the Skills Gateway for Adults on **0800 028 4844**.

If you fail to attend a course without good reason, or cancel it without giving sufficient notice, then you may be liable for any costs incurred by your training provider. ReAct is unable to pay for any late cancellation or non-attendance fees.

Failure to attend a ReAct-funded training course will automatically disqualify you from receiving further support from the programme.

As a government body, the Welsh Government is exempt from paying VAT on vocational training costs. Her Majesty's Revenue and Customs (HMRC) Notice 701/30 explains the rules on VAT and vocational training. You or your chosen training provider can get a copy of the Notice by visiting **www.gov.uk/business-tax/vat**.

Please note that if you are re-employed by the same employer who made your job redundant within 12 months of the end of your training, you will be required to repay the ReAct grant.

Important: Attending training courses may affect your entitlement to certain benefits. You should always seek advice relating to entitlement to benefits from Jobcentre Plus and not from the Skills Gateway for Adults.

Self-employment

Although ReAct funding cannot be used to pay for business start-up costs, the vocational training award can be used to pay for any vocational course that will provide you with the skills needed for self-employment or starting up your own business.

For more information on the support available to help you set up your own business contact the Business Wales Helpline on **03000 6 03000** or visit **business.wales.gov.uk**.

Application Form 1

We can provide funding to help you overcome particular barriers which might otherwise prevent you from taking part in training. This award is additional to the vocational training grant.

Extra support awards are available only in conjunction with vocational training grants. Applications must be made at the same time as your application for a vocational training grant. Please note that we will require full details of proposed costs at the time of application as any cost incurred which is not approved as part of the application cannot be reimbursed. The maximum grant available is £200. The following are examples of the support available.

Exceptional travel costs

We will contribute towards these costs if you need to make special arrangements to travel to the training location. Wherever possible, we would expect you to use a local training provider. In all cases, we will only reimburse the most cost-effective means of travel. We will also take into account the environmental impact of your journey and encourage the use of public transport wherever possible. Where you use your own transport this will be reimbursed at 15p per mile and we will calculate the distance to be travelled using internet route planners.

Accommodation

You will be expected to select the most cost-effective accommodation. If you need to stay overnight to go on a course and daily travel is not realistic, or cost effective, we will pay a contribution towards reasonable accommodation costs. You will need to provide details of the accommodation available near the location of your training course when you make your application and we may ask you to use a different provider or accommodation if we are aware of a more cost-effective alternative. Please note that we are unable to pay for meals, drinks or other costs, such as telephone calls and Wi-Fi access.

Special equipment

If you have a disability or work limiting health condition, we may be able to help you with the cost of special equipment which is essential to help you train. An application for a grant for special equipment can be considered only in conjunction with an application for a ReAct vocational training grant. You are advised to contact the Skills Gateway for Adults on **0800 028 4844** for further advice.

Please remember that we use an application and claim system and we will require you to make an application for a grant and gain our approval before you incur any cost. You will be required to produce receipts for travel, accommodation, etc when you are ready to claim payment of your approved grant as we are unable to reimburse you without them. Receipts must be submitted at the end of training with an Extra Support Claim Form, which will be sent to you if your application is approved. You do not need to keep petrol receipts when you use your own transport.

We must receive your claim for extra support within 30 days of completing the associated training or our grant approval could be withdrawn.

In addition to the extra support grant described above, you can also apply for the following costs if required.

Childcare

Childcare costs are paid at a maximum contribution of £12 per day for one child and £20 per day for two or more children. The total maximum amount that can be awarded is £2,600. You must make arrangements with a child minder, day nursery or crèche that is registered with the local authority. If you have any questions about registered childcare, you should contact your local social services department or the Care and Social Services Inspectorate for Wales. You should send us written proof that the child minder, nursery or crèche is registered at the same time as you make your application for help with childcare costs.

Help us to help you

Please pay particular attention to the following when applying for support through ReAct.

1. Please consider these guidelines carefully before you send us your application. If in doubt, please contact the Skills Gateway for Adults on **0800 028 4844**.
2. Please allow up to 10 working days from receipt of a complete set of paperwork for us to consider your application. Remember that an incomplete application will be returned to you before we are in a position to consider it. This will delay the application process. Your application will not be complete unless you send us:
 - your Vocational Training Application Form (Form 1)
 - your Careers Wales Action Plan
 - your ReAct Training Plan(s)
 - evidence of your redundancy (certified copy of your redundancy letter or formal Notice of Redundancy confirming your last date of employment)
 - official evidence of your age, address, National Insurance number and your legal right to live and work in the UK (copied and certified by your Careers Wales adviser).
3. Please do not use correction fluid on ReAct forms. Please cross out any mistakes and write your initials next to them.
4. We are unable to accept photocopied, scanned or faxed copies of ReAct application forms. Printed PDFs are acceptable.
Copies of supporting documents must be certified by your Careers Wales adviser.
5. Please ensure that your ReAct paperwork is checked for size and weight at the Post Office to ensure that you have paid the correct postage. Incorrect postage will result in your application being delayed by several weeks.

Please send your completed application to:

ReAct Team
Welsh Government
Llys-Y-Ddraig
Penllergaer Business Park
Swansea
SA4 9NX

E-mail: reactenquiries@wales.gsi.gov.uk

Vocational Training

Attend your local Careers Wales office for information, advice and guidance and an assessment of your training needs; have your supporting documents copied and certified by your Careers Wales adviser

Once your training needs are identified, your Careers Wales adviser will issue you with a ReAct application pack containing everything you need to apply for a grant, including a Careers Wales Action Plan.

Read these Guidance Notes carefully. They contain important information about applying for a grant.

Complete Application Form 1 to apply for a vocational training grant. Don't forget to include details of extra support costs e.g. travel expenses, if applicable.

Ask your chosen training provider(s) to complete a Training Plan (Form 2) to provide details of your training and how it will meet the training needs identified by Careers Wales.

Submit both forms to the ReAct Team in Swansea along with the supporting evidence requested. If you have any questions about your application contact the Skills Gateway for Adults on **0800 028 4844**.

The ReAct Team will notify you in writing of the outcome of your application within 10 working days. If your application is approved, your training provider(s) will also be notified.

DO NOT START TRAINING OR AGREE TO PAY ANY COSTS UNTIL YOUR ReAct APPLICATION IS APPROVED.

Employer recruitment and training support Application Form 3

We can pay a contribution of up to £3,000 towards the costs of employing an eligible person for 25 hours a week or more.

ReAct – Who is eligible?

The ReAct programme can help businesses employ workers who have been made redundant from their previous jobs by providing a contribution towards their wages. The application must be made by the business before the new recruit starts work. The new job must be the 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. The following extra conditions apply. The job must:

- be for at least 16 hours a week
- not be supported by other public or European funds
- be expected to last for 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 must be made via BACS transfer. Please visit **www.gov.uk** for further information on the NMW requirement 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 public funding they have received 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.

Employer recruitment support (contribution towards wages)

We can pay a contribution of up to £3,000 towards the costs of employing an eligible person for 25 hours a week or more. 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 in employment
- £750 after 26 weeks in employment
- £750 after 39 weeks in employment
- £750 after 52 weeks in 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 for 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, approval could 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 payment 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 towards the first 52 weeks of training. The amount we pay will be based on the costs an employer has paid for the training, in line with the following conditions:

- Training must be related to the job and approved by us, prior to incurring any costs and before the start of the training. 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 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 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.

More information

Where a ReAct participant does not attend work for any reason and is not paid a wage, this period should be excluded when calculating the claim measurement date.

We will need to consider applications against any European State Aid regulations which may apply and we treat all wage subsidy payments as 'de minimis' aid for State Aid purposes. For further advice please contact the Skills Gateway for Business on **03000 6 03000**.

In order to meet our obligations under European funding regulations, our Monitoring Team will visit participating employers to verify the information supplied to us during the application and claim process. The Monitoring Team will also encourage employers to adopt or improve their equality and diversity strategies and monitoring systems. The Welsh Government is committed to the aims of the European Structural Funds programmes to promote equal opportunities for all to employment opportunities and to prevent discrimination in the workplace.

Application forms can be obtained at **business.wales.gov.uk/skillsgateway** or by contacting the Skills Gateway for Business on **03000 6 03000**.

Don't forget...

- **To qualify, the new recruit must have been made redundant in the last 3 months.**
- **The Welsh Government's ReAct Team must approve applications before your new employee starts work (we cannot consider applications which do not keep to this rule).**
- **We will ask an employer to repay any financial support received that does not comply with the rules of the programme.**

Help us to help you

Please pay particular attention to the following when applying for support through ReAct:

1. Please consider these guidelines carefully before you send us your application. If in doubt, contact the Skills Gateway for Business on **03000 6 03000**.
2. Allow up to 10 working days from receipt of a complete set of paperwork for us to consider your application. Please remember that incomplete paperwork will delay consideration of your application. Your application will not be complete unless you send us:
 - evidence of the new recruit's redundancy (certified copy of redundancy letter or formal Notice of Redundancy confirming the last date of employment). At the time the ReAct Team receive your application, this date must be within the last 3 months. For individuals who have already been awarded a ReAct Vocational Training grant within 3 months and have completed ReAct funded Vocational Training, we will allow an additional 3 months from redundancy in which to receive your application.
 - official evidence of the new recruit's age, address, National Insurance number and their legal right to live and work in the UK. Information about acceptable forms of proof of these rights can be obtained by contacting the Skills Gateway for Business on **03000 6 03000**. You may also wish to follow the link: <https://www.gov.uk/legal-right-work-uk> for guidance.

Please ensure that any copy documents submitted with your application form are true copies of the original documents. Please use the certification document attached to the application form.

3. Please do not use correction fluid on ReAct forms. Please cross out any mistakes and write your initials next to them.
4. We are unable to accept photocopied, scanned or faxed copies of ReAct application forms. Printed PDFs are acceptable.
5. Please ensure that your ReAct paperwork is checked for size and weight at the Post Office to ensure that you have paid the correct postage. Incorrect postage will result in your application being delayed by several weeks.

Please send your completed application to:

ReAct Team
Welsh Government
Llys-Y-Ddraig
Penllergaer Business Park
Swansea
SA4 9NX

E-mail: reactenquiries@wales.gsi.gov.uk

We promise to notify you in writing of the outcome of your application within 10 working days.

Employer Recruitment and Training Support

Check the eligibility of the new recruit against the criteria outlined in these Guidance Notes.

Check the job being offered against the criteria outlined in these Guidance Notes.

Complete the Employer Recruitment & Training Support Application (Form 3) for each eligible new recruit.

Provide details of external job-related training costs (if applicable).

Submit all forms to the ReAct Team in Swansea along with all supporting evidence. If you have any questions about your application contact the Skills Gateway for Business on **03000 6 03000**.

The ReAct Team will notify applicants in writing of the outcome of the application(s) within 10 working days.

EMPLOYMENT MUST NOT START UNTIL THE ReAct APPLICATION IS APPROVED.

Privacy Notice

In order for you to receive support from the ESF funded ReAct programme the Welsh Government is required to collect information from you. All fields are mandatory unless otherwise stated.

All information you provide will be stored and used in accordance with the Data Protection Act.

Under the Data Protection Act 1998, you have a right to access the data the Welsh Government holds about you and to correct the information in the future. For further information please e-mail reactenquiries@wales.gsi.gov.uk or call **0300 025 5888**.

For more detail on the above, please visit <http://gov.wales/about/civilservice/how-we-work/facts-figures/privacystatement>. This privacy notice sets out how the information will be used and who will have access to it.

The information collected will be sent to the Welsh Government/Welsh European Funding Office and in some instances to parties working on their behalf, and used in the following ways:

- To fulfil the reporting requirements of the European Commission for European Social Fund projects.
- To monitor and report on the number of people taking part in projects and the number of people from different groups being supported (e.g. different ages, genders and ethnicities).
- By the Welsh Government and other public bodies, to carry out the funding, planning, monitoring and inspection of learning, and to produce statistical publications.
- By approved social research organisations, to carry out research, analysis or equal opportunities monitoring.
- By auditors.
- To link your records to other data sources for the purpose of evaluating the impact the project has had on the people who took part and for other research.

Research organisations will only contact a sample of individuals. If you are contacted to take part in any research/evaluation about your experience on the project the purpose of the interview or survey will be explained to you and you will be given the option to say yes or no to taking part.

Your contact details will only be used for approved research purposes and in accordance with the Data Protection Act. The research organisations will delete your contact details once this approved research is complete.