



**Hospitality Incentive 2014
Guidelines**

Back to Work
Working for Jersey, working for you

Introduction

The Hospitality Incentive is designed to encourage and support hospitality employers in recruiting people who are registered as actively seeking work and locally qualified into the industry through the payment of a financial incentive.

Under the Hospitality Incentive, up to four weeks wages and Social Security contributions will be paid to employers who hire locally qualified jobseekers who have either been registered as actively seeking work for at least six months or have participated in the Back to Work Hospitality Training Programme.

The key aims of the incentive are to:

- Enable candidates to gain practical experience in the industry, whilst providing the opportunity for employers to assess attitude, motivation and capability in a working environment.
- Reduce the number of locally qualified people who are registered as actively seeking work.
- Encourage hospitality employers to take on people who are locally qualified and actively seeking work.
- Provide access to employment and upgrade the skills of people who are currently out of work.
- Provide the foundations for a shift in cultural mind set for:
 - Employers to employ locally
 - Candidates to take up job opportunities in the industry
- Enable job substitution.

How the Hospitality Incentive works

Back to Work will:

- Fund the cost of salaries directly to employers on the following basis:
 - Funding will be available to cover up to four weeks wages per candidate, up to a maximum value of £1,129.75. Funding will be based on minimum wage plus employer's Social Security contributions. Employers can pay a higher wage should they wish to do so by increasing the hourly rate the employee will be paid.
 - Funding will be based on roles that require employees to work for a minimum of 25 hours and a maximum of 40 hours per week. Employers can increase hours using their own funds should they wish to do so (for example 45 hours per week).
 - The value of the incentive is based on the number of hours the employee works per week (if an employee only works 25 hours per week funding will be provided on this basis).
- Provide a fully supported recruitment process to ensure the employer can select and employ the right candidate for their needs.
- Provide an in work support service whereby a Back to Work advisor can support the employer and the employee once the employee has commenced the role. The advisor will help to ensure that any concerns or queries are raised at an early stage to help to ensure the smooth running of the programme.
- Offer additional training sessions during the incentivised period to develop their skills and enhance their employability.

As an employer under the Hospitality Incentive you will:

- Recruit an employee into a vacancy you need to fill.
- Employ candidates under your usual terms and conditions – this includes paying the candidate in line with your normal payroll procedures during the incentivised period (along with processing Social Security and ITIS contributions). The salary costs (up to a maximum of 40 hours per week) and Social Security contributions will then be reimbursed by Social Security.
- Provide the employee with a contract of employment.
- Train and support the employee in their new role.
- Provide feedback to the employee and Back to Work on how they are progressing at the midpoint of their subsidised employment during the incentive period.
- Release candidates for training and meetings with Back to Work members of staff as required, which will help to enhance their employability and maintain their focus and commitment to their role.
- Have adequate employer liability insurance.

Incentive Payments

- All payments are made at the end of the four week subsidised period upon submission of a completed claims form and supporting evidence (e.g. pay slips).
- All incentives must be claimed within one month of the employee completing their four week subsidised work period.

Qualifying employers

The Hospitality Incentive is open to any hospitality employer, registered under the Regulations of Undertakings Law, who takes on a candidate who has either been registered as actively seeking work for at least six months or has participated in the Back to Work Hospitality Training Programme.

Hospitality employers are broadly defined as those contributing to the Island's tourism and service industry, including restaurants, cafés, hotels, bars, pubs, tourist attractions and various associated providers. The States of Jersey is excluded. Back to Work will confirm eligibility to all employers.

Qualifying candidates

The incentive applies only to candidates who have been registered as actively seeking work for at least six months or have satisfactorily participated in the Back to Work Hospitality training programme. These candidates will be:

- Locally qualified for work i.e. Entitled or Entitled to work, and
- Registered with the Social Security Department as actively seeking work or active clients of the Jersey Employment Trust.

Excluded candidates

- Any person who has not been registered as actively seeking work for at least six months or satisfactorily participated in the Back to Work Hospitality Training programme.
- Any person who is either not locally qualified to work or who is not registered as actively seeking work.
- Non-EU nationals whose visa does not allow them recourse to public funds are excluded.
- Any candidate who is deemed unsuitable for the Hospitality Incentive by Back to Work.

Qualifying contracts of work

- Permanent contracts.
- Fixed term seasonal contracts.
- Contracts of at least 25 hours paid employment per week.

Excluded contracts of work

- Sub-contracted work from a self-employed contractor.
- Any role which is already subject to grant aid or subsidy from another States of Jersey Department.
- Any job paid with an offset for accommodation and/or food.
- Any role which is paid below the Minimum Wage (£6.53 until 1 April 2014 and £6.63 thereafter).

Value of funding

The Hospitality Incentive supports roles between 25 – 40 hours per week for a maximum four week period and provides funding at minimum wage plus employer Social Security contributions (6.5%).

The maximum payable per candidate over the 4 weeks is therefore 4 weeks at 40 hours per week: **£1,129.75.**

Employers can claim the incentive for each candidate they recruit as long as there is an unsubsidised vacancy available. Back to Work expects that all candidates will be recruited into a seasonal or permanent vacancy. Employers are able to claim more than one incentive if they hire a number of candidates into available roles.

Employment Grant

If the individual recruited under the Hospitality Incentive also meets the criteria of the Employment Grant (previously registered as unemployed for 12 months or more) and the individual is then recruited into a permanent role then the employer will be able to claim the Employment Grant (less any payments already made under the Hospitality Incentive).

Additional types of pay

The Hospitality Incentive is based on the number of hours worked by the employee (up to a maximum of 40 hours per week).

Additional payments such as overtime, bonuses, commission, tips, benefits in kind (e.g. car, uniforms etc) do not affect the amount of the Hospitality Incentive payable to the employer. These additional payments can therefore still be paid to the employee.

Outline process

- Employer contacts Back to Work with a vacancy or attends a Job Match event to source potential candidates.
- Back to Work team provides details of qualifying candidates who are best matched to the vacancy.
- Employer shortlists and selects candidates for interview.
- Back to Work provides the support necessary to prepare candidates for the selection process.
- Employer selects candidate. Recruitment may also happen directly via candidate application directly to employer, in which case the employer should contact Back to Work directly to check candidate eligibility for incentive.
- Back to Work team delivers any agreed training prior to employment.
- Employer issues a contract to the successful candidate and the candidate is employed.
- Employer submits application form with evidence of signed contract.
- Back to Work team confirm allocation of the Hospitality Incentive.
- Back to Work maintains contact with both the employer and employee.
- At the end of the four week incentive period, employer claims payments by submitting claim form with required evidence of employment for the period for which the incentive is claimed (all claims must be submitted within one month of the candidate finishing the four week incentive period).
- Payment made directly to employer by Social Security.

Claiming payments

Employers can claim payment in arrears once the candidate has completed their four week subsidised period. Payments must be claimed within one month of the candidate completing their subsidised incentive period.

Employers will need to provide supporting evidence that the individual has been paid (e.g payslips) and also complete a simple claim form which is available from Back to Work.

It is the responsibility of the employer to ensure that employees recruited with the support of the Hospitality Incentive are aware that personal information (employment contracts and payslips) will be provided to Social Security as evidence for a claim. Employers should note that if they don't obtain an employee's consent it is a breach of data protection rules.

Incentive payments will be made by BACS directly to the company or organisation's bank account within 28 days of receiving a claim form with complete evidence of employment.

Employee sickness absence or unpaid leave

The employer will recruit candidates in accordance with their normal contract and terms and conditions. Should the employer not pay the employee for a period, e.g. unpaid leave or sickness absence, then the employer will not be able to claim a payment for this.

Legal position of employer

The person in respect of whom the incentive is payable will be an employee of the employer making an application to receive the incentive. The employer will recruit candidates in accordance with their normal contract and terms and conditions. Normal probation and notice periods will apply and the employee will have statutory rights and responsibilities under the Employment (Jersey) Law 2003.

Support for employers

It is intended that employees hired under the incentive will be successfully retained beyond the four week subsidised period. Should any issues arise either during the incentivised period of employment or afterwards, support will be available to employers through the Back to Work team to help the employee sustain successful employment. Employers should contact the Back to Work team as soon as possible should they have any concerns.

There is no specific obligation on the part of the employer to continue to employ the candidates after the end of the subsidised period. In these cases, feedback of under-performance would be required by Back to Work in order that they can continue to support the employee find alternative employment. In circumstances where employment cannot be sustained then the employer will still be able to claim incentive payments for the time the employee has worked within the four week subsidised period. It is expected that the Hospitality Incentive will be used in good faith to support employer's recruitment – the incentive should therefore not be used to continually replace candidates for rolling four week periods.

Provision and Publication of financial accounts

A number of requirements exist for any grant scheme operated by the States of Jersey to ensure that any funds granted are spent in the manner intended. These are detailed below for information.

The Comptroller and Auditor General may audit the employer where the grant received is the lower of £5,000 or 50% of total income received during that year.

Grant receiving organisations must provide accounts in accordance with the table below for each year in which a grant is made by the States of Jersey, except when there are grounds for exemption. An organisation is able to submit a request for exemption from provision and/or publication of accounts where doing so would disadvantage the organisation's commercial interests, or breach confidentiality agreements, Codes of Practice (e.g. Access to Information held by the States, June 2004) or legislation (e.g. Data Protection Legislation).

Amount of Grant	Financial Accounts	Publication of accounts
Greater than £75,000 (a)	Audited, signed accounts must be provided within 6 months of the organisation's year end.	The signed Accounts will be published by the Treasury in a report to the States (b).

(a) This applies to a single grant of more than £75,000 or multiple grants – from one or more department(s) – for the same purpose that when aggregated exceed £75,000.

(b) In publishing a report to the States, the accounts will be publicly available.

Legal position of the Hospitality Incentive

This is a non-statutory scheme. As such the terms of the Hospitality Incentive can be amended or withdrawn without notice at the discretion of the Minister for Social Security.

It is very much hoped that employers will use the Hospitality Incentive as intended. In particular, it is expected that employers will act in good faith and not release existing staff with the intention of replacing them with new employees under the Hospitality Incentive.

The Minister therefore reserves the right to:

- Restrict or refuse specific employers from access to this or future schemes.
- Withhold or cancel interim or final payments to specific employers.
- Request additional evidence from the employer.
- Request evidence from the employee.
- Recover incentive payments incorrectly claimed.
- Use Social Security contributions data and benefit data to verify claims made under the scheme.

Additionally, circumstances may arise in which an employer claiming a payment under the scheme is being pursued for monies owed to the department. Should this situation arise the Minister reserves the right to offset incentive payments against any monies owed to the department.

As a non-statutory scheme the decision of the Social Security Minister is final.