



The TT Hospitality & Retail Staffing Incentive Scheme

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Guidance

ISSUED BY THE DEPARTMENT FOR ENTERPRISE

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Introduction and background

The Department for Enterprise's TT Hospitality & Retail Staffing Incentive Scheme (The "Scheme") was established in May 2024 to support local retail and hospitality businesses and provides grant funding to assist a) eligible businesses recruit additional staff or b) support existing staff working additional hours during TT 2024 in order to maximise their turnover and profitability during this critical period.

The Scheme operates under the Enterprise Act 2008 which gives the Department statutory authority to provide financial assistance (and other forms of assistance) to an 'eligible business' where, in the Department's opinion: -

- “(a) the eligible business undertakes or will undertake an economic activity in the Island;
- (b) the assistance is likely to encourage sustainable economic growth in the Island;
- (c) the form and amount of the assistance is reasonable having regard to all the circumstances.”

Note that the Department provides other forms of grants and assistance, details of which can be found at www.iomdfenterprise.im/financial-support

Applicants may wish to note that free of charge support for struggling businesses is also available through the [Business Improvement Scheme](#) (BIS), Business Advisory Service. The Department provides a consultant who can offer general business advice in addition to discussing any present issues or ideas for business change etc. The consultant will provide a short summary report. This is then followed by a shorter meeting a few months later to review progress and answer any further questions.

For further advice and guidance regarding the Department's grants and assistance schemes and the criteria for eligibility, including for this Scheme, potential applicants are encouraged to complete the online enquiry form hosted at www.gov.im/businessenquiries

Disclaimer

The information contained in this document is intended to be general in scope and should not be relied upon as advice.

The Department may amend this guidance from time to time. While every effort has been made to ensure that the content is correct and up to date at the time of publication, the Department does not accept any responsibility, legal or otherwise, resulting from any errors or omissions and shall not be liable for any losses or damage that anyone may suffer as a result of relying on the information contained herein.

Any offer of a grant is also subject to availability of Department funds.

1. THE TT HOSPITALITY & RETAIL STAFFING INCENTIVE SCHEME

1.1 Purpose and scope

The aim of the Scheme is to provide grant assistance is to help employers in the hospitality and retail sectors to incentivise staff to work additional hours and attract new staff to their workforce during the 2024 TT period of Monday 27th May to Sunday 9th June.

It is hoped that this Scheme will help sustain qualifying businesses during the current difficult trading conditions with the intention that the supported businesses will continue to operate during the coming months.

This assistance has been provided in direct response to the Department working closely with the affected sectors.

Additional eligibility criteria apply, please see '1.3 Eligibility' for further information.

Important notes

The payment must be passed onto the employee, unless the grant becomes repayable.

Applications for this Scheme opened in May 2024 and will close for new applications on Sunday 30th June 2024 at 23:59. All claim forms must be submitted and any issues with them resolved before 31st July 2024 at 5:30pm. Failure to resolve issues by this date will result in the application being closed and no payment will be made.

It should be noted that if the business closes in the short or medium term, the grant may be repayable.

1.2 Overview of available support

The purpose of the support is to incentivise during the very busy TT period new staff members to work in the hospitality and retail sectors, or staff already working in those sectors to work additional hours.

The qualifying period for this Scheme is defined as being Monday 27th May to Sunday 9th June 2024.

The support offered by this Scheme is only applicable to hours worked in excess of the staff members normal working hours. This Scheme cannot be used to pay core basic wages.

If the employee normally works less than or equal to 37 hours per week, then they must reach 47 hours in total to be eligible for support.

If the employee normally works more than 37 hours per week, then the employee will have to work at least an additional 10 hours in the applying business in order to be eligible.

Normal working hours can be worked in the applying business or with another employer(s).

The business can reclaim £50 per staff member for every 10 qualifying hours. The support is capped at £100 per week (20 qualifying hours) and £200 in total per qualifying employee. Additional hours in multiples of 10 can only be applied for. Rounding will not apply.

Examples of eligible applications can be found below:

Example 1: For an employee working in the business whose normal working hours are 37 hours per week and works an extra 10 hours in week 1 of TT (47 hours in total), 10 hours would be eligible for support. Therefore, the business could claim £50 from the Department.

Example 2: For an employee working in the business whose normal working hours are 37 hours per week and works an extra 20 hours in week 1 of TT (57 hours in total), 20 hours would be eligible for support. Therefore, the business could claim £100 from the Department.

Example 3: For an employee working in the business whose normal working hours are 30 hours per week and works an extra 20 hours in week 1 of TT (50 hours in total), 10 hours would be eligible for support as the employee would need to meet the minimum threshold of 37 hours per week. Therefore, the business could claim £50 from the Department.

Example 4: The business takes on a new member of staff, who works 20 hours per week elsewhere and takes on another 27 hours in week 1 of TT within the qualifying business (47 in total), 10 hours would be eligible for support. Therefore the business could claim £50 from the Department.

Example 5: For an employee whose normal working hours are 50 hours per week elsewhere and works an extra 10 hours in week 1 of TT in the applying business, 10 hours would be eligible support. Therefore, the business could claim £50 from the Department.

Example 6: For an employee whose normal working hours are 45 hours per week in the applying business and works an extra 10 hours in week 1 of TT in the applying business, 10 hours would be eligible support. Therefore, the business could claim £50 from the Department.

An example of an ineligible application can be found below: -

Example 1: A business takes on a member of staff during TT, who does not usually work and works 20 hours in week 1 of TT, no support is available as the minimum hours threshold of 37 hours per week has not been met.

The applicant can determine how this payment is passed onto the staff member, this grant should be passed on in full to the employee and should not be used as wages (in full or part). Please note the grant payment is subject to income tax and national insurance deductions. The grant is repayable if it is not passed onto the worker.

1.3 Eligibility

The main eligibility requirements are categorised as follows: -

- a) The applicant must be an eligible business;
- b) The applicant must be in an eligible sector; and
- c) The applicant must meet all other eligibility criteria.

a) Eligible businesses

- The business must be viable, sustainable and a going concern;
- Businesses must be undertaking economic activity in the Isle of Man;
- The business must comply with the [Enterprise Act 2008 \(Eligible Businesses\) Regulations 2018](#) which states that an eligible business is one which meets the following criteria: -
 - The business must employ at least one member of Isle of Man staff under a contract of employment (other than a person involved in controlling the business).
 - However, if the business is expected to have a turnover of less than £100,000 within the first 12 months of trading; or is within the first 18 months of trading and has a turnover of less than £100,000 in the 12 months immediately before the date of application, then the businesses does not require any Isle of Man members of staff in order to qualify for eligibility.
- The business is or will be based in the Island,
- The business can be conducted lawfully in the Island,
- The conduct of the business: -
 - (a) is not or would not be detrimental to the environment of the Isle of Man; and
 - (b) will not or would not be likely to bring the Department into disrepute.
- No person involved in controlling the business is disqualified from holding appointment as a director or a company secretary either in or outside the Island at the time of application.
- No person involved in controlling the business may be the subject of outstanding executions in the Island at the time of application.
- Each person involved in controlling the business must: -
 - (a) declare to the Department whether or not, at the time of application, the business is in compliance with the law in relation to: -
 - (i) income tax;
 - (ii) national insurance;
 - (iii) value added tax;
 - (iv) any other taxes or duties payable in the Island;
 - (v) health and safety;
 - (vi) planning;
 - (vii) employment; and
 - (viii) immigration or work permits.
 - (b) disclose any instances of non-compliance with the law in relation to any matter listed in paragraph (a) occurring in the period of one year ending with the date of application; and
 - (c) disclose all beneficial owners of the business at the time of application to the Department.

- Each person involved in controlling the business must disclose to the Department any criminal convictions of his or hers at the time of application. For this purpose: -
 - (a) it is immaterial where the offence was committed or the conviction was imposed;
 - (b) disregard offences which are spent for the purposes of the Rehabilitation of Offenders Act 2001 (or would be had the convictions occurred in the Island);
 - (c) disregard motoring offences; and
 - (d) disregard offences which –
 - (e) are not punishable with custody; or
 - (f) would not be so punishable if committed in the Island.

b) Eligible sectors

The intention of the Scheme is to only support businesses in the following two sectors: -

- Hospitality; and
- Retail (excluding any retailer that is liable to pay or will be liable to pay income tax at a 15% rate under the large retailer's tax for the 2024/25 income tax year).

The hospitality and retail sectors are defined as including but not limited to the following: -

- Bars;
- Cafes;
- Clubs;
- Pubs;
- Restaurants;
- Shops; and
- Takeaways.

c) Excluded sectors and business types

Excluded sectors are any business which falls into the below sectors: -

- All those sectors which are not hospitality or retail;
- Those applicants who are either self-employed and sole traders (unless they meet the requirements of the [Enterprise Act 2008 \(Eligible Businesses\) Regulations 2018](#));
- Any business that receives a significant amount of its income from Isle of Man Government in any way and including payments for underwritten events;
- Any constituent entity of a MNE group under the Income Tax (Country-by-Country Reporting) Regulations 2017 (total consolidated group revenue of 750 million Euros or more).

Important note: Where the applicant and Department cannot agree upon which sector the business operates, the business will be required to evidence via written confirmation from Treasury the SIC code of the business.

d) Eligibility criteria

This Scheme is only available to eligible applicants as defined in Section [1.3](#).

Businesses within a group of companies, or those sharing common beneficial owners / shareholders, are eligible to apply provided each business meets the general eligibility criteria within this guidance.

In order to qualify for the Scheme and financial assistance all applicants must: -

- a) Comply with the [Enterprise Act 2008 \(Eligible Businesses\) Regulations 2018 \(1.3a\)](#);
- b) Have staff other than the owners employed on a permanent full-time or permanent part-time basis. Therefore temporary staff and staff with zero hours contracts are not for the purposes of this Scheme considered staff;
- c) Be in an eligible sector as outlined in the Guidance ([1.3b](#));
- d) To the best of its knowledge, intend to continue trading through the current difficult conditions into at least the short to mid-term future and that if the business closes the grant may be repayable;
- e) Have annual profits or gains wholly or mainly from a relevant sector as set out in this Guidance;
- f) Employ the worker/employee in the business;
- g) Declare all hours undertaken by the worker/employee in the business and/or other employments;
- h) Ensure that the employee is an Isle of Man worker, or holds a work permit for the job or is covered by an exemption; and

- i) **Ensure** that the payment will be passed onto the workers in full subject to any income tax and national insurance deductions for which they have qualified for the payment.

1.4 Application process

Due to the high number of potential applicants, the Department will not be able to directly contact all potentially eligible businesses. Instead, the Scheme will be marketed widely and all information freely available on the Department's Enterprise web site.

All applicants are encouraged to carefully review their eligibility status before submitting an application.

Businesses who are unsure of their eligibility, may contact the Department by telephone on 687333 or by completing the brief online enquiry form which can be found at www.gov.im/businessenquiries

Applicants are encouraged to submit a single application form which covers all of their staffing requirements for the TT period.

The application process is a 2-part process as follows: -

- a) **Initial application** - All initial applications must be submitted via the online electronic application form which can be found at - <https://www.iomdfenterprise.im/financial-support/funding/tt-hospitality-retail-staffing-incentive-scheme/> This application form collects information regarding the applicant, the number of roles being applied for, and the declarations etc; and
- b) **Supply of supporting information** - This information is to be submitted following the TT fortnight and can be submitted via a claim form. The information required will be in the form of pay slips for the qualifying employee(s) along with confirmation of hours worked in the business and elsewhere.

Following receipt of a correctly completed application forms or the submission of a claim, the Department will seek to process these within approximately 15 working days. However, due to the potentially high demand levels for the Scheme and depending on the complexity of the application, the processing period may be extended.

a) Information to be supplied

All applicants must fully complete the initial online application form which includes: -

- The applicant's contact and business details;
- Answers to all eligibility questions, specifically;
 - The sector within which the applicant operates;
 - A declaration that the business has staff other than the owners employed on a permanent full-time or permanent part-time basis;
 - A declaration that the business is complying with all aspects of employment legislation including the Employment Act 2006, the Control of Employment Act 2014, the Minimum Wage Act 2001 and any other relevant employment legislation;
 - A declaration that any grant funds received will be passed onto the employee;
 - A declaration that the applicant meets all of the eligibility criteria; and
 - The Department standard terms and conditions.
- Details pertaining to the grant including: -
 - The number of roles (estimated) being applied for.
- A declaration that the business is not in immediate danger of closing; and
- The Department's standard declarations.

Follow-up information required for payment claim:

- The applicant's business bank account details into which the grant payment will be made;
- A table detailing the roles being claimed against including: -
 - Name
 - Role
 - Normal hours worked in the business and elsewhere
 - Additional hours worked in the applying business
 - Hourly rate
- Pay slips evidencing the payment(s);
- Any other information as reasonably requested by the Department; and
- Eligibility declarations and the Department's standard declarations.

b) Assessment criteria

The Department will assess each application based on the following criteria: -

- Full completion of the electronic application form;
- Eligibility; and
- Availability of funding.

Important note: Grants are offered entirely at the Department's discretion, and even if an applicant is eligible via the criteria set out above, applications are reviewed on a case-by-case basis on their own merits with no guarantee of a grant being offered.

c) Approval process

All applications for a grant must be approved by a person designated by the Department.

The eligibility of an application can only be determined with regards to meeting the eligibility criteria of the Scheme Guidance. The Department does not have any special powers to make one-off decisions outside the vires set out in the Enterprise Act 2008, the regulations and this Scheme Guidance.

d) Payment

The Department will authorise the payment to be made. All payments will usually be made into the applicant's business bank account stated on the claim form approximately 10-15 working days following approval.

e) Declined applications

Due to the high volume of expected applications, the Department will notify ineligible or rejected applicants via email stating the reasons for the refusal and where appropriate, provide information as to the manner in which a defective application may be rectified.

f) Review of decisions

If an applicant has been refused and wishes to request a review of the decision, the Department must clearly and concisely state in writing the reasons for the decline, the reasons for the review, any measures undertaken to resolve the issue and provide any additional supporting information.

The Department must appoint an officer of the Department (other than an officer involved in the original decision) to adjudicate on the review. The review officer's adjudication will be final.

The reviewing officer will then consider whether the correct decision has been made in relation to the Enterprise Act 2008, the regulations and the Scheme's Guidance etc and cannot take into account hardship and personal circumstances etc.

The reviewing officer does not have the authority to make exceptional one-off decisions which do not comply with the Scheme's legislative framework.

A request for a review of a decision must be made in writing within 10 working days of the date of notification of that decision.

An application may only be reviewed once.

Review requests should be either emailed to enterprisesupport@gov.im or sent to:

The HRSI Scheme Manager,
Department for Enterprise,
St Georges Court,
Upper Church Street,
Douglas,
Isle of Man
IM1 1EX

1.5 Public disclosure

It is a statutory requirement that the names of businesses which have received financial assistance provided under the Scheme are published in an annual report prepared by the Department which is laid before Tynwald (the Isle of Man's Parliament).

Applicants should also be aware that both parliamentary and Freedom of Information (FOI) questions may be asked about particular applications or applicants. The Department will answer all parliamentary questions and FOI requests in accordance with the Freedom of Information Act 2015 and the Data Protection Act 2018.

1.6 Application form

Applicants should read the guidelines before submitting an application to the Department.

The Application Form is available at <https://www.iomdfenterprise.im/financial-support/funding/tt-hospitality-retail-staffing-incentive-scheme/>