

**WRITTEN QUESTION TO THE MINISTER FOR SOCIAL SECURITY
BY DEPUTY G.P. SOUTHERN OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 15th MAY 2012**

Question

Will the Minister explain the discrepancy between the response to written question 6833 (2 staff on zero-hours contract as at 31/03/12) and that given by the department to me on 30th April 2012 (“27 staff employed through temporary agencies (who) would normally use zero hour contracts to employ temporary staff”)?

How does his statement that ‘genuine zero hours contracts are necessary and appropriate’ apply to his department’s use of zero-hours contracts and is this “casual or irregular work” where no number of hours or times of work is specified?

How frequently will Income Support will be reviewed to ensure that the benefit is adjusted in line with actual earnings in respect of those working zero-hours?

What discussions, if any, has the Minister had with the Head of the Jersey Advisory and Conciliation Service regarding the latter’s reservations concerning “non-genuine” zero hours contracts, which enable employers to avoid holiday, overtime and sickness pay?

What costs are involved in the use of temp agencies in recruiting staff to positions within his department compared with normal recruitment and were agencies required to tender?

What additional training was involved in recruiting staff (themselves unemployed) to the sensitive area of working with the unemployed?

Answer

Both answers previously given to the Deputy are correct.

The Social Security Department does employ directly 2 cleaning staff members on zero-hours contracts (Question 6833) to cover planned or unforeseen absence in the cleaning team.

The Department does also engage Recruitment Agencies to supply temporary staff to work in the Department. These temporary staff are not employed by the Department – they are employed directly by the Recruitment Agencies. Their contractual arrangements are a matter for the Recruitment Agency and the individual. Recruitment Agencies do though typically use zero hour contracts for the staff they supply to the Department. Temporary staff are used in the Department to cover short-term fluctuations in workloads or where permanent funding is uncertain.

Income Support Claimants are required to notify the Department of fluctuations in income. For claimants working sporadically on zero hour contracts then we would normally expect to be notified once every 5 weeks to ensure that benefit levels are set appropriately according to the needs of the claimant or household concerned.

The Director of the Jersey Advisory and Conciliation Service (JACS) has informed the Minister that most zero hours contracts include rolled-up holiday pay equivalent to the statutory minimum of two weeks leave. Neither overtime pay nor sick pay are statutory entitlements; there are many “normal” and zero hours contracts that do not include these additional entitlements.

The Director of (JACS) discussed this issue at length with the Minister and Assistant Minister when he presented the JACS Annual Report to the Minister on 16 March 2012. The Minister was re-assured by the measures that JACS was taking which include advising on appropriate terms and conditions of employment where work is casual or irregular and cautioning employers about the inappropriate use of zero hours contracts.

Employment agencies who supply temporary workers to the States of Jersey typically charge an additional cost over and above the agreed hourly salary to cover: employer’s Social Security contributions; rolled-up holiday pay; their own administrative overheads. In contrast, directly employed workers incur employment costs through the employer’s contribution to the occupational pension scheme and employer’s Social Security contributions as well as indirect administrative costs associated with employment. This means that the costs for temporary agency workers and for States of Jersey employees are fairly evenly balanced.

The contract for temporary administrative staff was re-tendered through the procurement department during quarter four of 2011 and a number of local on-island agencies submitted tenders. The tenders were subject to an extensive evaluation process and the successful contractor is likely to be announced imminently.

We have been able to source candidates who have already transferable interpersonal skills to provide support to those Actively Seeking Work. They receive ongoing coaching from existing staff and training on the existing support schemes available. They also receive training on Income Support and on their responsibilities under Data Protection.