

2.13 Deputy G.P. Southern of the Minister for Social Security regarding the replacement of rent rebate by the income support scheme

Let us hope this Minister has more understanding of the basic five 'w' questions than the last. Will the Minister describe the changes involved in the replacement of the rent rebate abatement scheme with the accommodation component in income support with particular regard to the previous limit on rent of 26.5 per cent of income in the States sector, the reduction in the generosity of the scheme across the full range of incomes, and the overall numbers of households claiming the benefit and the total sum spent?

Senator P.F. Routier (The Minister for Social Security):

Well, this question, or should I say 5-part question, is rather surprising considering that the Deputy has been a member of the Income Support Scrutiny Panel for the last 2 years.

Deputy G.P. Southern:

Will the Minister just answer the question?

The Deputy Bailiff:

Deputy, the Minister is introducing the question. He will answer it in his way, not your way, I am sure.

Senator P.F. Routier:

I would add that the question he poses relates to information that is already in the public domain. As the Deputy is well aware, 14 different benefits were replaced by the income support system. The changes involved in this process are set out in States propositions P.86 of 2005, P.102 of 2006, P.90 of 2007. In very general terms, the rent abatement was used to reduce the costs of rent to households, whereas income support provides a benefit to cover all basic needs, including household costs. Because income support looks at all aspects of the household circumstances, it is impossible to make an analysis just based on income levels. There are 4,930 households whose income support claim includes accommodation elements. Of these, 330 are owner occupiers.

2.13.1 Deputy J.A. Martin:

I accept the Minister is criticising Deputy Southern and he can now criticise myself because my question is, and the Minister answers it in a written question - it came from Deputy Southern - that the Social Security Department now pay the level permitting the full cost of their home is paid to the Housing Department direct. My understanding of rent abatement was that the tenants paid part. Let us say it was £100 and they paid £25, an abatement system was a credit system where they were credited. No actual money. So my question is, if the Minister is now paying these full rents to Housing which abatement was around about 50 million, where is this budget and money coming from? This is the question we cannot seem to get around and understand.

Senator P.F. Routier:

As I said in the earlier response, we have scrapped the old system. Rent abatements and rent support no longer exist. It is a totally new way of assessing people's needs with regard to their accommodation requirements with regard to the cost of covering their accommodation. It is impossible to compare the 2. We know all the money from all of the benefits, whether it be rental or disability benefits, and all of those, all went into one pot and we have designed a completely new system. So it is impossible to make that calculation or that assessment against both issues.

2.13.2 Deputy G.P. Southern:

I would like to ask the Minister the following question then, and it may be because of my own stupidity, but I cannot for the life of me understand what we have done with income support and what was the rent abatement element of it in that we were told that what we were going to do, there was a big long tail on rent abatement which meant that people with moderate to large incomes were

still getting rent abatement. We were told we were going to cut that tail, and I want to know the answer to where does that tail start getting cut. So I want to know what has happened to compare what was rent abatement previously against income, against the new system, accommodation component against income, and also whether any impact has happened at the bottom end, at lower earnings, to also reduce the amount of what was abatement to compare to now. So I want comparative figures to be able to say - and I think Members themselves thought that that is what they were doing with rent abatement, cutting their tail, and they need to know what have we done? We need some figures. Will the Minister produce some figures to explain to Members exactly what has happened in terms of rent?

Senator P.F. Routier:

With regard to people who are at the lower end of the scale, they certainly are being supported in an appropriate manner so they are able to afford their rent, as we are aware, I am sure, from the evidence we have just provided a couple of weeks ago. With regard to those at the tail, as the Deputy has described it, there are around 1,300 people who were among that group of people who were seeing their rental reduced over a period of time. That is obviously from memory, but certainly if the Deputy is going to ask more detailed questions like that, it would probably be better to be a written request. Certainly I know that there is, as I say, about 1,300 people who are in the bracket who were in what the Deputy described as the tail and having their rental benefits being reduced.

2.13.3 Deputy G.P. Southern:

Notwithstanding his initial response that this was already in the public domain, I do not believe it is; will the Minister agree to produce a written response to this particular original question with the aim of explaining to Members exactly what has happened to the old rent rebate scheme and what the equivalent is and where it impacts and what it delivers to whom?

Senator P.F. Routier:

I am not sure what benefit that would be because we are in a situation where we have moved into a totally new benefit system which is supporting people appropriately. My department, I have to say, are struggling with answering the unending questions which are coming from the Deputy.

Deputy G.P. Southern:

Shame.

Senator P.F. Routier:

I am stating a fact. The department are struggling to answer the questions the Deputy keeps on placing before us. You will see in the last 2 or 3 sittings, 3 or 4 pages of answers to the Deputy. To what end, I am not sure, because my department really want to get on with helping people and to deliver their benefits that they need, and we have to divert officer time to answer these questions. If there was to be a real useful purpose in the questions, I would be very happy to answer them, but the Deputy wants to go over old ground and it is not achieving anything. **[Approbation]**

2.13.4 Deputy S. Pitman of St. Helier:

In the initial response to Deputy Southern's question, the Minister said that the information he was asking for is in the public domain. Well, as he knows, I had a meeting with him and a constituent last week relating to this subject, and he informed us that the income support information was out in the public domain and out in Parishes, Parish Halls. Since then, my constituent has been around to 7 Parish Halls and has not once found that information. Could the Minister tell us when he intends to get this information out?

Senator P.F. Routier:

I am sorry that the constituent that we met with last week has not been able to find information in particular Parish Halls. I will ensure that the Parishes do have as much information which is currently available, but that is particularly a different sort of information than previously Deputy Southern was asking for, which was all the stuff that was being debated over the years, which is a totally different matter. I understand information for the public about how income support works does need to be in Parishes and I will ensure that that is kept there.

2.13.5 Deputy J.A. Martin:

Just getting back to this rent abatement; to make it clear, the Minister said previously the budget that was previously used from your department was put together. So can the Minister exactly tell us, so I can get my head around this, how much money did the Housing Department put into the pot to be redistributed back to them, because it must be around £22 million and they never had it before? It was abatement. They were very low on income and cash, as the Minister kept telling us. So where did this money come from to give to the pot in the first place? Then I would get my head around the system.

Senator P.F. Routier:

I will confirm that figure for the Deputy as soon as I can.

2.13.6 Deputy G.P. Southern:

While I apparently have to apologise for taking up the time of officers, I do believe it is absolutely vital in this House that when Members make decisions and they are told beforehand: "This will do this", that they have some means afterwards of saying: "Well, what is it we have done?" Will the Minister agree to give me data which will enable Members to measure what they have done in terms of rental and in terms of the overall package which is not in the public domain so that they can satisfy themselves that the decision they made in bringing about income support is a justified one and works?

Senator P.F. Routier:

My department, as I say, is under tremendous pressure to get the system and to provide the services to the public. I will ask the department if they are able to provide that. Depending on the amount of time it requires them to spend on it, I will then make a judgment about whether it is appropriate for them to spend that time. I reiterate they are under pressure and I would ask the Deputy if he has some questions which are about furthering the income support forward rather than raking over old coals, I would be more than happy to answer those questions about moving forward. Raking over old coals, I really do not see the point.

2.13.7 Deputy G.P. Southern:

If I may, if the department is genuinely so strapped for staff resource and funding that it cannot provide this information, will he agree to release the database in an anonymised form so that we can employ a statistician and an analyst to perform the calculations and work out what is happening because apparently he cannot?

Senator P.F. Routier:

I would have to think about that, Sir.

2.13.8 Connétable S.A. Yates of St. Martin:

I have been listening to these questions and I must admit that I am also somewhat ... I do not think confused but I do lack knowledge about the accommodation component. I recognise antagonism between the Minister and the Deputy, and I would like to say I do not want to be part of this antagonism but I want to know the information. So would the Minister please supply the Income Support Panel with the information they require? Let us get on with the job, Sir.

Senator P.F. Routier:

I am very happy to work with the panel when it is information which is easily accessible. Sometimes the request for information does - and we are talking about 8,000 households across the Island - it can be very difficult to assimilate and drive down into the information into the computer if the computer has not been programmed in a particular way. So it might require ... because the computer was programmed to provide a service going forward, not for looking backwards. If I am able to provide the information easily, I am very happy to do that, but I know that some of the questions that we are being asked requires somebody manually to spend hours and hours and hours going through files. I want to be as helpful as I can, but I just make that comment, Sir.

2.13.9 The Connétable of St. Martin:

Personally I do not think I need to know details of individual rentals. I really want to know the basic methodology and I do not think that is a question of going through hundreds and hundreds and thousands of individual cases. It is just a question of the basic policy and I am sorry, Sir, that is the question I am looking for.

Senator P.F. Routier:

Yes, Sir, I am very happy to provide that information on basic policy. I think we have debated a lot of these policies in the debates we have had in the States. Obviously, as I mentioned earlier, I know the Connétable was particularly interested in how the rent abatement and rent budgets were going to be cut back because of the over-generosity in the early stages; people are very interested in that. As I said in my answer, there are about 1,300 people who are having their rents reviewed. So I do know that to be the fact, but if there is any other information I can give, I will do my best to give it.