

**WRITTEN QUESTION TO THE MINISTER FOR SOCIAL SECURITY
BY DEPUTY G.P. SOUTHERN OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 18TH APRIL 2017**

This question was inadvertently not distributed by the States Greffe to the Minister for Social Security in time for a response to be provided for the meeting on 28th March 2017. The question was therefore carried over to the meeting of 18th April 2017 and an answer provided.

Question

Will the Minister advise whether she has information available to her showing that the reduction in value of Income Support components in real terms since 2009 was £43.79 for a couple with one child and £75.39 for a lone parent?

If so, will the Minister explain why those figures were not provided in response to Oral Question 1(163) from Deputy M. Tadier of St. Brelade on 14th March 2017, given that such figures would be very close to the estimates of £45 and £75 initially provided in the question; and will she confirm whether the support offered to low-income households through Income Support components (adult, child and household) has therefore seen a real-terms reductions of the order outlined above as a result of the decisions of her Department?

Will the Minister also provide the source of the figures she cited on 14th March 2017 that the average total income for lone parents has risen by £75 a week and for a couple with children by £123 a week, given that figures available in the Minister's annual reports comparing 2015 with 2012 suggest smaller increases have occurred?

Answer

The subject of this written question was covered in the response to oral question 200, answered on 28 March 2017. A report was circulated to all States Members at that meeting and the full report is reproduced below.

As set out in that report, the overall impact of the level of components and income incentives shows increases in the average total household income available to a couple with children and to a lone parent between 2011 and 2015.

The report indicates an increase in real terms of £30, and £73 in cash terms for couple households. The cash increase quoted during the oral answer on 14 March was given as £123. That figure was subject to an error in calculation at that time and the error is regretted. The accurate figure was included in the report circulated on 28 March. For lone parents, there was an increase in real terms of £42, and £75 in cash terms.

**Report circulated to States Members 28 March 2017
by Minister for Social Security**

At today's meeting (28th March 2017), the Minister for Social Security agreed to produce information as requested in oral question 200.

Deputy G.P. Southern of St. Helier will ask the following question of the Minister for Social Security–

Will the Minister produce for members the figures relating to real-term cuts in Income Support components that demonstrated a reduction in disposable household incomes and which she made available to Deputy Tadier at the end of her response to his Oral Question 1(163) on 14th March 2017?

The overall Income Support budget is approved by States Members as part of the Medium Term Financial Plan (MTFP). The current MTFP has been set to maintain benefit spending at approximately the 2015 level throughout the MTFP. In 2019, this will allow an additional £10 million to be allocated to the priority areas of health and education in line with the strategic priorities of the States. To achieve this level of spending, some Income Support components have been held at their 2015 rate over the last two years and the additional component provided to lone parents is being phased out. The changes to tax funded benefits have been aimed at improving the targeting of the benefit system, promoting moves towards financial independence, and minimising the impact on individual households.

Over the last few years the success of Income Support and the associated emphasis on providing a wide range of Back to Work services has resulted in real increases in the income available to Income Support households. This success can be seen by comparing the 2011 and 2015 published figures on average total household income.

Total average weekly household income for Income Support households	Dec-11	Dec-15
Example 1		
Average for all couples with children	£673	£746
Difference between 2015 and 2011		+£73
Uprate 2011 to 2015 RPI	£716	£746
Difference in real value		+£30
Example 2		
Lone Parent + 1 child	£510	£585
Difference between 2015 and 2011		+£75
Uprate 2011 to 2015 RPI	£ 543	£585
Difference in real value		+£42

These published figures take account of all aspects of Income Support, including personal components, housing, childcare and medical components and the disregards that are applied to incentivise different types of income.

Deputy Tadier asked an oral question on 14th March 2017 which quoted the following figures:

Will the Minister confirm that, as a result of her Department's policies since 2009, a family of three (a couple with one child) on Income Support is £45 per week (1) worse off in real terms today than they were in 2009; and that the equivalent figure for a single-parent household is between £55 (2) and £75 (3)?

The figures made available to Deputy Tadier following the question session took the form of a table that provided the calculation behind Deputy Tadier's figures. A slightly expanded and revised form of that table is provided below.

IS components	Dec-09	Dec-16
Adult	£92.12	£92.12
Child	£62.09	£63.98
Household	£47.11	£51.31

Lone parent	£40.39	£20.23 / £0
Example 1		
Couple +1 child	£293.44	£299.53
Difference between 2016 and 2009		+£6.09
Uprate 2009 to 2016 RPI	£ 341.56	£299.53
Difference in real value (1)		-£42.03
Example 2A (Lone parent in 2016 still receives LP component)		
Lone Parent + 1 child	£241.71	£227.64
Difference between 2016 and 2009		-£14.07
Uprate 2009 to 2016 RPI	£ 281.35	£227.64
Difference in real value (2)		-£53.71
Example 2B (Lone parent in 2016 is new claimant)		
Lone Parent + 1 child	£241.71	£207.41
Difference between 2016 and 2009		-£34.30
Uprate 2009 to 2016 RPI	£ 281.35	£207.41
Difference in real value (3)		-£73.94

(1) Deputy Tadier's figure of £45 is identified as £42.03

(2) Deputy Tadier's figure of £55 is identified as £53.71

(3) Deputy Tadier's figure of £75 is identified as £73.94

The table is based on an RPI uplift of 16.4% between December 2009 and December 2016.

As noted above, this table cannot be used in isolation as it does not include all Income Support components and it does not take any account of the other income of the household which is subject to income disregards.