

2017.01.30

**14 Deputy G.P. Southern of the Minister for Social Security regarding the criteria used by the Department to assess whether an Income Support repayment regime would be reasonable: [1(87)]**

When recipients of income support are subject to the withholding of benefits for whatever reason, what criteria are used by the department to assess what repayment regime is reasonable?

**Deputy S.J. Pinel (The Minister for Social Security):**

There are 2 reasons why income support claimants repay money to the department. As well as weekly support with living costs we provide interest-free loans to support low-income families with larger one-off costs such as rental deposits and white goods. The claimant requests a loan and a repayment schedule is agreed. The repayments will depend on the size of the loan and the amount of other income coming into the household. Officers will generally recover these special payment loans at a rate of between £2 and £4 a day. This might be more if the household can afford it because a person is earning or of they ask to repay the amount more quickly. Where a household can demonstrate that they are struggling an officer will consider a lower repayment rate. Secondly, if the benefit is overpaid, often after an increase in the claimant's wages, the claimant will need to repay this extra amount and this is usually deducted from ongoing benefit payments. Similar rules apply, with repayments typically set between £2 and £3 per day. I believe this process is fair and is fully transparent to customers. The level of repayments is always carefully considered and the circumstances of the individual household taken into account.

**4.14.1 Deputy G.P. Southern:**

Supplementary, if I may go to some numbers. Let us talk about an overpayment, an overpayment because a client finds a job. Let us say it brings in £150 a week regarded income, and yet he has been paid his income support 4 weeks in advance. Four weeks times £150 is £600. He is faced with an overpayment of £160 to the department. What rate in that particular case, a £600 debt, does the Minister consider to be a reasonable rate?

**Deputy S.J. Pinel:**

As I said in my opening remarks, the repayment of an overpayment is down to the determining officer to assess based on the household needs.

**4.14.2 Deputy M. Tadier:**

The Minister said that the department provided loans for the likes of white goods and deposits for private rental or rental properties. Does that extend to providing loans or grants for flooring in properties which we know do not currently come with ready-made flooring? If she does provide that will she clarify whether it is done in the form of a loan or a grant?

**Deputy S.J. Pinel:**

No, I do not believe we do provide loans for that. It is purely white goods like refrigerators or cookers and then those are subject to repayment without interest.

**4.14.3 Deputy M. Tadier:**

Would the Minister seek to clarify because I spoke to Andium this week visiting one of their beautiful but unfloored premises, which is the standard now, and they said: "No, we rely on income support for that." I am not sure whether it is in the form of a loan or grant but I was told that income

support takes care of that. If that is not the case could the Minister come back to us and verify, at least get some joined-up thinking between the Minister for Housing?

**Deputy S.J. Pinel:**

Yes, I certainly will. The housing from what I understand is not carpeted because of various reasons such as allergy to carpet, so the flooring is left to be decided by the occupant.

**4.14.4 Deputy G.P. Southern:**

If I can return to the example I gave, a single person with a disposable income of £145 and the Minister was talking withholding repayments from benefit of between £2 a day and £4 a day, which was between £14 a week and £28 a week. Does the Minister really consider that taking £28 off a person who has £145 total disposal income to meet all their bills is a reasonable rate?

**Deputy S.J. Pinel:**

I think I have already answered that question. The determining officer will assess what the household can afford and the repayment rate, bearing in mind that it is interest-free, will be determined upon what the household can afford.