

2019.06.18

8 Deputy G.P. Southern of the Minister for Social Security regarding the Draft Income Support (Amendment No. 19) (Jersey) Regulations 201- (P.56/2019) (OQ.164/2019)

Further to her response to Written Question 261/2019, will the Minister explain to Members how the proposals in the Draft Income Support (Amendment No. 19) (Jersey) Regulations 201- (P.56/2019) serve to meet Strategic Priority 4 of the Common Strategic Policy, namely 'to reduce income inequality' in households in receipt of income support?

Deputy J.A. Martin of St. Helier (The Minister for Social Security):

The Deputy will know that each C.S.P. (Common Strategic Policy) priority cannot be dealt with by just one Minister, which is why it is overseen by a ministerial team. We have pledged that we will put children first and we will reduce income inequality and improve the standard of living. We will do this by improving the quality of affordable housing, improving social inclusion and by removing barriers to and at work. My proposals in P.56/2019 double a new component that was introduced in January this year for the first child. It was introduced at £5.04. When these proposals go through, it will be £10.08 and basically a full year is an extra £500 for the first child in each family. To reduce inequality in work, I am proposing that everyone who is working, which is the majority of people now who are receiving income support, will keep more of their hard-earned income.

3.8.1 Deputy G.P. Southern:

Does the Minister accept that as the result of her actions in spreading the increase between components and disregards, she has benefited those in work, who are better off than those out of work, more than those who are out of work?

Deputy J.A. Martin:

The Deputy was in the room when we had this discussion. We have 5,700 income support claimants and 5,000 of those are in work. We have reduced those who did not have an extra income from 32 per cent to 12 per cent. It is where do I put the money? The money was discussed. We had £2.3 million to divide up in benefits, disregard and this new component. I am not being mean and I am not not spending that money. I am not spending it the way the Deputy thinks I should. I absolutely agree I am spending it to make people's lives better, who are in work and in increasing the basic component. **[Approbation]**

3.8.2 Deputy G.P. Southern:

Does the Minister nonetheless accept that over the past 11 years R.P.I. (retail price index) has increased by 32 per cent and, for example, the adult component on its own has only increased over that period by 11 per cent? These people, who are solely reliant on income support for income, are falling further and further behind, year in, year out, behind the standard that might be accepted, that was accepted when income support was introduced 10 years ago. Does she not think it is time to remedy, at least partially, some of that difference?

Deputy J.A. Martin:

The Deputy will always quote, on every argument, the R.P.I. over the last 12 years. The Deputy does know that the components were changed. We support social housing 100 per cent of rent, whatever the rent. When some of those components were frozen in 2011 and 2012, we put up the private rental component, because the people in the private rental were falling substantially behind.

The Deputy just takes one figure, wants to divide by components and introduce ... this is the cost at £2.3 million and what the Deputy is asking we do not have the money for, but the components have gone up, but they have changed. We are supporting people; we are paying the Andium rents; we have put the component up for private rent. As I say, this is good for people. Most people are working and they keep more of that hard-earned money. It will benefit everybody. **[Approbation]**

3.8.3 Deputy G.P. Southern:

Does the Minister accept that the rent components are not part of what people can spend, other than on rent? They go straight to the landlord and not to the individual concerned.

Deputy J.A. Martin:

That is exactly why we put up the rent components, because people in one set of housing were not getting enough as the other people. Rich? I hear the Deputy say 'the rich'. This is private rental struggling, even people with unqualified rents. Every component has gone up, so it keeps more money in the pockets for people to spend on their food. The Deputy's argument is completely different to mine and I do not think we will agree on this.