



Health, Social Security and Housing Scrutiny Panel

Quarterly - Social Security Minister

THURSDAY, 13th FEBRUARY 2014

Panel:

Deputy J.A. Hilton of St. Helier (Vice-Chairman)

Deputy J.G. Reed of St. Ouen

Witnesses:

The Minister for Social Security

Assistant Minister for Social Security

Policy and Strategy Director, Social Security

Operations Director

Director of C.E.C.B. (Contributions, Enforcement and Contributory Benefits)

Chief Officer

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[12:57]

Deputy J.A. Hilton of St. Helier (Vice-Chairman):

Good afternoon. Welcome to the Health, Social Security and Housing Scrutiny Panel. We will start by introducing ourselves. I am Deputy Jackie Hilton, Vice-Chair of the panel.

Deputy J.G. Reed of St. Ouen:

Deputy James Reed, panel member.

Scrutiny Officer:

Janice Hales, Scrutiny Officer.

Chief Officer:

Richard Bell, Chief Officer.

The Minister for Social Security:

Senator Francis Le Gresley, the Minister for Social Security.

Assistant Minister for Social Security:

Deputy Susie Pinel, Assistant Minister for Social Security.

Operations Director:

Ian Burns, Operations Director.

Policy and Strategy Director, Social Security:

Sue Duhamel, Policy Director.

Director of C.E.C.B.:

Jonathan Williams, Director of Contributions, Enforcement and Contributory Benefits.

Deputy J.A. Hilton:

Thank you. Firstly, I would like to start by offering apologies from the Deputy of St. Peter, who is unwell and not able to attend this afternoon. I would like to draw the public's attention to the notice on the wall or on the chairs and also to the notice there in front of you. Thank you. We will start. I would like to start by asking you, Minister, what you believe are the biggest challenges facing the department this year in 2014.

The Minister for Social Security:

Facing the department would be the continuation of getting people back into work. I would say that is our biggest - and still is from the Strategic Plan - priority, but obviously on a policy basis, we have plans to introduce family-friendly legislation to lodge in May and debate in July and that triggers also a review of the Maternity Allowance Benefit, which needs to be improved in line with the recommendations we will be making on family-friendly legislation.

Deputy J.A. Hilton:

Family-friendly legislation: I notice from the figures released at the end of December that the number of people unemployed have dropped. We currently still have 270 teenagers aged between 16 and 19 registered as actively seeking work. How do you believe that your policies are fulfilling the need to help young people find employment?

The Minister for Social Security:

The age group that you are targeting there in particular, half of those I think are on the Advance to Work scheme at the moment, or will have been completing Advance to Work.

[13:00]

That is primarily the scheme for young people, where the emphasis is on finding a work placement towards the end of the scheme and the hope that through that work placement, they are either kept on or at least acquire skills that will enable them to find work. That is where the focus is

really, Advance to Work, but obviously if they are not on Advance to Work, they would be working with a job coach through Work Zone to find work. We have 2 job clubs now. We have the one in Colomberie and also one at Eagle House, so obviously they will be coming in to do C.V.s (curriculum vitae) and applications through help with job search.

Deputy J.A. Hilton:

With regard to young people who are actively seeking work, what requirement is there to attend at Job Club to prove that they are trying to gain employment, whether that is young people or older people?

The Minister for Social Security:

It is part of the agreement of being registered as actively seeking work that they must keep in touch with their job coach, attend all meetings, training and advise of what they have done in the particular week to assist with job search, how many jobs they have applied for, things like that. So everybody effectively who is actively seeking work, certainly if they have been registered for more than 3 months, will have a job coach and will be working very closely, being offered courses as and when appropriate, some of our schemes such as JobFest et cetera.

Deputy J.A. Hilton:

What percentage of young people aged 16 to 19 are placed with a company, presumably on a trial basis?

The Minister for Social Security:

It is work experience, yes.

Deputy J.A. Hilton:

Work experience.

The Minister for Social Security:

Unpaid.

Deputy J.A. Hilton:

Yes. What percentage of those young people are taken on by the company that they are placed with?

The Minister for Social Security:

I do not have that information. Ian, would you have that?

Operations Director:

It is two-thirds.

The Minister for Social Security:

Two-thirds.

Operations Director:

Two-thirds will get a job after the placement.

Deputy J.A. Hilton:

What percentage remain employed say 6 months later by the same company?

Operations Director:

I do not have those figures with me, but they are also quite positive. From memory, it is quite a positive figure, that people do stay in with work when they get a job from the placement.

Deputy J.A. Hilton:

What sort of indications are you getting from employers when permanent employment is not offered to a young person at the end of the placement? Are there themes?

The Minister for Social Security:

Feedback you mean as to why perhaps...

Deputy J.A. Hilton:

Yes, why they are not taking them on permanently, yes.

The Minister for Social Security:

Again, it is not really something that I can answer the question on. Ian, have you got any feedback?

Operations Director:

It does vary significantly depending on the individual, and the job coach, for example, at Advance to Work will work very closely with the individual throughout the placement - not just at the beginning and the end, but throughout - to help provide coaching to allow them to adjust and try and maintain the placement firstly, and then obviously use that as a springboard to try and find either another placement or work with that company or other companies. So it is very much individual, very much feedback and it is about coaching for improvement. These are obviously individuals who have not worked before necessarily, being young people, and that guidance and

coaching which we can try and give them will help them find work. Advance to Work has been very successful over the last few years in achieving that.

Deputy J.A. Hilton:

I just wanted to ask you a question about people who are long-term unemployed. I believe you set up a scheme last year which paid employers a grant to take individuals on. Have you got any figures on how many people are employed under that scheme at the moment and what evidence there is that it has been successful by entrants being offered fulltime employment?

The Minister for Social Security:

The long-term unemployment grant is available if an employer takes on somebody who has been unemployed for more 12 months with a view to offering them a permanent position or a fixed-term contract of more than 12 months. I do not have the exact figure. It is in excess of 200 companies now have taken advantage of the employment grant, which had come about not just through particular schemes we have been running, but through taking on somebody long-term unemployed. The retention rate of those people is about 69 per cent, so after 6 months of being in a permanent job, they are still there after 6 months, so it is not a bad success rate for long-term unemployed people.

Deputy J.G. Reed:

With regards the unemployment figures, do they include those with special needs?

The Minister for Social Security:

It depends what you mean by special needs.

Deputy J.G. Reed:

Obviously there are individuals with special needs that may or may not be currently employed.

The Minister for Social Security:

Yes.

Deputy J.G. Reed:

Would they be included in your unemployment figures?

The Minister for Social Security:

It is likely that somebody with special needs, however that may be described, would be an income support household. If they are on long-term incapacity, if they are measured as being more than 30 per cent incapacitated because of their illness or whatever it may be, then they would not be

required under our current rules to be job seeking, although if they wished to receive our help, we would do so, but they would not be required if they are more than 30 per cent L.T.I.A. (Long Term Incapacity Allowance).

Deputy J.G. Reed:

I understand that, but perhaps I will rephrase the question. Are you, as a Minister, and your department, still actively involved in support of the work of J.E.T. (Jersey Employment Trust)?

The Minister for Social Security:

Yes.

Deputy J.G. Reed:

What efforts are being made to provide employment for those individuals who fit the criteria of J.E.T.?

The Minister for Social Security:

I am going to pass over to my Assistant Minister, because she sits on the board of J.E.T., so she can help you there.

Assistant Minister for Social Security:

There is a huge amount of work being done to assist people with special needs or disabilities through J.E.T. to get them back into work, and again, it is done in a lot of cases on a one-to-one basis, where an employee of J.E.T. will attend the work placement with the individual to give back-up support and assist with training. There was a very large conference organised by J.E.T. not so long ago where quite a lot of corporations, banks, trust companies, for instance, were invited as employers to potentially take on some of the J.E.T. clients, which was very successful.

Deputy J.G. Reed:

What action is the States - or what efforts, should I say - are the States, as the largest employer, making to employ individuals with special needs?

Assistant Minister for Social Security:

I know we have certainly got one J.E.T. client that is employed by the States. I am not sure if there are any more, but there is certainly one.

Deputy J.G. Reed:

Would you not think it odd that we tend to encourage the private sector to employ these youngsters and yet we only employ a very small number?

Assistant Minister for Social Security:

We should be doing more ourselves, yes.

Deputy J.G. Reed:

If that is the case, what positive things can be done to ensure that the States fulfil their responsibilities as the largest employer to help these individuals access appropriate work?

The Minister for Social Security:

Essentially this would be an issue for H.R. (human resources), which comes under the Chief Minister, or the States Employment Board, perhaps to have a policy. I think there is a policy to try and take people with different, shall we say, situations into the workforce, but of course it depends on the role. Look, going forward of course we have got discrimination law and I suppose the answer to your real question is how do you convince more employers, including the States of Jersey, to take on people with disabilities would be when we have disability discrimination written into our law.

Deputy J.G. Reed:

But what efforts is your department making? Obviously your department is engaging with all sorts of employers to encourage them to take on those that are unemployed, which includes - or will include - those with disabilities or special needs. I just want to know what you, as a Minister, are doing specifically to encourage the States as a whole and the department to provide opportunities for these individuals, whether they have indeed special needs or not.

The Minister for Social Security:

Yes. There is a ministerial oversight group for Back to Work, which includes the Chief Minister obviously, the Minister for Treasury, the Minister for Economic Development, ourselves and officers. We meet monthly when the unemployment figures come out. We discuss any new initiatives for Back to Work; we discuss job creation through Economic Development. Those would be the occasions where we would discuss any new programmes designed to help more people with disabilities to get into employment, but I cannot really say I am driving anything in particular, because it is not an issue that I have particularly had highlighted to me.

Deputy J.G. Reed:

Picking up the last comment you said about the ministerial oversight group, how many unemployed people have been engaged by the States within the last year?

The Minister for Social Security:

Do you mean on specific programmes or fulltime employment?

Deputy J.G. Reed:

No, generally, taking into account all the different programmes that you have in place and the aim obviously of the Council of Ministers to reduce the unemployment figures on the Island, the question is how many unemployed people have been engaged by the States?

The Minister for Social Security:

I am not sure we have got that figure, because the issue would be if they do their own job search and they find a job, we would just record that they have come off the register and we would not necessarily be ticking off a box to say they went to work for the States of Jersey. But we are doing specific work schemes with T.T.S. (Transport and Technical Services), with the Property Services, we are doing work at Fort Regent, so these are specific schemes where we have people who are being paid to do work for the States of Jersey. They may lead to permanent jobs. I do not know if those are the sorts of schemes you are talking about or are you talking about...

Deputy J.G. Reed:

Yes.

The Minister for Social Security:

If somebody found a permanent job, we will not necessarily know, unless they come and tell us, that they went to work for the States of Jersey.

Deputy J.G. Reed:

I am perhaps trying to see an overall picture and maybe the next question has got to be how do you measure success, because it is all very well providing all these Advance to Work programmes and other initiatives, but there has got to be some sort of measurement of success, has there not?

The Minister for Social Security:

There is, there is. In 2012, 1,300 people were found work through Back to Work schemes, including the Work Zone, and last year, 2013, just over 1,800, so there is a big increase in the last 12 months of people who have found work as a result of a Back to Work scheme.

Deputy J.G. Reed:

Out of that number, how many would have previously been unemployed?

The Minister for Social Security:

All of them.

Deputy J.G. Reed:

All of them?

The Minister for Social Security:

All of them, yes. They would be people who were actively seeking work, so they have to be registered as unemployed.

Deputy J.G. Reed:

Of those that are engaged in the Advance to Work programme, how many of those individuals, once they have completed the Advance to Work programme, enter fulltime employment?

The Minister for Social Security:

We have to be careful with the word "fulltime employment" because some employers will only take people on on fixed-term contracts or variable-hour contracts, so we cannot answer that question, but the success rate of Advance to Work, as Ian alluded to earlier, is about 70 per cent, so about 70 per cent of people who go through Advance to Work end up with a job, not necessarily with the employer they did their work placement with, but they do end up with some paid work at the end of that. How long that would be for, I do not know. It depends on the contract that they signed.

Deputy J.G. Reed:

You have just spoken of different sort of contracts or types of employment that they will then eventually enter. Are you able to identify the different numbers that fit under each group?

The Minister for Social Security:

I do not think we have drilled down to that level of detail, have we?

Operations Director:

What we focus on is how many hours they are working, not necessarily about their contract types, but the key thing, for example, in Advance to Work last year, we had 215 what we would describe as Job Start people who started in paid employment, no matter how long that role was expected to last for, so when the Minister said 1,800 Job Starts for last year, referring to people who we have helped to secure paid employment for a period. That may be a permanent job from day one, it may be a temporary job that leads to a permanent job, it may be seasonal work, but it is still paid. That will advance them and improve their employability to get the next job. So clearly if you have never worked before or if you are out of work for a long period, it is much harder to get work than it is if you just work or have some recent work experience that you can utilise in gaining interviews or talking about an interview to secure work.

Deputy J.G. Reed:

Are you able to capture data around those individuals that go through the Advance to Work programme, enter employment and then come back again and are classed as unemployed?

Operations Director:

Yes, we will have that.

Deputy J.G. Reed:

You have that sort of data?

Operations Director:

We will have that information, yes. When we get them a job, then they may not return necessarily, but we have the data. We do not have it with us today, but we can certainly...

Deputy J.G. Reed:

I guess are there any trends that are developing or are you seeing any trends within those sort of figures, within that data?

The Minister for Social Security:

I think a figure that is not often taken into consideration, of the 1,750 people who were unemployed as at the end of December, 21 per cent of those were working. They were not working the full hours that we might wish them to work, which is 35 hours or more, in which case they would come off the unemployment register.

[13:15]

They would be working less than 35 hours a week, so they remain in the figures, but they will still have a job, a part-time job or variable-hours contract or zero-hours contract, so they will have some work and that is 21 per cent of that 1,750.

Deputy J.G. Reed:

So those that are working less than 35 hours a week...

The Minister for Social Security:

Yes, we call it under-employed, less than 35 hours a week.

Deputy J.G. Reed:

...are they still classed as actively seeking work?

The Minister for Social Security:

Yes.

Deputy J.G. Reed:

Even though they are employed?

The Minister for Social Security:

Yes.

Deputy J.G. Reed:

How do you separate out - or are you able to separate out - those that are actively seeking work and have no employment?

The Minister for Social Security:

Yes. It is 79 per cent of 1,750, which I cannot do in my head.

Deputy J.G. Reed:

Oh right, okay. So it is the 21 per cent of 1,750.

The Minister for Social Security:

Yes.

Deputy J.A. Hilton:

At our previous hearing, we asked for the figures of new registrations and I believe the figure that was given for August last year was 467 new people registering for work at Social Security. I would like an update. We were quite surprised at the level of that figure for August.

Operations Director:

I think when we looked back at the transcript, I think there was a level of confusion over...

Deputy J.A. Hilton:

Oh, right.

Operations Director:

...the terminology of registered and registered for work and so on, so the people arrive at the department to register for a J.Y. number, as opposed to the new cards, which are obviously for

people who are registering to get a card to go and find some work, so the difference there, we were at cross-purposes in that, I think.

Deputy J.A. Hilton:

What we are interested to determine this afternoon is the number of new incomers into the Island registering for work. Have you got a figure?

Operations Director:

I believe that we notified that that is perhaps more of a question for the Population Office.

Deputy J.A. Hilton:

But they have to register at Social Security, so surely that is information...

Operations Director:

But they could also register at the Population Office.

Deputy J.A. Hilton:

But if they are registering for work, surely they have to register at Social Security for a J.Y. number.

The Minister for Social Security:

If they got a job, they would need to be registered at Social Security.

Deputy J.A. Hilton:

Yes, so have you got those figures?

Chief Officer:

We provide a service now for the Population Office in terms of registration. Your classification on registration is not a Social Security function in terms of you being licensed or - what is the terminology - entitled licensed or registered...

Deputy J.A. Hilton:

Entitled or registered.

Chief Officer:

...that is a Population Office function that we perform on their behalf. In terms of total registrations, in terms of J.Y. numbers, if you like, that does not necessarily mean are they new to the Island. That will include re-registrations. I do not know whether we have them with us, do we?

Operations Director:

No.

Deputy J.A. Hilton:

Where would we find out exactly how many people who are new to the Island who have registered for work?

Chief Officer:

We can provide you that answer by asking the Population Office if they are happy for us to do it or they want to do it directly to you.

Deputy J.G. Reed:

Could you also tell us how many newcomers are requesting J.Y. cards?

Chief Officer:

Yes.

Deputy J.G. Reed:

That information is captured on a monthly basis, is it?

Chief Officer:

Yes, it is just in terms of the different classifications. We would log who has not had a J.Y. number previously in giving them a J.Y. number for Social Security purposes, because the history of this in terms of Social Security is just registering you for Social Security contribution purposes. Prior to whether you were entitled under the new system, it was irrelevant to the Social Security system, so we can do registration by nationality or J.Y. numbers and get everything else that goes with it. The best way of analysing it is to have that analysis with the layering of registered entitled licensed, we would suggest.

Deputy J.G. Reed:

Has that analysis been taking place at the moment?

Chief Officer:

The analysis takes place, as I understand it, on a regular basis, yes.

Deputy J.G. Reed:

With the Population Office?

Chief Officer:

Yes.

Deputy J.G. Reed:

How is that information reported?

Chief Officer:

It will come off the... what is the name of the system? Populus, Population Office System.

Deputy J.G. Reed:

Is it publicly reported or is it just an internal report that is provided?

Chief Officer:

I would have to check on that. I think it comes up in many questions.

Deputy J.A. Hilton:

So if we wanted to establish exactly how many new people had registered for work who were new to the Island, we can only get that information from the Population Office?

Chief Officer:

I think that what we need to do is find a way that does not frustrate you with this line of questioning so that we can agree with the Population Office that we will get you the figures, and from there on in, knowing it is going to come up at the quarterly hearing, agree with them that we will...

Deputy J.G. Reed:

It would also be useful, I think, because there is perhaps a lack of clarity around the different terms that are being used, if you could also provide us with, yes, the different groupings and the classifications, if you like, that you are using and how that corresponds to the information that is being collated and analysed.

The Minister for Social Security:

But it is important to stress, as Richard has done, that the Control of Housing and Work (Jersey) law comes under the Chief Minister's office. It does not come under Social Security at all. We only act as an agent in conjunction with the Population Office to issue cards to people who call in for a card. As you know, people need a card now to transact in the property market, whether it is to take on a lease or whatever, so the fact that we have issued a significant number of cards is not just because people want work, it is because they have other transactions as well.

Deputy J.G. Reed:

But do you not sit on the ministerial oversight group that looks at the activities of the Population Office?

The Minister for Social Security:

If I do, I do not remember going to it. Sorry, but my Assistant Minister sits on what was the Migration Advisory Group. She is now on the Control of Housing and Work Advisory Group, so she deals with appeals, if you like.

Deputy J.G. Reed:

Right, so there is a direct link.

The Minister for Social Security:

Yes.

Deputy J.G. Reed:

So there is a direct link between your department and... or at a ministerial level, let us call it that.

The Minister for Social Security:

We are there because we can contribute insofar as if there is an applicant who has been turned down for licences to take on registered or licensed people, then if we know within Back to Work that we have people registered who could perhaps fill those vacancies or certainly be interviewed, then that why the Social Security is able to give that input to those meetings.

Deputy J.G. Reed:

It bothers me a little bit that there is this separation that you are describing, because we have got a commitment to local people for local jobs, a commitment to reduce unemployment and yet you are saying that when it comes to the activities of the Population Office, you do not really have any major influence in their activities.

The Minister for Social Security:

We do, insofar as achieving the new population growth target, so as I said before, the officers in the Population Office, when they receive requests from employers to take on registered people in particular will liaise with our Back to Work people to see if the vacancies that they are saying they cannot fill, we might have people suitable on our list who could be applying for those jobs. If that is the case, then at officer level they will tell the employer to liaise with our Employment Engagement Team about finding people. For example, we know of a new restaurant opening which is taking

virtually all their staff through liaising with our Back to Work team and employer engagement officer so that we can fill virtually all those vacancies for a brand-new business. We did similar, as you probably remember, down on the waterfront when TGI Friday's opened, for example.

Deputy J.G. Reed:

There are some new businesses.

The Minister for Social Security:

But yes, there is that degree of liaison, so the Population Office will not grant a licence for registered people unless they check with us that we would not have people who would be eligible at least for an interview at the first stage.

Deputy J.G. Reed:

But that is new business.

The Minister for Social Security:

Oh, and renewal of licences, because licences have been called in or they are up for renewal after 3 years, so there is all that going.

Assistant Minister for Social Security:

A lot of the hospitality industry who, in the good old days, would have hundreds of licences per chain or per large hotel and once they come up for renewal, as the Minister says, after 3 years they are just not regranted unless they can prove that they cannot take the local or registered person.

Deputy J.G. Reed:

Are you satisfied with the working relationship that currently exists between your department and the Population Office?

The Minister for Social Security:

Yes, yes.

Deputy J.G. Reed:

That it is sufficiently robust that the aim of the Council of Ministers will be met with regard to local people, local jobs?

The Minister for Social Security:

Yes, I am. I am not saying we cannot do better, we can always do better, but I think there is a lot of liaison with our expert team and with my Assistant Minister's involvement and officer involvement. We are working very closely to make sure that people with 5 years or more of residence who are entitled to work get priority.

Deputy J.G. Reed:

Coming back to J.E.T., if you do not mind, is your department now directly responsible for J.E.T. and the funding that is provided to them?

The Minister for Social Security:

You mean we, the sole funder, or... we are a funder, yes.

Deputy J.G. Reed:

Yes.

The Minister for Social Security:

We are a funder, yes. We are definitely a funder.

Deputy J.G. Reed:

Yes. All right, so there is still a partnership, is there?

The Minister for Social Security:

Yes.

Deputy J.G. Reed:

Which departments are included in the partnership?

The Minister for Social Security:

Health and Education. Do Education put any money in?

Assistant Minister for Social Security:

Very little.

The Minister for Social Security:

Very little. So it is Health...

Assistant Minister for Social Security:

In comparison.

The Minister for Social Security:

Main money is Health and we provide the larger portion.

Deputy J.G. Reed:

How is that working, to your knowledge?

The Minister for Social Security:

Again, I would have to defer to Susie because she sits on it.

Assistant Minister for Social Security:

It works very well. I think Education are more involved because the J.E.T. premises, they operate from Highlands, which is the Education Department obviously, so that is how they are involved. Health are involved with a contribution, which is a part of it, but about a third of the contribution Social Security make to J.E.T. Yes, there is a constant involvement with an officer from Social Security attending all the meetings, as well as myself.

Deputy J.G. Reed:

So if additional resources or funding is required, how is that obtained?

Assistant Minister for Social Security:

It is through the Chief Officer.

Deputy J.G. Reed:

Who?

Assistant Minister for Social Security:

Through the Chief Officer, through Richard Bell.

Deputy J.G. Reed:

So they can request initially to your department then?

The Minister for Social Security:

Yes.

Deputy J.G. Reed:

Then you would have discussions with Health or Education, is that how it works or...

The Minister for Social Security:

I do not get involved in the funding at all.

Assistant Minister for Social Security:

That is Richard.

The Minister for Social Security:

So it would be Richard who would do their funding.

Chief Officer:

In terms of funding through J.E.T., there is the long-standing grant to J.E.T., which off the top of my head is about £1 million, on top of which there is funding for what is called, shorthand, vocational strategy, which has a longer title, which I cannot remember - you may remember from your days - voted about 4 years ago by the States. That comes through the department. In terms of both grants, they are currently undergoing a review in terms of whether they deliver against objectives and whether or not different things could be done.

Deputy J.G. Reed:

Who is undertaking this review?

Chief Officer:

It is being done jointly with J.E.T., but informed going forward through the department, so the department granted the organisation, so there are S.L.A.s (service level agreements) in place with J.E.T. I would say personally that I regard J.E.T. as the important part of Back to Work. I do not see it as Back to Work is one pot and J.E.T. is another pot. When you talk about: "What does the department do through the States?" it provides considerable funding to J.E.T. to deliver those objectives.

Deputy J.G. Reed:

Alongside J.E.T. there was another activity or group that were supported directly from your department. Was it Workwise or...

Chief Officer:

That is Workwise, yes.

Deputy J.G. Reed:

Is that still in existence?

Chief Officer:

Yes, Workwise is in existence.

Deputy J.G. Reed:

How many clients do they cater for currently?

Chief Officer:

Have you got those numbers, Ian?

Operations Director:

It is around 160 at any one time, but obviously there are a full range of different barriers.

Deputy J.G. Reed:

An easier question maybe for you to answer - or a fairer question, should I say, for you to answer - have you seen an increase in demand with regard to access to Workwise?

The Minister for Social Security:

Do not forget we have expanded Workwise, because Workwise covers people who have the greatest difficulty to return to work, whether that is through some illness or disability, but also ex-offenders, perhaps parents returning to work, mothers in the main, who have been out of the workplace for a long time need extra help, extra training to get back to the workplace. So Workwise delivers that function, helps with training, and last year they got 181 people into work.

Deputy J.G. Reed:

When did you increase the remit of Workwise?

The Minister for Social Security:

I think it has always had that remit. It is just that we have put more resources into, because clearly during the process of assisting people to find work through Work Zone or whatever, some people are identified as having... as I said, are furthest away from finding work because of certain issues. It could be drug or alcohol issues as well. Therefore they are referred to Workwise to have more one-to-one work with a job coach and appropriate training or help provided.

[13:30]

Deputy J.G. Reed:

Finally, the last question around Workwise, how do you measure the success of that particular initiative?

The Minister for Social Security:

As I said, the year just gone, it got 181 people into work, and the year before, 113, so that is a pretty good success rate. It has almost doubled it.

Deputy J.G. Reed:

Out of a number of...

The Minister for Social Security:

I do not know how many actual people they helped, but clearly we have put more resources in there, therefore more referrals are made and more one-to-one assistance is being provided.

Deputy J.G. Reed:

Is everybody that requires assistance being provided with it, or are you limiting the amount of individuals because of the resources available?

The Minister for Social Security:

A Workwise employee, shall we say, or coach can only take on so many people. They have a number of people they have responsibility for. Obviously as they get them into work, they can accept more people into the scheme, if you like, for help. Ian, do you want to say any more?

Operations Director:

Probably in a broader sense, at any point last year we had roughly 1,800 or so people who were unemployed, but throughout the year, 5,000 people were registered at some point, so there is a flow of people in and out the registered unemployed group. Likewise, within our schemes, we support people as we help people find work and then we have new people coming in who may need the same service or a different service and we create something else, so it is a flow of people. We focus our support on the people who need the most help, the long-term unemployed, people with barriers, the young and so on, and that is who we focus our efforts on helping, and so we are resourced to match the needs we identify. In terms of the underlying question about Workwise, Workwise is resourced currently to match the needs of the jobseekers, and likewise the Long-Term Unemployment Unit was created to match the need there of the current groups of long-term unemployed, which thankfully is coming down.

Deputy J.G. Reed:

So you are saying you can meet the current need; there will be no individuals on the Island that are waiting to access the service because of the limited resources that are available?

The Minister for Social Security:

We need to make it clear that the Back to Work schemes that we run are for people who have been here for 5 years or more. They have to be entitled to work or entitled, so there may well be people who have been here less than 5 years who would like to avail themselves of some of these schemes, but they are not eligible. The funding that was received through the Medium-Term Financial Plan to put more resources into Back to Work were targeted at those with 5 years or more residence.

Deputy J.G. Reed:

If an individual, for argument's sake, comes out of prison and requires some assistance, they would automatically get it, they would not have to wait?

The Minister for Social Security:

It depends how long they have been in the Island.

Deputy J.G. Reed:

Well, given that they had been here for 5 years or more, just stick at 5 years or more.

The Minister for Social Security:

If they had only done a 6-month sentence and they had only been here 6 months before, I do not think we would be giving them a lot of assistance, quite honestly.

Deputy J.G. Reed:

But 5 years or more, just to be clear?

The Minister for Social Security:

Yes. The clock stops when you serve a prison sentence as far as residence is concerned, so if they have done significant residence before, then they would be eligible for Back to Work or whatever.

Deputy J.G. Reed:

Thank you.

Deputy J.A. Hilton:

Can I ask you a question around income support sanctions? It was debated in the last quarter of 2014. What effect has it had on people leaving work within 6 weeks or not turning up for their appointments and everything else? Has it been successful in the department?

The Minister for Social Security:

The feedback from officers is it has been a deterrent and that people are more aware of the likely sanctions that would come into force quicker than under the previous regime. The number of warning letters we have issued has fallen against the old system, but of course we used to do repeated warning letters. As far as people who give up work without just cause, which was the other aspect, there has been 45 people so far who have been sanctioned, if you like, for giving up work without just cause.

Deputy J.A. Hilton:

So when they give up work without just cause, you need to remind me here, they cannot claim low-income support for 6 weeks?

The Minister for Social Security:

It is for 13 weeks.

Deputy J.A. Hilton:

It is 13 weeks?

The Minister for Social Security:

Yes.

Operations Director:

Sorry, the adult component, so it is...

The Minister for Social Security:

The adult component, yes.

Deputy J.A. Hilton:

Just the adult component?

The Minister for Social Security:

Yes, the adult component of it.

Deputy J.A. Hilton:

Okay. Have you had many individuals who have been basically cut off the benefit because they have failed to turn up for appointments beforehand?

The Minister for Social Security:

Yes. I cannot remember the figure. Ian, can you provide me...

Operations Director:

So far we have had 12 people who have their entire claims closed. That is a lower run-rate than previously. Under the old sanctions, it was roughly about 9 a month, and so far we are running at about 4 a month, but it is very early days at the moment in terms of understanding if that level will be reflective of the new sanctions as yet. So it is small numbers of people.

Deputy J.A. Hilton:

So as far as the department is concerned, it has had a beneficial effect and you have achieved what you set out to achieve?

The Minister for Social Security:

Yes, yes. As Ian has quite correctly said, we have only got 3 or 4 months of data, but the important thing is that the warning letter, as you know, stays in force for one year, so the reaction to failing to do jobseeking activity is much quicker and the penalty regime kicks in quicker. That is a deterrent in itself, that the people are aware of that, they have their warning letter and they are aware that they would lose the adult component fairly quickly under the new system.

Deputy J.A. Hilton:

I just wanted to ask you another question around low-income support. We are all aware that you have to have lived in the Island for 5 years before you can claim low-income support. Are there any circumstances where somebody who has lived here for less than 5 years can bring a disabled family member into the Island and then claim a carer's allowance for that child?

The Minister for Social Security:

I will have to have a think on that question.

Policy and Strategy Director, Social Security:

H.C.A. (Home Carer's Allowance). It is not low-income support.

The Minister for Social Security:

No.

Policy and Strategy Director, Social Security:

The Home Carer's Allowance is a contributory benefit, so you have to have a contribution record, that the carer has to have a contribution record. The person being cared for must have been resident in Jersey for 12 months before they can be the person who can be cared for under H.C.A. carer.

Deputy J.A. Hilton:

The person who is caring has to have a contribution record of...

Policy and Strategy Director, Social Security:

They have to have 6 months of contributions at some point paid. That is the test of 2. That is the kind of general one that people have to have to get any money out of the Social Security system, then they have to have been paying in the quarter before they start doing the caring.

Deputy J.A. Hilton:

So could an individual claim the maximum amount as a carer if they were working fulltime also?

Policy and Strategy Director, Social Security:

No, they cannot. No, they have to be... it is basically an income replacement benefit, so it is the benefit is only paid to people who give us... it has now been put it into the contributory system to make it more clear that it is about giving up work to become a carer. The rate that is paid is the standard rate, which is the same for people who get a sickness benefit or similar to the pension benefit. You can work... I cannot remember the exact amounts of money, but it is about £120 a week, and the idea behind that is you can earn up to £120 a week, because it is good for people to be able to get out, so we know that people do a shift in their old occupation, for example, once a week or they work a couple of afternoons a week or something like that. So it is allowing people to keep that contact with the rest of the world, as it were, and still claim the full amount of benefit, but there is a limit to that, because if you are earning more than that, you do not need the income replacement, because you have not lost so much income.

Deputy J.A. Hilton:

Okay, thank you. At the start of the meeting, we asked what your priorities were for this year and you mentioned family-friendly policies which you hoped to lodge in May and also the knock-on effect for Maternity Allowance Benefit. Can you just give us a little bit of information behind the family-friendly policies?

The Minister for Social Security:

Yes. The consultation through the Employment Forum took place in 2007 through a *White Paper* and the forum made recommendations to the then Minister for Social Security to introduce family-friendly legislation in 2 phases. The first phase was to introduce maternity leave, statutory maternity leave, if you like, by virtue of 2 weeks paid and 6 weeks unpaid, and if you had been employed for more than 15 months, a further 10 weeks unpaid; 2 weeks unpaid paternity leave and also time off for attending prenatal clinics. The other aspect that was in the second phase, which the previous Minister decided would be introduced in the first stage, if that makes sense, was to do with the right to return to work, which was quite important. After a period of maternity leave, that person should have the right to return to the same job, unless there had been a redundancy, of course, and they had been included in the redundancy process. So we will be using that basis for our proposal. Law drafting instructions were issued some years ago and a first draft was produced, but then the department's priority became to introduce redundancy legislation and then there was the discrimination law, both of which have been delivered, so the law draftsman is now working on a second version of the appropriate changes to the employment law. We hope to share that with you as soon as we have a version that we are reasonably happy with and the target is to lodge that in May for debate in July.

Deputy J.A. Hilton:

So you are on target, it is presently on time for May?

The Minister for Social Security:

Unless we get derailed in any shape or form, that is the plan. Coupled with that, there will be the need to look at sex discrimination legislation, including pregnancy, and that is going to be the subject of a *White Paper* consultation, because it has not been consulted on. We expect to release that on 17th March with, I think it is, the end of May to receive responses from interested parties. Based on that, we would then start law drafting in the third quarter of this year for debate perhaps when the new Assembly gets together in January/February. The point with the sex discrimination legislation, it will be by regulation, in other words, a new schedule to the discrimination law, so it does not have to go to the Privy Council, but the intent would be that assuming we are going to have family-friendly primary legislation changes agreed and approved by Privy Council, the sex discrimination regulations and the primary law changes for family-friendly would come into force 1st September 2015.

Deputy J.A. Hilton:

Right, okay. Thank you very much for that.

Deputy J.G. Reed:

Can I just ask, are you saying that the family-friendly legislation that you are going to be lodging in May is based on views expressed in 2007?

The Minister for Social Security:

That was when the research was done. The Employment Forum issued a paper after doing the research, which again consulted with relevant groups such as the Chamber of Commerce and the unions and things like that. You are correct in saying that there has been no further consultation, but those relatively minimal rights need to be put into place as soon as possible, and because the whole idea was to have a second round, if you like, where we need to consider it. In going into the second phase, we probably will have to consult again, because there is the issue around statutory maternity pay, as opposed to employers reducing the amount that they pay and the period where they have to pay just by the maternity allowance. There is a lot more work to be done on the second phase of family-friendly legislation.

Deputy J.G. Reed:

Are you not concerned that since 2007, the economic climate has significantly changed and indeed we are facing very high - in Jersey terms - unemployment figures?

The Minister for Social Security:

That is exactly why we do not propose to go further than the recommendations made in 2007, because at that time they were accepted as the minimal family-friendly rights that should be put into place really across the board. There was obviously very little dissent on that. If we were to open a new period of consultation, it is quite likely that some people would say we should do nothing. I am not of the view we should do nothing. I think this has been waiting a long, long time. As I said, the first law-drafting instruction was sent out in 2010 and we need to get on with it. We need to have something minimal in place and it will be for future States Assemblies, following further consultation, to bring in the second phase, which will increase the period of unpaid leave and probably increase the period of paid leave as well.

[13:45]

Deputy J.G. Reed:

I do not disagree with that you that the issue needs to be addressed. I am just concerned that you feel it unnecessary to go back to the key stakeholders that were engaged in 2007 to reconfirm, perhaps, their support for the introduction of this new legislation before you bring it to the States for their approval.

The Minister for Social Security:

I think we need to be clear on this. When we get to a stage where we have a piece of law change that we can lodge, which would be, as I said, primary law change, there will be a period of time between lodging and debating where we can receive feedback from particular groups, if they so wish, but we have not changed. What we are saying is if you look at every business plan of the department since the Employment Forum recommendation was accepted by the Minister, it said that this will be delivered by the department in the following year, but for the reasons I have said, redundancy provision, discrimination law - we only have one officer who deals with employment legislation - there has never been any change; that those recommendations have sat on the website as the proposals. We feel confident that we can go ahead with those proposals without going through another *White Paper* or *Green Paper*, which would only delay things. We need to get on, but as I said, when it comes to the second phase, then probably further consultation will need to take place.

Deputy J.G. Reed:

But are you not concerned about the number of small businesses that we know exist on the Island and the impact that this legislation and other legislation that is planned to be introduced - will be introduced - may have upon them?

The Minister for Social Security:

Of course one is concerned, but set against that, is it right in this day and age that women should have no right for employment protection if they become pregnant?

Deputy J.G. Reed:

That is a question...

The Minister for Social Security:

That is the scenario we face at the moment.

Deputy J.G. Reed:

That is a question, I would suggest, that should be confirmed or reconfirmed or reanswered by the individuals who are currently employing people on the Island and undertaking business on the Island, because there could be - and I am not suggesting there will be, but there could be - some negative impact to the introduction of the family-friendly legislation which would be unintended, but would reflect perhaps the current difficult economic climate that we know businesses are trading in.

The Minister for Social Security

What I would say in response to that is I have already set out the timetable, which is for sex discrimination legislation and family-friendly to come into force in September of 2015. That gives employers and J.A.C.S. (Jersey Advisory and Conciliatory Service) time in particular to do training, and we will most certainly provide, as we have done for race discrimination, extra money to J.A.C.S. to do training courses for employers, but J.A.C.S.' report is coming out any day now and I have already had a preview of it. Each report that J.A.C.S. have done over the last few years has repeated the fact of what is a failure of Social Security is to deliver family-friendly legislation, and I am determined - and I am sorry, but I am determined - to deliver it for debate in July.

Deputy J.A. Hilton:

So you should.

The Minister for Social Security:

Thank you.

Deputy J.A. Hilton:

Can I just ask about disability and age discrimination, when you were planning on bringing those attributes to the Assembly, or when you think they might be brought by your...

The Minister for Social Security:

It will certainly be after 2015, because the process would be that the next attribute, as we call it, or characteristic would be age, and that is to tie in with the changes to the retirement age, which is also something that I will need to bring to the States before July. The decision was made by the States to increase the pension age from 2020, but we have not brought the legislation change. That is already drafted and I will be lodging that fairly soon. So there will need to be more consultation, in the same way as we are going to consult on sex discrimination, which includes sexual orientation and transgender. We will need to consult on age and how that affects the workplace in particular and similarly discrimination in respect of disability will be beyond that, another year later.

Deputy J.A. Hilton:

All right, thank you. Can I touch on a subject that we aired at public hearings before about increasing from 5 years to 10 years the ability to claim low-income support? Have there been any more discussions either in the department or with your fellow ministers on whether that is going to happen or not?

The Minister for Social Security:

I think I have answered questions about this before at Scrutiny hearings. My position is that I think 5 years is the right period to qualify for income support or 10 years in the past. The fact is that we had to recently look at finding £3 million of savings which, as you now know, have been delivered through freezing some of the components, but the option was to perhaps move to 6 years instead of 5. That would have saved some money. I repeat my position that 5 years is an appropriate period, which was the old welfare rule as well, parish welfare, but the only thing that might change that is to do with controlling the population. If the Control of Housing and Work (Jersey) Law does not deliver a control on the population in line with the proposal of 150 heads of households, then obviously it may be the policy of the Council of Ministers to review something like the 5-year rule for qualifying for income support.

Deputy J.A. Hilton:

Is it a subject that you have discussed around the table with the Council of Ministers recently?

The Minister for Social Security:

No, we have not, really.

Deputy J.A. Hilton:

You have not?

The Minister for Social Security:

No, it has been floated into the sort of ether that there is a number of, shall we say, benefits, whether it is the hospital or whatever, which could be looked at in relation to deterring people from staying here permanently, but nothing further has been done on that.

Deputy J.A. Hilton:

Just before we leave the subject of savings, are you tasked with making any additional savings for 2015?

The Minister for Social Security:

No.

Deputy J.A. Hilton:

Thank you.

Deputy J.G. Reed:

We would just like to look at another commitment that was given to the States by yourself and indeed the Council of Ministers, which was to deliver a sustainable funding mechanism for a new model of primary care. We would like to know where you are with that particular piece of work.

The Minister for Social Security:

Yes. The Minister for Treasury and Resources was questioned on this during Questions Without Notice at the last States sitting, and he is quoted as saying that he recognises in drawing together the new Medium-Term Financial Plan going forward from 2016 that there will be new demands, such as the extra cost of Health and the new services provided by Health, whether it is primary healthcare or whatever. That would have to be delivered either through new taxes or savings and he indicated that savings was his preferred method of raising extra money or having the extra money, not raising it. £50 million to £75 million is the band in which he said he would be looking for savings, so one assumes therefore that if that is the direction of travel that the sustainable funding mechanism will not be new taxation, but savings in other departments.

Deputy J.G. Reed:

But that is not the message that the States were given when we debated the Health *White Paper*.

The Minister for Social Security:

Correct.

Deputy J.G. Reed:

What has changed?

The Minister for Social Security:

The sustainable funding mechanism is the responsibility of the Minister for Treasury and Resources, not myself. Clearly he sat down with his team and they take the view that growth in the Health budget has to be funded from savings.

Deputy J.G. Reed:

But is it not the case that you are responsible for the Health Insurance Fund, which funds primary care?

The Minister for Social Security:

That is a bit of a misnomer. We pay a benefit which G.P.s (general practitioners) assign to themselves and we pay the G.P. but the benefit goes to the individual who has the consultation.

Deputy J.G. Reed:

But, Minister, you have also supported the use of funds out of that pot to go to provide for primary care within the Health Department.

The Minister for Social Security:

Yes.

Deputy J.G. Reed:

So to say that: "Oh well, it is just limited to benefits" is not true, is it?

The Minister for Social Security:

That was a decision of the States, it was approved by the States that there would be...

Deputy J.G. Reed:

As proposed by yourself.

The Minister for Social Security:

I have made a proposal and it has been approved, unanimously, I think, apart from one or 2 exceptions. No, it was not unanimous. No, you are right. Yes, the States has moved money out of the Health Insurance Fund to assist the Health Department with funding pressure, because the main use of the money was to fund the S.L.A. with family nursing and healthcare, which was about £5 million, I think.

Deputy J.G. Reed:

Basically what you are saying is that the message is that although the States and the public have been promised an improved health service, we are now being told: "The reality is that, yes, you can have it, but you have to pay" and that the payment is that taxes will go up. Is that the message that now is being...

The Minister for Social Security:

No, that is not the message. The message from the Minister for Treasury and Resources, which I am only quoting what he has said, was that there will be pressures in the next Medium-Term Financial Plan, including more money for Health and his preferred option is to make savings in other departments.

Deputy J.G. Reed:

But the Minister for Treasury does not, to my view, run the Island and we have a Council of Ministers. What is the Council of Ministers' view on the particular position that the Minister for Treasury seems to have taken?

The Minister for Social Security:

His work with officers on the next Medium-Term Financial Plan, which is the crucial one, obviously, has not been brought to Council of Ministers yet for discussion.

Deputy J.G. Reed:

So to suggest that the sustainable funding mechanism's delivery of this primary care funding cannot happen by September 2014, as promised, and commitments were given by the Council of Ministers, is because all of a sudden there is this concern over how it will be funded seems to be different from the position that the Council of Ministers have taken, when we have not even discussed the alternative funding mechanisms that the Minister for Treasury has come up with.

The Minister for Social Security:

Let me be clear, when I said that there will be growth in Health budgets in the next Medium-Term Financial Plan, it is not just to deliver an improved primary healthcare product, it is also about new services at the hospital and other new services that will be put out into the community et cetera, funded through S.L.A.s or whatever. So it is about the growth in the budget and therefore, as I said, I can only say that the responsibility for the sustainable funding of Health going forward has to be found through the Treasury and this is how the Minister for Treasury is indicating how he proposes to deal with it.

Deputy J.G. Reed:

So no discussion has taken place between yourself and the Minister for Treasury and the Council of Ministers about utilising the Health Insurance Fund, which has already been used to help fund primary care?

The Minister for Social Security:

I am sure that the Health Insurance Fund will continue to deliver services and rebates and all the drugs list et cetera, but in its own right, that fund is subject to Government Actuary review at the moment, which we are waiting to receive back, so we will know whether the level of contributions into that fund need to be increased going forward, given the current demands on it. As you probably know, the drugs list and the cost of drugs - and new drugs are being found all the time - some drugs are very expensive and we continually get asked by the hospital or the group who make recommendations to myself for adding new drugs. Some of them are very expensive and

that is a major cost to the fund, so the fund at the moment stands, as it always has done, to provide medical benefits and the drugs that people need. If there are further demands going forward, we have not had those discussions yet.

Deputy J.G. Reed:

But I thought that the States agreed changes to the use of the fund so that it allowed you to provide additional funds to Health to help fund primary care. Am I not correct?

The Minister for Social Security:

We have agreed 3 amounts. From memory, there is only one more to go of £6 million this year. It was £6.26 million, was it not, the Medium-Term Financial Plan?

Policy and Strategy Director, Social Security:

2 x £6 million

The Minister for Social Security:

Yes, 2 x £6 million, sorry.

Deputy J.G. Reed:

Are you suggesting that then it will revert back to simply helping to fund the matters that were...

The Minister for Social Security:

That would be part of the next Medium-Term Financial Plan discussions, in drawing up the Medium Term Financial Plan, which is what the Minister for Treasury says he and his team are doing, is going forward, deciding how the growth in Health is funded.

[14:00]

Whether he and his team make further requests on the Health Insurance Fund, I do not know, because they have only just started their discussions going forward.

Deputy J.G. Reed:

So the truth is we will not be aware or have a sustainable funding mechanism in place by September 2014?

The Minister for Social Security:

That is only 6 months away, so I think the answer is no.

Deputy J.G. Reed:

Thank you.

Deputy J.A. Hilton:

Just to recap, I think you have said the Minister for Treasury has already made public that he wants to make savings of £50 million to £75 million over the next Medium-Term Financial Plan. He does not want to increase taxes. Being that the top 3 spends in departments are Health, Social Security and...

Deputy J.G. Reed:

Education.

Deputy J.A. Hilton:

...Education, are we to take it that that means that those departments are going to be subject to some pretty stringent cuts?

The Minister for Social Security:

As you know, all those departments were subject to C.S.R. (Comprehensive Spending Review) going backwards. I was not part of the C.S.R. myself. The Health Department were not required to really deliver any savings of any significant value. Education had been struggling to deliver, but we have delivered and so therefore I guess we will be asked to put a sizeable contribution into that savings pot.

Deputy J.A. Hilton:

Thank you. Thank you for coming this afternoon and I am going to close the meeting at this point.

Deputy J.G. Reed:

Thank you.

[14:01]