

STATES OF JERSEY

Health and Social Security Scrutiny Panel Living on Low Income

THURSDAY, 5th MAY 2016

Panel:

Deputy R.J. Renouf of St. Ouen (Chairman)

Deputy G.P. Southern of St. Helier

Deputy T.A. McDonald of St. Saviour

Deputy J.A. Hilton of St. Helier

Deputy M. Tadier of St. Brelade

Witnesses:

The Minister for Social Security

Director, Policy and Strategy

Chief Officer

Operations Director

Also present:

Panel Adviser

[10:02]

Deputy R.J. Renouf of St. Ouen (Chairman):

Right, Minister. Thank you for coming along with your team. As you know, this is a public hearing and so we are being recorded. So for that purpose we usually introduce ourselves, so if I may do so, Minister, and then ask members of the panel to introduce themselves, and then if I could hand over to you and you introduce yourself and your team. So I am Deputy Richard Renouf, and I am Chairman of the Health and Social Security Scrutiny Panel.

Deputy J.A. Hilton of St. Helier:

I am Deputy Jackie Hilton, panel member.

Deputy M. Tadier of St. Brelade:

I am Deputy Montfort Tadier. I am a member of the sub-panel that is looking into low income.

Deputy T.A. McDonald of St. Saviour:

I am Deputy Terry McDonald, member of the panel.

The Deputy of St. Ouen:

Could I just say that we are expecting Deputy Southern but he has been unavoidably delayed but he will be popping in soon? I would also like to introduce you to Susan Harkness, who is our adviser on this topic. Minister?

The Minister for Social Security:

I am Deputy Susie Pinel, Minister for Social Security.

Director, Policy and Strategy:

Sue Duhamel, Policy Director.

Chief Officer:

Good morning. Ian Burns, Chief Officer.

Operations Director:

Good morning. Steve Jackson, Operations Director.

The Deputy of St. Ouen:

Okay. Thank you very much.

The Minister for Social Security:

Mr. Chairman, may I please apologise for the absence of my Assistant Minister, Deputy Graham Truscott, who has got a family funeral to attend?

The Deputy of St. Ouen:

I quite understand. Thank you for that. Minister, we have asked you along as part of our review of Living on a Low Income in Jersey and we would like to start with the Strategic Plan, and we have

noted that one of the Strategic Plan goals is to safeguard the most vulnerable in our community. Do you support that goal?

The Minister for Social Security:

The Strategic Plan as set out by the Council of Ministers, there are 4 pillars of that, which is to invest in health and education, the future of St. Helier and economic growth, so those are the 4 pillars of that particular Strategic Plan. In order to achieve those aims we have had to make significant changes across all departments in the amount of expenditure that we use, which as you will be well aware we have had to do in Social Security, which is all public knowledge. Other departments are doing the same. We as a department are there to protect the vulnerable in our society and we certainly do that, I feel.

The Deputy of St. Ouen:

You would support safeguarding the vulnerable in our community? Is that part of your remit?

The Minister for Social Security:

That is the whole part of the Social Security remit. That is what income support is being designed for, to protect those who for whatever reason, be it low income at the time, bearing in mind that it is very transitional, people do find work and increasingly so at the moment. One of the aims of the Social Security Department is financial independence, which we promote hugely with our Back to Work team and the support that the members of that team give the people actively seeking work. There are also other areas of disability, housing costs, adult components that we support hugely throughout the whole income support system.

The Deputy of St. Ouen:

Yes. Minister, I recall that within the same sentence that talks about promoting financial independence it also speaks about safeguarding the vulnerable. Would you accept that there are people in our community who are unable to work for long periods or perhaps for the remainder of their life, through illness or chronic conditions or people who are past working age, perhaps? Do you accept that they need as much attention from your department as those who are merely transitioning from one job to another?

The Minister for Social Security:

Of course they do, and that is why we have the different components of income support, the Long-Term Incapacity Allowance, the Short-Term Incapacity Allowance, the Personal Care Levels of 1, 2 and 3. There are a myriad of ways in which we support people with "vulnerable" as an overall heading, but with disabilities or for a particular reason cannot work or are in a transition stage where they have been made redundant, through no fault of their own, in which case we will be supportive

until such time as they find a job, and not just financially. There is a lot of mentoring and support work that goes on with the Back to Work team and it is very much tailor-made now, and is a huge improvement on when it first started. We have worked very hard on mentoring these people individually, so tailor-making a system for the individuals to find them in their particular circumstances back into work that will suit them hour-wise, if it is a parent returning for instance, or with a disability that will allow them to work for the hours that are pertinent to them.

The Deputy of St. Ouen:

As a whole how well do you believe the system delivers the right level of support to the right groups of people?

The Minister for Social Security:

As a whole I think it delivers very well. As you and the panel will be aware, we have started a review of the whole social security fund¹, so it will be easier to see if anything is falling through the cracks, which I am not aware at the moment but if it is then that will become apparent when we review the whole system as a package, bearing in mind it was introduced in 2008.

Deputy G.P. Southern of St. Helier:

Could you describe that review?

The Minister for Social Security:

Sorry?

Deputy G.P. Southern:

The review of the whole income support system.

The Minister for Social Security:

The Social Security?

Deputy G.P. Southern:

Social Security, to what extent will that concentrate on income support, the fundamental safety net for our people?

The Minister for Social Security:

I will hand over to Sue, but the larger part of it, I am not saying all of it, is to ascertain the sustainability of the fund and look at the contribution side of it, as much as anything else.

¹ Note: This does not include income support which is a tax funded benefit.

Deputy G.P. Southern:

So it is about contributions, it is not necessarily about how effective income support is?

The Minister for Social Security:

Not entirely, but this is how we ...

Deputy G.P. Southern:

Do you know, for example, have you done any work, on whether there is any serious under-claiming in the elderly, for example? Do you know that you are getting the right support to the right people? Has any research been done on that?

The Minister for Social Security:

I think it is a question for Steve, really.

Operations Director:

As far as research for the elderly ...

The Minister for Social Security:

Okay.

Deputy G.P. Southern:

Has it been done? Has any research been done about the possibility of under-claiming, not otherwise?

The Minister for Social Security:

We have not done any specific research on under-claiming.

Deputy G.P. Southern:

Thank you.

The Minister for Social Security:

I would say that the existing income support system in itself gives a very clear message to Jersey people as to how to get help if you are vulnerable. We have moved from a series of 14 separate benefits to a single system from a single office. Income support is well understood by the general population.

Deputy G.P. Southern:

How effective have you been in communicating what Income Support can and cannot do, say, for example, to G.P.s (General Practitioners) because we met the G.P.'s representative yesterday. He said it is very opaque to him.

Director, Policy and Strategy:

In terms of claimants, as opposed to G.P.s, all pensioners in Jersey who get a Jersey old age pension, which is basically 99 per cent of elderly people living in Jersey, get a letter every year, so they get their own pension rate and in October that goes up, they get a letter every year, and in that letter every year they get a leaflet that says: "You can get income support, you can get a cold weather bonus, you can get a food cost bonus" so all these things are referred to people every year. There is a letter addressed to them, which I think is not a throwaway, because it has got your pension rate on it and you are going to read it and that leaflet is there every year reminding people what they can get. So even if they thought they did not need it a couple of years ago they get the same letter the following year and they can come in and ...

Operations Director:

Just to add to that, the leaflet that goes out every year does give the detail around the benefit system and what they can apply for, but when people come into our pensions arm, for example, as well we are having conversations. It is not just about keeping income support separate. We are having a conversation within the department to make sure that people who are visiting the pensions arm understand what they are eligible for. So we are cross-training people within the department to make sure they get the right level of support and we are physically making sure they get the right level of support they need.

Deputy M. Tadier of St. Brelade:

You have put very good posters up, not just at Social Security but I think scattered around the Island warning about benefit thieves and how to report them, but do you think it would be helpful to have a poster saying maybe you are entitled to something and you are not claiming? So pick up the phone, there is a hotline to see if you can qualify today.

Operations Director:

It is a suggestion we could look into. Our website does indicate there are ways to apply and what you are eligible for, but we do send communication out there every single year, as Sue has already identified. We are actively making sure when people visit the pensions arm we are getting that message across, but we can look at other avenues to try to get messages across in Parish Halls and things like that, things that we have discussed previously.

Director, Policy and Strategy:

Something that we have done just the last month was to run a community half-day training session with a whole range of people who work in the community, so Citizens Advice Bureau, social workers, charities, things like that, so giving people detailed information about income support. At the end of the day it is how you are going to help, is it not, so making sure all the advisers, all the charity workers, have got good up-to-date information about income support is a really good tool to make sure that people who might need help are getting the right kind of information to make sure they get the help. So people may not read letters or look at posters but having a friend or someone they trust say to them: "Do you realise about income support? You can get it" so we are trying to make much stronger connections with the community so community support is understanding the customer much better and it is coming back that way. The food banks we have been working with the Salvation Army, all sorts of different types of organisations.

Deputy G.P. Southern:

Yet once again in the last 10 days we have heard from support workers helping people with brain injuries, helping young people, say they find it very difficult to get their support workers in with an appointment to talk to somebody at a particular time. It is very hard to access the officers in the department and why, in particular, can we ...

Director, Policy and Strategy:

We have just increased the numbers ...

Deputy G.P. Southern:

... can they not see somebody who is aware of the sort of work that they are doing, a named person?

Operations Director:

Sorry, the session Sue has just referred to we did on 14th April this year. There were about 60 attendees for that session and that was a whole range of people, from Citizens Advice, social workers, health and social services. They were all there to understand about income support and the mechanics of how it works and how we support people. I would say that message has been delivered to the right people to understand how people can apply, so it is good support and awareness that we are trying to promote outside of the department.

Deputy G.P. Southern:

Can you pass us the list of attendees or put it in writing?

Operations Director:

Absolutely. We have got the full list of attendees.

Chief Officer:

We also brief new States Members on the income support as well to make sure they are fully aware of the system and how it works for their parishioners.

Deputy J.A. Hilton:

Would you support the idea of having a dedicated Social Security officer for some of these charitable institutions who are dealing with people on a daily basis?

Operations Director:

We do.

Deputy J.A. Hilton:

You do? So you are saying you do that?

[10:15]

Operations Director:

We have officers that Income Support might, for example, have regular meetings with charitable organisations and such. That is ongoing. We have regular dialogue.

Deputy J.A. Hilton:

But say, for instance, if one of the homeless shelters picked up the phone and asked to speak to somebody they have got a point of contact they can get to all of the time?

Operations Director:

Yes, absolutely.

Deputy J.A. Hilton:

They have got named individuals?

Operations Director:

The Income Support Manager has openly at this session on 14th April given her contact details and said: "I am here to help. If you do need to contact anyone, come direct to me and I can allocate the correct resources."

Deputy G.P. Southern:

Yet we have heard from 2 groups in particular who say it is very difficult, unless they go up the chain then they can book an appointment. It should be automatic.

Operations Director:

What I will say, as the former Income Support Manager, I did the same thing. I visited the shelters and charitable organisations, gave them my email, gave them my phone number and said: "I am available. Please email me, please contact me" and we have replicated that with the new Income Support Manager. So that contact is available for them, should they need it.

Deputy G.P. Southern:

Our evidence is different, then.

Deputy M. Tadier:

Can we just go back maybe on to the question about the most vulnerable in our community? It seems to me that first of all do you accept that the most vulnerable in our community will correlate with those who are on income support, that they are the constituency, if you like, that are among the most vulnerable in our society?

The Minister for Social Security:

It depends how one defines vulnerability. Financially vulnerable, yes, but then that is what income support is there to cater for, but people can be financially very secure but very vulnerable because of a disability, be it mental or physical.

Deputy M. Tadier:

I accept that. I appreciate that, but in the context of the low income review, so we are looking at financial vulnerability. Do you accept that there is a tension between your job as the Minister for Social Security trying to look after that group of people who are the most vulnerable financially and not just financially but at the same time putting £10 million of cuts through over a period of 3 years also, which is going to necessarily have a detrimental effect on those vulnerable people?

The Minister for Social Security:

The difficulty is that each department has been asked by the Council of Ministers to make changes to their departmental expenditure to deal with this projected deficit of £145 million by 2019, so we are looking at a 4-year period. We looked across the benefit system, which had not been addressed since it took over from the welfare scheme in 2008, and at that stage in 2008 bearing in mind of course that is when the law came in the preceding 2 years was when the changes from the welfare system into income support were being looked at. During that time there was certainly a very significant amount of money around, so the benefits as they were brought into place at that time were very generous. They have now been looked at again over a period of a few years and have been looked at across the whole lot of all the benefits, and the ones that we have chosen to change

are the ones that we felt were not within tune of the Social Security Department, which is fair and targeted.

Deputy M. Tadier:

Can we stop you there? Which benefits in particular do you think were too generous?

The Minister for Social Security:

I did not say too generous. I just said at the time they were quite generous.

Deputy M. Tadier:

Okay. We will hold that thought because I do not know if we want to move on to that question now.

Deputy G.P. Southern:

Can I move on there? So what research did you do prior to the M.T.F.P. (Medium Term Financial Plan) debate to assess the impact of those proposed cuts in Income Support? What research did you do?

The Minister for Social Security:

The changes that we made were ...

Deputy G.P. Southern:

They were cuts.

The Minister for Social Security:

They were changes in a lot of cases inasmuch as if you were reducing gradually over a period of 4 years the lone parent one, which I know you ask about consistently, it was a change inasmuch as the maintenance disregard increased hugely from what was originally 10 per cent then up to 23 per cent. The disregard on earnings has increased from 6% to 23%.

Deputy G.P. Southern:

And it is very difficult to access ...

The Minister for Social Security:

So that is a change, it is not?

Deputy G.P. Southern:

Let us stay on the research. What research did you do on the impact on those groups that had cuts?

The Minister for Social Security:

The research that we did was internal, because it is not the sort of situation where you can go out to consultation and say: "Well, yes or no answer, do you approve of the cut in the benefit that you are receiving?" Well, you know what the answer is going to be, so it was internally dealt with, with all the numbers that we have, the officers that we have ...

Deputy G.P. Southern:

The difference between calculations and research, I know calculations were done and what that would mean in terms of an individual, but did you do any research about what it means in terms of their disposable income? If you take £40 a week off people, which is what you intend to do with single parents, then that is going to have a significant effect. What research did you have to assess how these single parent families were coping?

The Minister for Social Security:

What we were trying to do was to establish as I keep on saying all the way through that the system is fair and targeted, and there was absolutely no reason or indication that it would cost a lone parent £40 a week more to live than it would a couple.

Deputy G.P. Southern:

You checked that by doing some research, did you?

The Minister for Social Security:

That was all internal research in consultation ...

Deputy G.P. Southern:

Did you do any sole, single parent assessment of what their expenditure was compared to a couple?

The Minister for Social Security:

We are still awaiting of course the expenditure survey.

Deputy G.P. Southern:

But you did not do any, and yet you went ahead with these cuts?

The Minister for Social Security:

We did internal work on the numbers ...

Deputy G.P. Southern:

Internal calculations but not research in terms of the impact on people's disposable income?

The Minister for Social Security:

Well, that is research. Do you want to add anything?

Deputy G.P. Southern:

It is not research.

Director, Policy and Strategy:

I think it is difficult to imagine what kind of research would have given us meaningful results in a timescale of the M.T.F.P. and given the range of households that Income Support supports. The work that we did was very careful, very detailed, and it looks at the way in which households are made up and it identified the differences between the support available to a lone parent household and a couple household, and identified the fact that there was a £40 additional component to the lone parent household, which did not match with the amount of money going to a couple.

Deputy M. Tadier:

Can we just put this in context? When Geoff is talking about research, we see it in the context that we already had the 2009/10 Income Distribution Survey, which we will talk about shortly. Those figures show that already with the figures you are dealing with, and remember this was with the 2014/15 Income Distribution Survey about to come out and which some of us asked you to wait for before you made the changes, they already showed up those groups including single parents were the ones that were most susceptible in Jersey society to relative poverty and nothing has changed since then. So we are particularly concerned that decisions were made affecting these types of groups of people who were already vulnerable, making them more vulnerable, taking money out of their pocket and ostensibly not doing seemingly what the Strategic Plan would ask you do as the Minister to keep the most vulnerable in our society protected. Can you comment on that?

The Minister for Social Security:

The percentages have changed between the 2009/10 and the 2014/15 inasmuch as after housing costs then there is a difference in the negative, but before housing costs then the percentage of lone parents who are worse off has changed.

Deputy G.P. Southern:

Before housing costs, if you do not mind me saying, is irrelevant in that housing costs are into the household and out again. You have to pay your rent. Disposable income, how much people feel that they can spend, is after housing costs, and it is after housing costs, as you should be aware because you have done research, you say, that is the key market, is it not?

Director, Policy and Strategy:

Can I suggest that we are perhaps muddling up cause and effect? It is absolutely right that lone parents were always identified as one of the most vulnerable groups in the Income Distribution Survey. That is because you are comparing them with groups that have 2 adults in a household. The thing about lone parents is it tends to be a short-term situation, and therefore people move in and out of being a lone parent.

Deputy J.A. Hilton:

Can you just explain what you mean by they move in and out of being a lone parent?

Director, Policy and Strategy:

So in terms of income support we have done lots and lots of detailed analysis of our own claims. Half of single parent income support claims where there is an income support claim with a single parent on the claim, last less than 20 months. So that is half of them last less than well under 2 years. One-third of them last less than a year, so people are becoming single parents and then moving back into a relationship, or things change.

Deputy G.P. Southern:

Or finding work.

Director, Policy and Strategy:

Or they are moving out of income support by finding work, yes. So that level of vulnerability I accept you cannot avoid it, because at the end of the day you have got one adult looking after a household with children in it, compared to 2 other adults looking after a house with children in it, but they do not stay in that situation very long. So therefore it is right that income support provides a good basic level of support which has now been brought more in line with a couple, but there is little evidence on the other hand to support the idea that you need to give them more money in that short-term, because they are not in that situation for very long.

Deputy J.A. Hilton:

What about the percentage that are in that situation for longer, you know, that are not the half or the third? What happens to those families?

Director, Policy and Strategy:

That is where the other half of the department comes into play, where there is much more emphasis on Back to Work now, much more support for parents with children, better support for child care costs, so half the income support, half the lone parents on income support are getting maintenance.

Yes, not everybody gets it but half of them do get it. So we are talking percentages rather than individual people and that is what our research is. Researching a small number of individual lone parents and looking at their particular household budgets would not really inform the wider debate. You have got to look at the calculations as a whole and you have also got to think about the reasons why we are making the ... what we were asked to look at in the first place, which is to put more money into education and at the end of the day lone parents will want education for their children so their children are not in the same situation they are in themselves.

Deputy G.P. Southern:

Did you look at the 2009/10 Income Distribution Survey to check that what you were doing in terms of reducing people's benefits was not going to cause harm?

The Minister for Social Security:

The whole idea, as I have said repeatedly, is to try to make it more equitable and comparable for a lone parent with a couple, and there is no evidence at all in any of the numbers that we looked at that it would cost £40 a week more for a lone parent, bearing in mind their accommodation is paid for.

Deputy G.P. Southern:

Except that income in a single parent household is likely to be less than where you have 2 parents there, able to work ...

The Minister for Social Security:

Well, certainly equivalent.

Deputy G.P. Southern:

... and certainly one of them to take care of any child care issues, which a single parent does not have. So on 2 levels single parent households are penalised.

The Minister for Social Security:

The only difference in the income support available to a lone parent or a single parent, whichever you want to call it, and a couple, is the one adult component, whereas the couple will have 2 adult components.

Deputy G.P. Southern:

Yes. That is £92 as distinct from £40 extra for a single parent.

The Minister for Social Security:

They will both get a 2-bedroomed accommodation paid for. They will both get the household bills paid for. They will both get the child component, be it one or 2, whatever it required. The only difference would be the couple would have the one adult component extra.

Deputy G.P. Southern:

Okay, so in that scenario you can live off £92 a week less to a single parent.

Director, Policy and Strategy:

Sorry, in fact it is the other way round. Is that you are saying that if you start from the premise that single parent needs £40 extra then what you are saying is that when you move, when you bring your partner into the household, that extra partner only needs £50 a week to live on, which is less than what you pay for child.

Deputy G.P. Southern:

Do you accept that the original lone parent component was extra, because it was intended to get to the children, because at the time, way back, the fear was that children were living in relative low income and that the worst-off children were by and large those people in single-parent households, and so it was an attempt to reduce the level of child poverty in the Island. That was the original intention.

Director, Policy and Strategy:

I do not think that was explicitly our intention at the time. I think the much stronger intention was to make it a very smooth transition from the previous welfare system, and the welfare system did have some extra support for lone parents in it.

Deputy G.P. Southern:

Now that we have seen the new Income Distribution Survey, you must be aware that one in 3 children are back in relative low income. That is before you make any changes to single parents. Are you aware of that?

Director, Policy and Strategy:

Again, it is very difficult when you look at percentages as opposed to the number of people. When you look at the number of lone parents in Jersey and the number of couples with children, I do not have the numbers to hand, but there are many less single parents and many more couples with children.

Deputy G.P. Southern:

Indeed.

Director, Policy and Strategy:

So the number of children living in single-parent households is much less than the number of children living in couple households. So, if we are thinking about children, we need to be thinking about children across the board and not allocating extra resources to the lone-parent children at the expense of the children in the couple households and at the ...

Deputy G.P. Southern:

Not at the expense of anybody.

Director, Policy and Strategy:

... expense of the Education Department, where we are trying to provide growth, so we are trying to ...

Deputy G.P. Southern:

Not at the expense of couple parents.

Director, Policy and Strategy:

But those are the hard choices that officers have to make at the minute, that there is a certain amount of money available ...

[10:30]

Deputy M. Tadier:

Shall we get back on to that issue then, bring it back to it, because it seems to me that these are political decisions obviously rather than necessarily ones that have been based on research. We can talk a bit more about that. Could I ask about what discussion took place at the Council of Ministers specifically with regard to these budget cuts? So, could you tell us, for example, was it the Council of Ministers that came forward and asked you to make the cuts, did you volunteer the cuts, did you put up any resistance to any of the cuts that are being implemented?

The Minister for Social Security:

A very good question. I was asked as Minister for Social Security to come forward with £10 million worth of savings. Social Security is very limited in its options for savings because the staff or administration procedures is about 5 per cent of the budget, so the 95 per cent was benefit expenditure. So that limited us as to what we could do. It was a good exercise in looking at all the benefits across the board, so it was not just a sort of pinning the tail on the donkey whatsoever; all of the benefits that we produce were looked at. We administered the ...

Deputy G.P. Southern:

Can I just stop you there ...

The Deputy of St. Ouen:

Please, no, can we ask the Minister to finish what she said and then we reply?

The Minister for Social Security:

Thank you, Chairman. So that is where the Council of Ministers came in, in asking to produce the budget savings. We had to make those savings and we came up with a myriad of options and then narrowed it down to present to the Council of Ministers those that we felt were acceptable; that were distributed across the board, they did not penalise one particular group at all. Yes, of course, there have been some restrictions and some losses in what we have suggested, but you do not make £10 million worth of savings without doing that, and we felt that the ones that we did make were possibly unfair in the first place and needed to be readdressed, and that was accepted by the Council of Ministers.

Deputy G.P. Southern:

These were tax-funded benefits and not contributory benefits, because a great significant portion of your benefits are contributory, you could not look at those because that does not save you any tax money, does it?

The Minister for Social Security:

No. That is what the Social Security review is ...

Deputy G.P. Southern:

So one result of that is you protected those with a disability. You have, what you have done, is you have left the disability in place, the disability, for example L.T.I.A. (Long Term Incapacity Allowance), in place, but you have removed the disregard for that disability, from the L.T.I.A., and that has reduced the disposable income of people with a disability. So, do you feel that you have succeeded in protecting those with a disability, as you promised to do I think in your manifesto?

The Minister for Social Security:

Again, yes, I did, and, yes, I am very keen to progress the Disability Discrimination Law, as you will be very well aware.

Deputy G.P. Southern:

No, can you answer the question, in terms of L.T.I.A., you removed the disregard on the worst-off, those reliant on income support, causing them to lose 6 per cent, about £12 a week?

The Minister for Social Security:

It is only £12 a week.

Deputy G.P. Southern:

For some.

The Minister for Social Security:

I mean that is a correct sum, but it is only £12 a week on the 100 per cent of L.T.I.A., and that is not the average obviously, there is very few people ...

Deputy G.P. Southern:

Do you feel you have successfully protected those with a disability?

The Minister for Social Security:

I think in the bigger scheme of things, the whole package, the disabled will be far more protected. That is just one particular aspect, which ...

Deputy G.P. Southern:

How will they be protected from having to live off £12 a week, on some cases, unless they ...

The Minister for Social Security:

In very few cases.

Deputy G.P. Southern:

£8 a week on average, I think somewhere around there, worse off than they were, I do not know who is going to protect them from that?

The Minister for Social Security:

The whole, possibly we might be able to elaborate on this, but to see the bigger picture is basically what we are trying to do here.

Director, Policy and Strategy:

We were tasked with a difficult task, which is to find a reduction of £10 million by 2019 in our budget. We wanted to make sure that we understood that it obviously would have impacts on the poorest people because you are absolutely right, we cannot deny the fact that income support is paid to the

poorest people, that is its purpose, yes. But, on the other hand, I was saying the same thing before, other States departments are also making similar hard decisions. To a certain extent, our Social Security decisions were explicit last year, and others will become more clear this year, and you are starting to see things in other departments at the minute. But we were very clear that we wanted to make income support better at the same time as making it a little bit less expensive ...

Deputy G.P. Southern:

In what ways does the removal of that disregard make it better?

Director, Policy and Strategy:

Because, one of the principles of income support is it is quite complicated, there are lots of rules, different things, and the one thing was to just make it very clear that the way in which income came into households was clear and it was always done in a consistent way, and therefore income that was by earnings, people who had pensions, had made provision for a pension, or maintenance, for instance, for a child, would be given a higher disregard of 23 per cent, and then other forms of income would just be taken as pound for pound because those were to do with other kinds of benefits, which you were getting, therefore the idea that you would kind of allow people to have overlapped 2 benefits and get a person the extra from it did not make sense. So you are right again, that does affect people on L.T.I.A., but income support already supports people with disabilities through personal care components, clinical cost components and mobility components.

Deputy G.P. Southern:

Has there been an increase in the number of claims for personal disability components?

Director, Policy and Strategy:

I only have ... we do not have our ...

The Minister for Social Security:

There has been a drop in the number of invalidity claims².

Deputy G.P. Southern:

Because?

Director, Policy and Strategy:

No, not on ...

Deputy G.P. Southern:

² This benefit has been replaced by L.T.I.A.

That cannot happen.

Director, Policy and Strategy:

No, not on L.T.I.A., no.

Deputy G.P. Southern:

That is a permanent, you get it for life³. L.T.I.A. is a compensation for loss of faculty, it is not an income support mechanism, it is a compensation, and yet you are still regarding it as income now and taking away the disregard.

Director, Policy and Strategy:

But it is, like I say, the Minister referred to it before about the social security review, so L.T.I.A. is a social security contributory benefit, it sits slightly uneasily with other working age contributory benefits because it allows you to work and earn at the same time, therefore it's not a compensation of earnings as other ones are, and that is why it is going to be reviewed by ...

Deputy G.P. Southern:

Does that make it better for the recipients, what you have done to it? It is better for you in terms of administrating your award.

Director, Policy and Strategy:

What we are saying is it is more clear now, it is more fair that, within income support, there are clearly defined disability benefits, personal care, mobility and clinical costs, those are being looked at, the costs of it at the minute, there were also some changes to personal care, and those will improve the system for people in that way and in an affordable way. But the muddling up the way in which money comes in, for example, L.T.I.A. is paid after a year, S.T.I.A. (Short Term Incapacity Allowance) is paid up to a year, S.T.I.A. did not get a 6 per cent disregard, L.T.I.A. did. What was the logic of that? It was a complicated rule, which was a bit confusing.

Deputy G.P. Southern:

Because L.T.I.A. is a compensation. That is why.

Director, Policy and Strategy:

But S.T.I.A. is a compensation.

Deputy J.A. Hilton:

³ Note from Social Security: LTIA awards are not made for life. They are subject to regular review (depending on the type of condition) and awards can close or change over time.

Can I just ask the Minister a question around the last question, about the proposals that were taken forward to the Council of Ministers? Did you personally, at any time, suggest to the Council of Ministers that, because the cuts would affect the most vulnerable people in our society, that the cuts should happen elsewhere? Did you try and ...

The Minister for Social Security:

Absolutely, and I was trying to answer Deputy Tadier's question of the similar vein. The initial procedure was that every department would come through with their proposals at the same time, because the whole £145 million predicted forecast deficit by 2019, so for 4 years, is a Government problem; it is not just one department. As I said, we had to make ours in benefit changes because we had no option. Other departments have to come in; the Department of Infrastructure will probably have to introduce a waste charge, there is talk of a health charge because of the ageing demographic, we have to address that. So all these things were supposed to come together as one picture and it did not quite work like that, so it meant that Social Security rather stood out as making these benefit changes and being the big baddy when in fact it was all part of the bigger picture and I think the answers are ...

The Deputy of St. Ouen:

But Deputy Hilton's question was: did you argue that those changes should not be made?

The Minister for Social Security:

No, the changes, we went through very, very carefully, and, as I say, a lot were dismissed because they would have been too concentrated on one group, pensioners for instance, and we were determined not to do that, so a lot of them were dismissed, which may have brought more or less of a savings, and these were the ones that we felt were, by adjustment, came within the remit, were fair and targeted.

The Deputy of St. Ouen:

Does that answer your question, Deputy Hilton?

Deputy J.A. Hilton:

No, I am just ... not exactly. I was just wondering, did you ever consider at any time that the department is paying out L.T.I.A. payments to people who do not even live in the Island and have not lived here for a very long time, and I believe that amount of money amounts to something like half a million pounds a year, did you ...

The Minister for Social Security:

I think it is probably more than that, but yes, but that is a lot of work.

Deputy J.A. Hilton:

So did you consider that in among ...

The Minister for Social Security:

We did, but because of the very reasons you mentioned of people not living here, the amount of work involved in changing that or stopping it, we could not have done in the timeframe. But that is something that is going to be looked at within the scope of the social security review.

Deputy J.A. Hilton:

Because it just seems to me that the poor are getting poorer in Jersey and really that we should be concentrating on the families and elderly people in Jersey rather than people who have not lived here for years ...

The Minister for Social Security:

Yes, I agree.

Deputy J.A. Hilton:

... but who appear to be receiving benefits.

The Deputy of St. Ouen:

So, on the issue of the poor getting poorer, and Mrs. Duhamel spoke about the wider picture you had to look at, and our adviser, Susan, has also been doing some research on the wider picture and we would like to share that with you. Could I ask our officer if he could pass across a table Susan prepared? There are only 2 copies, okay. I appreciate you have only just seen this, but could I ask Susan if she would be willing to explain her figures?

Panel Adviser:

Yes, absolutely. I have been asked to look into the Income Distribution Survey and to look at the trends across Jersey and also to consider how the income support system fits within that. So this is sort of still ongoing work, but at this stage what I would like to show you is something that I have computed, it is a quite simple calculation, from the income distribution survey and the current income support rates. So we know that, if we take relative low income thresholds, after rising costs, equivalised income from the Jersey household income distribution survey, that in 2009/10 the threshold was £312 in current prices and £336 in 2014/15. So these figures do not reflect changes in inflation, clearly the 2009/10 threshold would be a bit higher in today's prices. By comparing those with the income support rates, for those with no alternative source of income, assuming individuals run their own households and have their housing costs fully covered, then we can calculate what

the equivalised income figures are for various model household types, so the sort of typical types of families that might be reliant on income support. If we do that, on the table we have particular groups, we have single people with no children, single parents with one child or 2 children and couples with no children or 2 children. I think if you look at the income support entitlement, excluding the housing entitlement, and then I have taken the after housing costs equivalisation rate and adjusted the income for that. So you can see that in the third column the various levels of equivalised income that individuals will receive on various ... according to their different family types. So this essentially is the safety net that the States provides through income support. What we can also clearly see is that if we compare them the relative low income thresholds they sit below the relevant low income thresholds. So they are around between 70 per cent and 80 per cent. It might be worth noting, I think, the child component of the income support rates seems to be relatively generous but, however, across the board you seem to have figures or entitlements that are below the relative low income threshold of 60 per cent of the median after housing costs equivalised income.

Deputy T.A. McDonald:

Now obviously being aware of these figures, should we not be supporting the most vulnerable in our community to at least the relative low income standard?

Director, Policy and Strategy:

Can I comment on this? As I understand the calculation, the equivalising households requires you allocate percentages to adults and children, yes? There are different types of ways of doing that, different calculations to do and you do it in some different ways to get the numbers.

[10:45]

So there is a degree of: "We have chosen to do it like this" yes? We have chosen to ... if you look at a single parent with 2 children, you see that 0.98, that comes out with a couple with no children one, right, so basically the equivalisation scale is saying it should cost the same amount of money for a single parent with 2 children to live on as a couple with no children, yes?

Panel Adviser:

Yes, so those are the ... so just to clarify that ...

Director, Policy and Strategy:

That is the assumptions you are making. The equivalisation is making assumptions. Income support makes a slightly different assumption although these figures show that there is fairly consistent support across different household groups that a child is worth, if you like, £64 and an adult is worth £92 and you can do that as percentages and you would do the same kind of things down here. If

we had our income support rates set in line with one or other of the international equivalisation scales we could create a scale on the right-hand side which had all the same numbers down it. So there is an element of we are just playing with numbers, yes?

Panel Adviser:

But can I just say ...

Deputy T.A. McDonald:

We are not planning on ...

Panel Adviser:

Sorry, can I just finish. The point really of doing it this way, and obviously I appreciate there were different equivalisation scales and income distribution is sensitive to it, however your Jersey Household Income Distribution, which is the only measure of income distribution that we have, uses that scale. So if we want to place these income support figures within it, it is the only way we can do it.

Director, Policy and Strategy:

Absolutely agree. I am just saying that we just have to understand ...

Panel Adviser:

No, I understand that perfectly.

Director, Policy and Strategy:

... the fact that the equivalisation scale is then say somebody's decision as to how much a child is worth as compared to how much adults are worth, and how much one adult in a house is worth compared to 2 adults in a household. So that is just the point about the numbers, but it is very interesting, thank you. However, on the other hand it does show there is relatively even support for different household types, yes?

Deputy M. Tadier:

I think it is even but it is just evenly under the threshold.

Director, Policy and Strategy:

Yes, but then that is absolutely fine, increase the income support by 20 per cent across the board. So there are 2 things to say, first of all is that this is an analysis of households with no other source of income, only 20 per cent of income support households fall into that category, 80 per cent of income support households do have income on top of their income support, yes? Therefore,

because of the disregard they will have this plus some extra, so many pensioner households, for example, will hit on relatively low incomes because they have the disregard against the rest of their other income.

Deputy M. Tadier:

The bottom line is that we are particularly concerned about where the floor lies so that people who do not have any other income for whatever reason it seems reasonable that they should get income support to the level which is at the relative threshold. Do you agree with that? Is the relative low income threshold the standard we should be working to or is there a different calculation that you ...

Director, Policy and Strategy:

There is a relatively low income threshold, set at 60 per cent of median income, equivalized median income, right? The median income in Jersey is about half as much again as it is in the U.K. (United Kingdom). Prices in Jersey are about 20 per cent more than they are in the U.K. so our measure of relatively low income is considerably higher than the current in the U.K. So if you were to say ... the obvious thing to do is to say: "Oh, child poverty is worse in Jersey than the U.K." It is not quite comparing like with like, so you have to be very careful. I am not saying that everything is rosy, I am just saying that you need to be very careful about how you look at these numbers and you talked about research, that people are buying things in shops and what they can afford. The relatively low income in Jersey is giving you more cash in real terms in Jersey shops than the equivalent for a U.K. lone parent or pensioner.

Deputy M. Tadier:

Can we talk about the housing component? It seems to me that the income support components for housing, and that is irrespective of the ones entirely relying on that or whether one contributes with one's own income, is no longer sufficient to meet the typical private sector rents. Is that something that you think is valid?

The Minister for Social Security:

Yes, that is the housing strategy, which I think came out in 2014. The social housing sector is covered by income support.

Deputy M. Tadier:

In all cases?

The Minister for Social Security:

In practically all cases. The only difference would be is if you are ...

Deputy G.P. Southern:

Is there not a range of prices? Whereas there used to be a fair rent level, that is now not published and is there not a range of ...

Director, Policy and Strategy:

In reality it has not made any difference at all. Income support always used to support the full cost of housing rentals where there was a fair rental, and it now supports the full range of social housing provider rents. So you do not need to publish a scale any more but Andium do publish their average rentals. There is quite a comprehensive list on the Andium website of rentals that are being charged. The income support system automatically covers the full rent of a social housing tenant as long as the social housing tenant is appropriately housed. If the social housing tenant is sticking out for staying in a 3-bedroomed house when the children left 5 years ago, then there comes a point at which we ... we will put them on a transfer list, we will allow time for the transfer to take place but if after a very, very long time they are still under occupying a valuable 3-bedroomed property there has to be a point at which the income support system stops subsidising that household.

Deputy J.A. Hilton:

Can you confirm that in the instance where somebody is waiting to be downsized, whether it is from a 3-bed to a 2-bed or a 2-bed to a one bed, so they are waiting to be downsized that income support will still pay because ...

Operations Director:

That is correct.

Deputy J.A. Hilton:

That is absolutely correct then? So if somebody is in a 3-bed ...

The Minister for Social Security:

Well, the answer is it depends on the individual circumstances in most cases.

Deputy M. Tadier:

Do you warn the tenant or do you warn Andium?

Deputy G.P. Southern:

If they have applied to be downsized, they have an application in to Andium to be downsized?

The Minister for Social Security:

They are given options.

Director, Policy and Strategy:

A social housing tenant, if they have been allocated to be downsized, as long as they are within that process then we will support their costs. If it is a private sector tenant then there is ... that is within a year. We have to give people a time limit because there is no actual process to go through, so it is up to them to find somewhere that is ...

Deputy J.A. Hilton:

So if it is a social housing tenant and they have applied to be downsized, you will not apply a time limit on how soon they have to ... because it is not them, we all know we have appalling housing waiting lists so they are at the mercy of the housing providers. So the policy has not changed then basically. If you have applied, you are social housing tenant ...

Operations Director:

It is effectively out of their control.

The Minister for Social Security:

There is pressure on, of course, to move them to downsize because the 3, 4, 5-bedroom houses are at a premium.

Deputy J.A. Hilton:

But we all know that the housing waiting list is chronic and so we just wanted to establish that the policy had not changed.

The Minister for Social Security:

No.

The Deputy of St. Ouen:

Can we establish what happens in the private sector then? How are the rents assessed before Income Support says: "Yes, this is okay to pay"?

Director, Policy and Strategy:

In the private sector, so at the same time as the Housing Transformation Programme was brought in in 2014, income support rates ... so we separated out the private sector and the social sector. So for the social sector there are no numbers in the income support system and we do not need them. The private sector still does need numbers because there is a limit, we only pay up to a certain amount of rental, because a private sector tenant could rent anywhere they liked. However, extra money was put into that area in 2014, extra budget was allocated to that area, there is a £1 million

full year cost and so we had ... I do not have the exact numbers with me but before the changes slightly over half of tenants were not being ... not receiving support for their full rental and now that figure is getting better because there has been extra put into that area and so more private sector tenants are seeing their full rent covered within the income support figures. We will be taking a proposition to the Minister this month to adjust those numbers for this October so when the social housing rents go up in October the private sector rental components will also be rising as well in line with the change we have seen in the social housing sector.

The Minister for Social Security:

Just for those figures, there are 1,898 income support households living in the private sector.

Deputy J.A. Hilton:

I think, Sue, you said that 50 per cent have their rent fully met. So we have 50 per cent of individuals in the private rental sector who are not having their rent met on a monthly basis?

Director, Policy and Strategy:

That statistic has gone from ... has improved since 2014, yes? The proportion of private sector tenants who are getting their full rent covered through income support has increased since the change and we will be monitoring that going forward.

Deputy J.A. Hilton:

But there is still a big difference?

Director, Policy and Strategy:

There are still some who are not, but that is the ... this is looked at very carefully across the housing transformation project as to whether there was bunching of people's ... you know, were private landlords charging rent at the maximum income support rate. There was no evidence of bunching. There seemed to be ... income support private sector tenants make up about 20 per cent of the private sector rental market so quite a small portion of the total market and they do not have much influence on the level of rents within the market. They seem to be accessing rents from a whole range. So people who are paying less than the amount, maximum available, and getting the actual amount through to people who are paying more and using some of their other income to support that additional rental cost. Again, that has not changed since before, that is the same as the previous rent rebate scheme. As I say, we have put slightly more investment into that since 2014, so we have made a slight improvement in that area but it is substantially similar to the previous.

Deputy G.P. Southern:

Could you let us have the figures?

The Minister for Social Security:

Yes, of course.

Deputy G.P. Southern:

What were the actual spendings in private and what used to be social and no longer is?

Chief Officer:

Also, of course, let us not forget the income support claimants do move into income support and out of income support again. Roughly 2,000 claims every year we open and roughly 2,000 claims a year we close. So people are maybe living in rented accommodation, private rental accommodation for a period before they perhaps regain employment and they can continue to live where they were living before. This is to support that.

Deputy M. Tadier:

Do you accept that because the Andium and social housing rents are paid at 90 per cent of market rate it should be logical that the income support housing component for the private sector should be 100 per cent of the market rate? Is that correct? Otherwise people in the private sector are disadvantaged.

Director, Policy and Strategy:

That was the original intention when the ... that was the intention probably in 2013 and in 2014 when the budgets were looked at more carefully, the number of people affected looked at more carefully, we just realised we did not have sufficient budget to cover them at 100 per cent, so it is currently set at 95 per cent. But as I say, even at the 95 per cent rate we have managed to increase the proportion of people who have their rents fully covered.

Deputy M. Tadier:

Could I challenge those figures? I suspect that anecdotally the current figures do not represent anywhere near 95 per cent of typical market rates.

Director, Policy and Strategy:

It is not 95 per cent of typical market rates, it is 95 per cent of the market value of Andium stock.

Deputy M. Tadier:

Okay. But even if they are not in Andium?

Director, Policy and Strategy:

The philosophy behind it was that the social sector could not provide for everybody and therefore a similar level of support should be made in the private sector and the way to value that similar support was to say that the Andium 3-bedroomed houses have an average market rental of £300 a week, therefore that is the market rental that we have for 3-bedroomed houses. It is not the actual average of all 3-bedroomed houses in Jersey. That would be much higher because the property market in Jersey does have a significant portion of luxury homes in it. So actual averages will be much higher. So when we look at the private rental index, the figures are much higher. That is not what we are looking at. We are looking at 20 per cent of people, the 20 per cent of income support private sector tenants, so they are only one-fifth of the total private sector rental market. You are comparing it with the social sector housing, not with the ...

Deputy M. Tadier:

Just one last question on that, when you say 95 per cent of the Andium stock, is that pre them charging 90 per cent of market rate?

Director, Policy and Strategy:

That is the market. It is nothing to do with how much Andium charge. It is the market value of that property, so Andium are now tracking the market rental of all their properties. We have got those up-to-date figures and that is what we will be using. We will be using the current market values of the Andium properties. It does not matter whether the person living in the property is being charged the old rent or the 90 per cent rent. That does not matter. It is the market rental of that property.

Deputy G.P. Southern:

Do you have projections for the next 4 years, 5 years about what is going to happen to the accommodation component of income support? Do you have estimates of what growth is going to be there?

Director, Policy and Strategy:

Housing, and now Andium is the same person, did very detailed projections of the transfer into the 90 per cent because you have got the turnover, as Ian was saying about people moving. You have also got tenants moving in and out of properties and, therefore, if you move into a new property it moves to 90 per cent. So we do have that and we have funding for the additional cost of moving to 90 per cent, so I am sure we can get you some figures on that, yes.

Deputy G.P. Southern:

Okay, thank you.

Deputy J.A. Hilton:

Can I ask you about the change in policy with regard to single people only being housed or only having the housing component for bedsit accommodation and why you made that change? It seems to me that, particularly for the long term, you are condemning those people to a life in one room.

The Minister for Social Security:

I think in the long term it will change considerably because bedsits are seriously being phased out in favour of one-bedroomed accommodation. People have acknowledged that a bedsit is not ideal. It might be fine for a student or whatever to start them off, but I think it is generally acknowledged that a bedsit is not ideal accommodation.

[11:00]

So, the bedsits will eventually disappear and, no, I do not think they are at all suitable.

Deputy J.A. Hilton:

At what point will you change your policy about only providing a housing component to a single person for a bedsit? I assume you are going to look at that.

Director, Policy and Strategy:

Our policy does reflect what the Minister just said, which is that the bedsit rate is provided to a single person who has not previously been living in a flat and does not need to have a one-bedroom flat and, if it is a social housing tenant, can be allocated a bedsit. There are many, many situations in which those things do not happen: the person is already in a flat and therefore stays in a flat; the person is only being offered a one-bedroom flat and therefore gets the support for a one-bedroom flat; or the person has needs which means that a one-bedroom flat is suitable. I am not sure we have ever changed ... I think we may have clarified our policy. I am not sure we have ever changed the policy specifically. I think it has always been bedsits for single people and, in effect, that is mainly aimed at people who are either young people who are leaving home and moving into accommodation for the first time, so they are allocated a bedsit or lodging accommodation, people moving out of prison, for example, maybe marriage breakdowns in some situations. There are limited situations. For example, an elderly person moving on to income support for the first time who is in some kind of accommodation already, they will be supported in the same level of accommodation.

Deputy J.A. Hilton:

If you had an elderly person who had reached retirement age and has lived their working life in the private sector and then comes to you to be rehoused aged 60 or 65, are you saying that you would

rehouse that person, if they qualified, in a one-bedroom flat rather than a bedsit? Is that what you are saying?

Director, Policy and Strategy:

We do not house people. People are housed through the social housing providers and the housing gateway.

Deputy J.A. Hilton:

Yes, but would you provide the housing component for a one-bedroom flat to a retired person that Andium accepts?

Director, Policy and Strategy:

If they are allocated a one-bedroom flat through the gateway because that is the only accommodation available to them and that is what they are given then, yes, we would support the one-bedroom rate.

Deputy M. Tadier:

But, say, if someone just rocks up and says: "Look, I am homeless, I need to look for somewhere" is the default position that you are going to get £125 a week so, therefore, you can only logically look for a bedsit, or will you fund them, encourage them to look for a flat?

Director, Policy and Strategy:

You are asking 2 different things. If the person is under the age of 50 and does not have a health problem, they are in the private sector, yes, we will say to them it is going to be the bedsit rate. If the person is over 50 and has got health problems or whatever and they go through the gateway and they are in social housing then they will be allocated ...

Deputy M. Tadier:

But what if they cannot find a bedsit? I do not know what the market is like out there but if they say: "Look, I have tried to find somewhere for £125 a week, nothing out there. The only thing I can find is a small one-bed which is £160", will that ...

Director, Policy and Strategy:

We have already spoken about the fact that, in effect, we only provide just over half of the private sector tenants with the full amount of their rental, so that is a situation in which the person would not be provided with the rest of their rental. They would be provided with the £125, if that is the figure, and they would be paying a bit more.

Deputy M. Tadier:

Yes, but my point is that would be a one-bedroom flat where it was £180 a week, so at what point do you make that judgment call? Is it just discretionary?

Director, Policy and Strategy:

If the person is in the private sector, a single 40 year-old looking for private sector rental, we would allocate them the bedsit rate.

Deputy J.A. Hilton:

But you are saying if you have a single person of retirement age, been in the private sector, has now retired, 65 years old and is looking for social housing and qualifies for social housing, you would help that person with their accommodation costs to be in a one-bed?

Director, Policy and Strategy:

If that is what they get allocated, yes.

Deputy J.A. Hilton:

If that is what they get allocated?

Director, Policy and Strategy:

If they are allocated a bedsit, we will pay the value of the accommodation they get allocated.

Deputy J.A. Hilton:

Are your instructions to the housing gateway team that if you get a single person we are only prepared to pay the bedsit rate?

Director, Policy and Strategy:

We do not control how it is allocated.

Deputy J.A. Hilton:

That is fine. Okay.

Deputy G.P. Southern:

But you will force them into bedsits because you will not offer any more than a bedsit rate. Is that the case, Minister?

The Minister for Social Security:

We do not allocate the housing. It is very difficult to say.

Deputy G.P. Southern:

But you allocate the funding for the housing.

The Minister for Social Security:

If they have been living in a one-bedroom flat, they will then be allocated a one-bedroom ...

Deputy G.P. Southern:

No, a person comes in and says: "I have been offered a one-bedroom flat", will you turn round to them and say: "You can take it if you want but we are only offering you a bedsit rate"? Is that what happens?

Chief Officer:

If they have been offered that through Andium, then we will pay what Andium decides.

Deputy G.P. Southern:

We are talking about private sector.

Chief Officer:

But private sector then, as we have discussed, if the individual is under 50 and has no health conditions and they have not already had a one-bedroom flat, they will be offered the bedsit rate.

Deputy M. Tadier:

Can I ask you just one related question? A 40 year-old, for example, he would be given the bedsit rate and then maybe there is no bedsits out there so he comes back and says: "I have found a property that is £145 a week" and he was told that is okay but that he would still have to make the ... we were told that if they can find something that is more expensive they have to make it up out of their own income, bearing in mind this person is on income support and there is a limit on how much of his own income he is allowed to use to pay for that property. Is that the case? Is income support mindful about the allocation that they give and how much rent is paid for out of the income support component? In a lot of cases, people are supplementing the rent themselves.

The Minister for Social Security:

In the private sector, yes.

Deputy G.P. Southern:

That has always been the case. Can I turn us back to pensioners? We seem to have skipped through pensioners. One in 3 pensioner households are in relatively low income and yet you have

frozen the component for 2 years of the income support, which affect the pensioners, and you have changed the disregard on pensions so that those worst off pensioners on income support, reliant on income support, new entrant pensioners, will get less of a disregard under your new system than they do under the old system. Are you content that your treatment of pensioners is satisfactory, given that, as we see in the income distribution survey, one in 3 pensioner households is in relatively low income?

The Minister for Social Security:

The new entrant pensioners, as you quite rightly say, will automatically have a 23 per cent earnings disregard whereas previous pensioners will have had a set figure of £55 a week. In some cases the earnings disregard will reduce that level but that is for a new entrant. It is not reducing anything that any current pensioners have at all, so you are not reducing £55; it is new entrants only. The reason behind this was to encourage people to consider their old age more than they have done previously and to help provide more for it rather than just rely on the state pension. I think, as everybody is very well aware, with the demographics going the way they are, the state pension simply is not going to be sufficient to provide for everybody. It is to change the mindset.

Deputy G.P. Southern:

So this change will change the mindset of people out at work so that they insist on getting an occupational pension, if they possibly can. Is that in the control of the people in receipt of pensions or is it in control of the employers?

The Minister for Social Security:

I am not sure that you can say they can insist on an occupational pension. Our idea is to try to encourage more employers to pay one for that very reason, which I have already mentioned with the Chamber of Commerce. For employers to look at that or employees to look at other ways of saving for their pension without just relying on the state pension, which by dint of the demographic society will not be sufficient.

Deputy G.P. Southern:

What that effectively does is totally unfair in that new entrants will now only get £46 if they are on a full pension, that is if they are on full pension, because many are not. Many are on less than a full pension. They will only get £46 disregard rather than a £55 disregard. So those who have already got an occupational pension get a higher disregard than those who are worse off than them because they get less of a disregard. Is that fair because that was one of your goals in the beginning?

The Minister for Social Security:

It is one of the goals and it is the incentive that we are providing, as I said ...

Deputy G.P. Southern:

The people who are claiming pensions now have got no control over what jobs they did in the past.

The Minister for Social Security:

No, but they then have the option ...

Deputy G.P. Southern:

And yet you are penalising them.

The Minister for Social Security:

No, they have the option of whether they remain with the £55 fixed amount or whether it is more beneficial for them to have the 23 per cent as a disregard.

Deputy G.P. Southern:

No, the new entrants ...

The Minister for Social Security:

Not the new entrants.

Deputy G.P. Southern:

... are not offered so ...

The Minister for Social Security:

No, they are not, but the current ones.

Deputy G.P. Southern:

... about 100 or so pensioners every year come into the system, thereabouts. So they are not getting that. You reduced the disregard for those new entrants compared to last year, compared to all other pensioners who already exist, is that the case? Do you think that is fair?

The Minister for Social Security:

For a bigger percentage of the pensioners it has become a lot more fair inasmuch as those who have spent their life, maybe they have done the 45 years' full term of contributions and have saved for their retirement, it is more of an incentive for people to do that because their disregard then is greater. It is percentage as opposed to a fixed amount.

The Deputy of St. Ouen:

Minister, for those who cannot respond to an incentive like that because they may be aged 60, they are a manual worker, their bosses are putting into an occupational pension, does this not just increase the gap between the richest and the poorest pensioners? How can that be fair?

The Minister for Social Security:

I think it is quite difficult to say "rich and poor pensioners". I think it is very well known and established that the pensioners that we have currently, they are known as - it is not just in Jersey - the golden age that in fact the pensions now ...

Deputy G.P. Southern:

One in 3 households in relative low income. That is the reality.

The Minister for Social Security:

... are as good as they have ever been, probably better than they are likely to be. So I think we have to look to the future of the situation where there could be a great deal more disparity, and what we are trying to do is interject at an early stage and encourage people to look to their old age and to save more with a disregard that will allow them to keep more of their income.

The Deputy of St. Ouen:

Minister, we are looking at those living on low income in Jersey and we are taking evidence from people who are coming towards pensionable age. I am certain they are not in a position to put aside cash to provide for themselves. They are not going to be receiving as much as somebody who last year began drawing their pension. This is surely going to lead to different levels of income, a widening gap between well-off pensioners, and there is still a substantial body of pensioners who do not enjoy those advantages of wealth.

The Minister for Social Security:

I think it is without doubt, when you make any change to anything, the transitional period is going to have an effect. It always does whatever the transition is, be it for better or for worse. That is inevitable. I think people who were 65 one day and somebody who is 65 the next day then obviously that is going to have an effect of what we said about difference in the 55 to the 46. But I think when you are planning sustainable pensions for the next 30 years you have got to be aware of a much bigger picture than just what the transitional stage of approximately 2 or 3 years might affect.

The Deputy of St. Ouen:

We hear what you say, Minister.

The Deputy of St. Ouen:

Can I just say: some of the figures that are produced in the Income Distribution 2014/15, after housing costs one in 3 pensioners in Jersey were in relative low income, which is twice the proportion of that in the U.K., what would you like to say about that?

The Minister for Social Security:

Again, I think it goes back to what Sue said earlier, that the comparison in the U.K. is hardly valid inasmuch as the cost of living and housing costs are much considerably higher in Jersey.

Deputy J.A. Hilton:

But this is after housing costs.

The Minister for Social Security:

And living costs are considerably more.

Director, Policy and Strategy:

One of the issues around the Income Distribution Survey is that it does give us these broad brush kind of statistics, so the equivalisation scale we talked about before ...

Deputy G.P. Southern:

Is that not the case? One in 3 households, pensioner households ...

Director, Policy and Strategy:

It is absolutely true that ...

Deputy G.P. Southern:

In what way is that broad brush?

Deputy J.A. Hilton:

So it is twice the number than the U.K.

Director, Policy and Strategy:

Yes, but you asked before about research. What does that mean? Jersey pensioners have got less money to spend in shops; maybe they do, maybe they do not. We do not know that because we are only looking at the income. We are not looking at assets, we are not looking at home ownership, we are not looking at the provision of services, we are not looking at the cost of living for pensioners. The equivalisation scale, which we talked about, does not differentiate between the ages of people, so it does not make it ... pensioners and work-age people are all treated the same in that. So if you look at any kind of ... if you try to compare a benefit system against the equivalisation scale and you

have got some benefits, say, for pensioners then that will look out of kilter. You need to understand what it is you are doing. These sums are quite complicated. The Income Distribution Survey is one small part of the picture. If you look at the 2014 Social Survey of material deprivation, we did do research into what are people able to afford or not.

[11:15]

Pensioners are identified as the least worried about their financial situation.

Deputy G.P. Southern:

That is because they came through the war. That is the reality. They do not like to complain.

Director of Police and Strategy

They did not all come through the war. Those are now ... they are very, very old.

Deputy G.P. Southern:

Can I produce some simpler figures, which is on a full pension, about £200 full states pension, and nothing else, if you are on income support then you have got about £140-something to live on, to pay for everything. That is not wealthy. That is relative low income in many cases, is it not?

Director of Police and Strategy

Yes.

Deputy G.P. Southern:

And that is what our system does. That is where those 70 per cent to 80 per cent support figures are meaningful because what it means is £140 a week for every expenditure full on.

Deputy M. Tadier:

Including emergency.

Deputy T.A. McDonald:

Emergency, everything.

Deputy G.P. Southern:

Can I move on to another issue which certainly affects elderly people as they live longer but inevitably become more ill? That is the medical provision. Assurance was given when income support was set up all those years ago that no one was to worry about the cost of seeing their G.P. Have any changes been made to H.M.A. (Household Medical Account) arrangements? You are not

giving new H.M.A. arrangements, I think. Is extra money still put in for G.P. visits, even if you have got high demand?

The Minister for Social Security:

Again this is not an across the board answer. It is very much dependent on the circumstances. The H.M.A. system still continues. The H.I.E. (Health Insurance Exemption) does not. There is the invalidity system, which is gradually being phased out in preference to personal care levels. So there is nothing to really change across the board in all of this but, generally speaking, the number of doctors, G.P.s visits, range from 4 to 12, depending on the requirements of the ...

Deputy G.P. Southern:

Yes, and up to 12 that is extra money in the pot. Some extra money comes in, £3-something for up to 8, and £6 to pay across the year for up to 12. That used to be that if you needed more than that, if you fell ill suddenly and your G.P. bills went through the roof, then you could have a special payment. If you contacted the department and said: "I have fallen ill, I have this £500, £600 G.P. bill unable to be paid" is that still the case?

The Minister for Social Security:

Yes.

Operations Director:

Yes, 12 visits plus; special payments will be applied.

The Deputy of St. Ouen:

What does that mean because we are hearing from people who say they cannot get that level of support?

Operations Director:

What that basically means is if somebody is needing more frequent visits and becoming ill or whatever, the 12 visits plus special payments is provided for extra costs that they require.

Deputy G.P. Southern:

If they have an H.M.A. where does the extra funding to pay for those extra visits over and above 12 come from? Is it fresh money in or is it routinely that you take the components and transfer them from living components into the Household Medical Account? So people have to live off less because you are putting some extra money from their award into the H.M.A., is that the case?

Director, Policy and Strategy:

The previous Minister made a decision, which is in the current policy guidelines, is that half of the lowest personal care level and up to half of the mobility component could be used to support additional G.P. costs where it was appropriate. So that is the way money is transferred. So it is only ever transferred out of medical components and never transferred out of living components and that means that people are ... so that creates a slightly bigger pot for the G.P. costs to be paid out of. If people need extra G.P. costs beyond that then, as Steve says, they get special payments, like they have always done.

The Deputy of St. Ouen:

Is that made in the form of a loan to them? Would they have to repay?

Director, Policy and Strategy:

No, they are not normally loans, no.

Deputy G.P. Southern:

They are not loans? Are you sure?

Director, Policy and Strategy:

The only situation in which ... no, they are not loans.

Deputy M. Tadier:

We have heard people who have fallen behind on their rent unwittingly because they visited the doctor too much, as they would say, and they found that the money that was going to Andium, in this case, was not there so they did not have the money. So it seems that in that case the money was coming out of their living expenses.

Director, Policy and Strategy:

That is never going to be done automatically like that. So what happens is that there will be a discussion with the claimant that they are needing more G.P. visits and they can put some extra money into their H.M.A. to make sure those visits will be covered. They will get an award letter and these days that is all done face to face, the person who gets the letter it is explained to them at the time. So they do not just get a letter through the post telling you what has happened. They get the award letter. That will say: "We are paying so much towards your rent, so much towards your G.P. costs and you get so much in cash." It will never be done without the person knowing about that. They will always know that. They will always have that letter upfront.

Deputy G.P. Southern:

That sum could be £30 a week, it could be £21 a week, it could be high C1, that is £45 a week.

Director, Policy and Strategy:

Different amounts of money depending on the medical use and the number of people in the household. Obviously if you have got more people in the household there might be an amount they have saved, yes.

Deputy G.P. Southern:

So that transfer could be £45 a week into the H.M.A.

Director, Policy and Strategy:

That sounds a lot.

Deputy G.P. Southern:

I have seen that. It could be ...

Director, Policy and Strategy:

Several people in the household.

Deputy G.P. Southern:

But it is only with the agreement or with the awareness of the recipient?

The Minister for Social Security:

The awareness.

Deputy G.P. Southern:

Agreement or awareness?

The Minister for Social Security:

Certainly with the awareness.

Deputy G.P. Southern:

But you do not seek agreement, you do not say: "You could do this." You do not say: "We want to do this, why do you not do this?"

The Minister for Social Security:

You would not put somebody in a position who is unable to afford to pay it. It would be agreed ... the person in question would be made aware that this is what was owing, if you like, and aware of what repayments or reductions could be made in order to compensate for that bill.

Deputy G.P. Southern:

And you take that money, you put it in the H.M.A. out of the other living components of the award?

Director, Policy and Strategy:

It is never taken out of the living components. It is only ever taking out of the medical component.

Deputy G.P. Southern:

The medical component. So it would stop at half of level 1, which is around £10 a week. So it would never be more than £10 a week into the H.M.A.?

Deputy M. Tadier:

But what if they ... they tend to be living off the medical component anyway.

Deputy G.P. Southern:

Can we have an answer to that? It would never be more than £20 or thereabouts ... £10 per H.M.A.

The Minister for Social Security:

Any repay ...

Director, Policy and Strategy:

No, that is completely different to that. It is £10 for personal care and up to £10 if you need GP visits at home. If you have got visits at home you can use part of your mobility component for the doctor. So the extra cost for the doctor to visit your home. If you have extra medical costs you can use part of your personal care for that. So that is £20 a week plus the existing clinical cost components, which is about £7 a week.

Deputy G.P. Southern:

So it is half of PC1?

Director, Policy and Strategy:

Yes.

Deputy G.P. Southern:

£10 plus ...

Director, Policy and Strategy:

That is about £30. The maximum will be about £30 a week for a person. So they know --

++ Deputy M. Tadier:

Per person, but they do not get extra money, that is the point. So if they are seeing the doctor more, you use those components to transfer across, but they would have been living off those components anyway presumably in any given week.

Director, Policy and Strategy:

This is the point. They have been given those components because they have got a medical condition.

Deputy M. Tadier:

Yes, and they might use that for transport, for taxis.

Director, Policy and Strategy:

Exactly, yes, so there are a variety of uses.

Deputy M. Tadier:

Yes, but that does not go away, that is what I am saying.

Director, Policy and Strategy:

But if they need extra G.P. visits, then they can use it towards that.

Deputy G.P. Southern:

Just for confirmation, you never take money from people's living components and put it in H.M.A., it is always from additional medical components? Is that the case? Is that what you are saying?

Director, Policy and Strategy:

I suppose there could be a situation where somebody chose to do it, somebody could. That is the way that we would offer to do it, yes. If somebody did not have any medical components but wanted to see the G.P. a lot and wanted to have an H.M.A. and we were happy to let them have an H.M.A., so there would be some agreement on both sides there, they could agree to put some of them ... the H.M.A., at the end of the day, is a savings scheme. It does not do anything, it just puts the money ...

Deputy G.P. Southern:

So if they did not have medical components, you could take money from their living components?

Director, Policy and Strategy:

But that would definitely be with their ... they would be wanting us to do that. We would not do that to them, because why would you give the person an H.M.A. in the first place if they do not have medical ...

Deputy G.P. Southern:

I have evidence of £35 coming from people into H.M.A., so clearly that is a personal component, because there is no impairment awards there. You might think it is happening, but on the shop floor I think it is otherwise. It is not happening in every case.

Chief Officer:

Perhaps just we can look at that example, but just to say also in terms of our business plan for 2016, we have on our business plan to look at the provision of G.P. cost support for low-income groups, so that is a piece of what we will be doing this year.

The Deputy of St. Ouen:

Please do, because I think what we are hearing is that many parents with children are not going to the doctors for themselves because they feel they cannot afford to do so. That is affecting their own health. They will take a child to the doctor, of course, rather than look after themselves. We are hearing from pensioners who just cannot afford it. They say they might just manage on their income support, but if unexpected expenses arise they will not go to the doctor because they cannot afford to do so, which tends to concertina problems and when they are eventually forced to the surgery, the doctors have told us they are often faced with a shopping list of things that they have to attend to, because people have not been visiting regularly, because they cannot afford it. So, Minister, I hope you can take that away. There seems to be an issue and that is a very common matter that we are hearing when we have gone out to seek consultations on this.

The Minister for Social Security:

Yes, I have just taken note of it, but equally I think that the public generally are unaware that every doctor's visit is subsidised to the tune of £20.28 and people just do not even realise that.

The Deputy of St. Ouen:

Yes, because of the co-contribution. Deputy Hilton has got an example that she wants to share with you.

Deputy J.A. Hilton:

Yes, we had a submission from somebody about living on a low income, and the writer's son is on level 3 benefits. Basically in the letter she is saying that she received a letter yesterday saying that: "Social are not paying any more supplies from Family Nursing for him and he has to pay for them.

His money has not changed. They have always helped. How can he afford £120, if not more, a week?" Can you think of any circumstances where that would happen, where somebody would have been receiving supplies from Family Nursing and they are now told that that is not going to happen in the future?

The Deputy of St. Ouen:

It is not going to be paid for.

The Minister for Social Security:

It is difficult to know what you mean by supplies from Family Nursing.

Deputy J.A. Hilton:

No, okay.

The Minister for Social Security:

I know that Family Nursing are looking at having their grant or subsidy cut, but that is a health service issue and I am not quite sure what supplies, because obviously we supply prescription drugs.

Deputy J.A. Hilton:

I will follow that up, certainly. Thank you.

Deputy G.P. Southern:

If I can return to the question of dental charges, when 8th August started, the maximum was around about £1,000 to help get dental work done, basically that is around the cost of pulling all your teeth out and starting again, but it has now been reduced. Are you satisfied that reducing the maximum you can claim for dentistry down to £500 is working well?

The Minister for Social Security:

It is £500 over 2 years and there is the option for exceptional payments. There are special payments in that as well as the G.P. situation. Obviously it does not cover cosmetic dentistry, but if there is a serious problem, then a special payment can be made for that, but generally speaking it is £500.

Deputy G.P. Southern:

Would that special payment be a loan or a grant, because I hear you have moved towards more loans than grants, and does that apply to dental work as well?

Director, Policy and Strategy:

I had better check. The change to dentistry was done several years ago.

Deputy G.P. Southern:

I know.

The Minister for Social Security:

We did put in some monthly limits for grants for working-age people, so it does not apply to pensioners, but for working-age people there was a limit put. The cost of dental payments was growing very fast and we needed to make sure that we were making sure we were supporting people with essential needs. But it does not apply to pensioners. Pensioners also use the 65 Plus health scheme, which we are reviewing at the minute, and are going to make that easier to use. We will be coming back to you very soon on that to give you an update on our progress.

Deputy G.P. Southern:

So the answer to it is a loan or a grant is what? Is it a loan for dental work?

Director, Policy and Strategy:

It is a loan above a certain amount of money. We can get it. It is in our published guidelines.

Deputy M. Tadier:

So there are grants under a certain ... and they are grants and they are given ...

Director, Policy and Strategy:

They are grants up to ... I cannot remember the number, sorry, but it is our website. It will tell you.

Deputy G.P. Southern:

Come back to us.

Deputy M. Tadier:

Can I just ask about the whole grant versus loan ethos? It seems to me you are talking about the most financially vulnerable people here, people who have no disposable income, no savings often in many cases and they may have debt, and it seems a stark choice to make between looking after one's health and facing debt or not looking after one's health and trying to get by already difficultly week to week.

[11:30]

Is that an area where we could and should be doing more and perhaps look to reinstate grants and perhaps make the grants more generous?

The Minister for Social Security:

The special payments are essentially that, but it has to be a situation which merits it, not an ongoing cosmetic scenario, for instance.

Deputy G.P. Southern:

No, we are not talking cosmetics.

The Minister for Social Security:

Sue alluded to the 65 Plus health scheme. We have acknowledged what I think Deputy Southern said before, and several others, that to have to pay what could be £1,000 upfront and then claim it back on the insurance scheme is simply not possible for a lot of people, so on the suggestions made before, we are going to turn that around now so that we pay the whole thing upfront and then it is claimed back, so it will be a completely different administration system. We have taken note in that area, but of course that is 65 Plus, and of course that will also be increased by the savings that we have made within that £10 million package, doubled in fact.

Deputy M. Tadier:

Would you accept that for the younger generation perhaps, your average 40 year-old who has got bad teeth and a health component is not getting that seen to and it will only get worse and it will increase the cost in the future if we do not have an effective way of dealing with those issues?

The Minister for Social Security:

It is a very difficult and fine line to balance as to encouraging people to look after themselves, which as you are quite rightly saying is going to cost, visits to the dentist and the doctor, but equally to look after themselves in what they eat, drink, smoke or do not. It is a very fine line. You could ...

Deputy M. Tadier:

So how do you do that? How do you encourage financial independence for people who have no disposable income, who are entirely dependent on the States for their income and for their subsistence?

The Minister for Social Security:

There is where the whole Back to Work project comes in again and again and again, to try and encourage people using the incentive rather than the stick attitude, and just say that people, as we well know, are far, far happier in work, they have their own financial independence, self-esteem and the earlier we can catch people to get them into work the better. Obviously if someone has been unemployed for 20 years, it is very, very difficult. We are aware of that.

The Deputy of St. Ouen:

Minister, I am aware we are coming to the end our time, but I know Deputy McDonald wants to ask one final question, so may I ask him to do that?

Deputy T.A. McDonald:

I think really this brings everything down to reality; this to me is the most important question of the whole lot. We have spoken to the Salvation Army, we have spoken to the Methodist Church, the Grace Trust, many others, and they confirm the increased use in their clothing and foodbanks following the implementation of the cuts. What is your response to the necessity for people having to rely on clothing and foodbanks and so on, which I just find ... in this Island, I never thought I would live to see the day.

The Minister for Social Security:

Obviously we have heard about this and we have had a team that has gone to exactly the places that you mentioned, the Grace Trust, the Salvation Army and a large proportion of the people - in fact, a very large proportion of the people - who are claiming the extra clothing and food parcels are people who are not entitled to income support. They have not been here for 5 years.

The Deputy of St. Ouen:

We have completely to the contrary information, and it appears that Citizens Advice Bureau are carefully assessing ...

Deputy T.A. McDonald:

The claimants.

The Deputy of St. Ouen:

... people, claimants who are eligible for income support, but they are referring them also to the foodbanks, and the foodbank organisations themselves told us that these are long-term residents of Jersey.

The Minister for Social Security:

Again, it is a very difficult one to monitor. What we have asked the various charitable institutions to do is to - or even through Citizens Advice - have a register of who has claimed from one particular charity, because we are very aware that people do the rounds. I am sorry, but we are aware of that.

Deputy G.P. Southern:

On what evidence, Minister?

The Minister for Social Security:

Because the same people go to ... because they are recognised, we were just aware of that happening, and also what Deputy McDonald is saying, that some people are in need of it. It is difficult again, it is a very difficult line to call, a very difficult balance of judgment to make.

Deputy M. Tadier:

Would it be okay if it was a majority of the foreign, non 5-year residents who are in poverty?

The Minister for Social Security:

I am not saying it is okay. I think the question was since the benefit changes have been made that this is a direct result of that and it is not.

Deputy M. Tadier:

No, we have seen ... in fact, most of the ones we talked to, they do not really see any of the non 5-year, it is all at least 5 years or long term, people who have lived here 20, 30 years.

Deputy T.A. McDonald:

You see, these organisations deal with people anonymously, they do not want to know who they are or how long they have been here or anything else. They just want to help people who are genuinely in need and I think that is important.

Director, Policy and Strategy:

It is really important and is absolutely, absolutely crucial that those kinds of support exist, income support, tax-funded benefit paid. We pay our taxes to support people in this situation and we on Steve's team need to ask questions, it needs to be held to account by the Public Accounts Committee, by auditors and so on that we are paying our money out appropriately. Charities, we have talked to Caritas and that is right, they do not want to ask questions, they want to help people and therefore we have struggled a little bit that they do not ask questions. We have encouraged them to find out who people are, to send them to us. At the minute, the Chief Minister's Department is organising - which we are aware of - a little survey of who is going to foodbanks at the minute to try and get foodbanks to collect a little bit of demographic information about people. It is not their way of doing it, yes, and therefore we need to deal in hard facts, unfortunately, and we need to make sure we can add up our numbers at the end of the year. The charities are there, they are absolutely essential to provide extra support, which is a different kind of support, but the 2 things will also exist side by side. You talk about foodbanks and foodbanks is the theme of the minute, is it not, in the

U.K., but there has always been lots of charitable giving in Jersey and there have always been lots of people providing for other people through Parish welfare, the Constables' funds, all sorts of things have always been done. Yes, this kind of support has always been available and it will carry on being available, and income support, we will never get rid of it.

Deputy T.A. McDonald:

The worry of course is the increased use of these facilities following the implementation of the cuts, unfortunately.

Director, Policy and Strategy:

But there are very few people who saw a physical cut in their weekly budget in January.

Deputy T.A. McDonald:

No.

Director, Policy and Strategy:

Pensioners did not, most working-age people did not, and there was a very limited number of people, so it may be just people are trying to kind of look at a trend and just look for a trend which is based on not very strong evidence of what happened before. Are they the same people as this time last year? What else has happened this year? There are a variety of different situations happening which would lead to more or less people coming into times ...

Operations Director:

We do have a very good relationship. You mentioned Steven Scoulding earlier, and I meet Steven regularly and have done previously and the Income Support Manager does that. On 14th April we met all the charitable organisations to give an overview of income support. As Sue said, we need to be very, very careful here about making sure that we do capture some information, because we have conversations with charities, where we have regular visitors go to the different charities on different days, and if we are going to gather some information that is going to be of some substance, then we have been speaking to charities trying to gain some information from them about age groups, demographics, what kind of people are coming. So I think if we can get some information from that, that is going to help us, but if we are just giving charity boxes out willy-nilly without any method or thought about it, then we need to be really, really careful.

Deputy J.A. Hilton:

Can I just to mention to you that Variety helped 476 children last year, and I believe Variety met with yourself to discuss the removal of the lone parent support. To me, that seems evidence enough from them that there are people out there, there are families out there who do need that extra support

and they are not getting it. They are the most vulnerable in the Island, and this from Variety, who do fantastic work.

The Minister for Social Security:

As you are well aware, I am a chairman of a group of children's charities, so I have worked with Variety for about 20 years, so I am well aware of the very deep needs of a lot of people, but as a public department there is only so much we can cope with when it is taxpayers' money.

The Deputy of St. Ouen:

Okay, Minister, thank you very much, and to your team, for joining us. We did have some other questions, but we will maybe put those in writing to you and in due course you can give us your answers. Thank you. That brings the public hearing to an end.

[11:39]