

22.09.20

1 Deputy R.S. Kovacs of St. Saviour of the Minister for Social Security regarding the Community Cost Bonus (OQ.84/2022)

Given the report accompanying the mini-Budget highlights that approximately 1,000 households claim the community cost bonus out of the 7,000 that are eligible, will the Minister explain what actions, if any, will be undertaken to encourage eligible households to apply for the bonus and what confidence she has that all those eligible for that bonus will apply to receive it?

Deputy E. Millar of St. John, St. Lawrence and Trinity (The Minister for Social Security):

I thank the Deputy for her question. In a section of the report accompanying the mini-Budget that the Deputy refers to it also states that Government will undertake a communication campaign which will aim to highlight the community cost bonus and encourage applications from the estimated, as well as 7,000 eligible households that do not currently apply for it. The communication campaign will run throughout the autumn and I am pleased to advise that the first phase has already been lodged with full page adverts being included in all Parish magazines, which have already begun distribution recently and over the next couple of weeks. The Deputy may also be aware of the amendment lodged to the mini-Budget, which will further extend eligibility for the bonus to households with a tax liability. At present, households with a tax liability are not eligible for the bonus so that will increase eligibility and our campaign will need some further amendment to factor the additional households into the communications campaign, if the Assembly agree to it. I am confident that the campaign, which is extensive, will raise awareness and uptake of the bonus among eligible Islanders. We have already received over 600 applications for the bonus this year. We cannot however control whether someone chooses to apply for the bonus or indeed understand why they may choose not to do so. I would encourage all Islanders to watch for the upcoming marketing campaign and to check the eligibility which is on gov.je. There is a section under Benefits and Financial Support, where the information about all our benefits appears. I would also encourage all States Members to raise awareness of the bonus in their own districts and with their own parishioners and constituents.

9.1.1 Deputy R.S. Kovacs:

When did the application period start, what are the steps to apply, what documents are required and what are the waiting times to receive it, if approved?

Deputy E. Millar:

I believe that the bonus can be applied for either online or over the telephone. There is an application process. I have to confess I am not aware how long it takes to process the application. I am afraid I have forgotten the first part of your question, sorry.

Deputy R.S. Kovacs:

What documents are required?

Deputy E. Millar:

Again, I am not sure. I believe they will have to confirm to the department that they do not receive income support, they will have to confirm that one member has been ordinarily resident in Jersey for at least 5 years, at present the applicants should not pay income tax and that is normally something that is checked by the department with Revenue Jersey. Clearly going forward, if the

amendment is accepted, there will be a tax liability and that again will be checked with Revenue Jersey as people make applications. If we did have 14,000 extra households applying that may take a little bit more time to process but my department will work as fast as possible to make sure that the bonus is issued as quickly as it can be to qualifying households.

9.1.2 Deputy S.Y. Mézec of St. Helier South:

Does the Minister regard it as a failure somewhere along the line that something like this exists and there are thousands of people who are eligible for it who are not claiming it? If she does regard it as a failure of administration up until this point, in what way has that influenced her thinking on how they put forward this communications plan to get more people to apply for it?

Deputy E. Millar:

I do not think it is necessarily the fault of Government that people have not applied for the bonus. The bonus is there to support families. It has a long history. It was originally the food cost bonus, which was introduced in 2008 to help people with the cost of G.S.T. (goods and services tax) on food. Over the years, since then, it has been expanded. It is not concealed by any means. It is available, as I say details are on the website. I am sure it is prophesied both by Members and by the department. There is no element of concealing it. It is a surprise that there may be so many families who do not apply for it. Some people do not like to claim benefits and people may have felt they did not need it. As the cost-of-living increases, have more impact on more families, we would ordinarily see an increase. But the communications campaign, as I say, is very thorough and we are aiming to make sure that as many people who qualify for the benefit claim it. I cannot control whether people do apply for any benefit but I hope that those who are eligible and who would benefit from receiving the increased sum, if the mini-Budget is increased, that people will apply for it this year.

9.1.3 Deputy S.Y. Mézec:

If it is not a failure that so many thousands of people are not claiming it now then presumably it will not be considered a failure if nobody applies for it as well after this communications package. I guess, can I ask the Minister, once again, what has been done to look into the reasons why people are not claiming this right now and what tangible action will she be taking to proactively approach those who are eligible but are not claiming it now to ensure that they do get that help that they are perfectly well entitled to?

Deputy E. Millar:

The issue with this benefit is it has to be applied for because we cannot necessarily identify specific households who are eligible. The households do not receive income support so they may not be on our records. They are not liable to pay income tax so we cannot identify them through Revenue Jersey households and, as I say, we have the 5-year period of residence. So we do not necessarily have the data to go and target people directly. The communications plan will be thorough. As I say, it covers adverts in the *J.E.P. (Jersey Evening Post)*, *Bailiwick Express*, Parish magazines. We will be working with stakeholders in Parish Halls. We will do everything we can to raise awareness of the bonus but if people do not apply then I am not quite sure what we do. I am not quite sure why action has not been taken in years past to further promote the bonus but we are certainly doing that now this year.

9.1.4 Deputy C.S. Alves of St. Helier Central:

The Minister partially answered my question which was going to be: if the department are aware of the number of people that should be applying for this, why are they not contacting individuals directly?

[10:00]

She mentioned they do not have the data. Can the Minister elaborate on why the department do not have this data or cannot get access to this data?

Deputy E. Millar:

I think we do not have the data, as I said, because we do not have them on our income support system. They are not receiving income support. I cannot explain why that may be, probably because of their earnings. But they are not liable to pay income tax. So government, it would appear, do not have direct records of people who do not pay tax and do not receive income support. I think government cannot necessarily keep records on every member of the population because there are quite serious and far-reaching implications if government tried to collect data on people simply because it wants the data. All we can do is raise awareness of the bonus and we are seeking to do that in a very concerted way this year.

9.1.5 Deputy C.S. Alves:

Can the Minister elaborate on how she will be measuring whether this communications campaign will be a success then?

Deputy E. Millar:

The success of the campaign will be determined by the number of people who apply for the bonus. I would say that the estimates that we have of 7,000 possibly going up to 14,000 are estimates. I am not sure where those estimates come from, I have to confess. But hopefully, as I say, we will see more people applying for the bonus this winter and the campaign and working with stakeholders and, indeed States Members hopefully will produce the benefits that we would all like to see.

9.1.6 Deputy R.J. Ward:

Does the Minister feel that there may be a stigma attached to applying for benefits and if so, what is being done to try and reduce the stigma in the application?

Deputy E. Millar:

I think you may be right. I have been told by one of the third sector groups that there are certain sections of the community who do not like coming to government, who do not like applying for benefits, who simply do not like liaising with government. There are other people who feel that applying for benefits is equivalent to taking money from charity. They do not like having to ask for help. There are all sorts of reasons why people may not claim benefits. As I say, we will work with stakeholders to try to promote the availability of the benefit and make sure that people do come forward to take it. There should be no stigma, we have a vast range of benefits to help a wide range of people, and the benefits are there to help the low-income sections of our community. I can only encourage them and hope that States Members also encourage parishioners who may need support from government to apply for any benefits that are available to them.

9.1.7 Deputy R.J. Ward:

Does the Minister feel that the process of application can be intrusive, for example, asking for months and months of bank statements, and that may be one of the reasons why people are not applying for these much-needed benefits?

Deputy E. Millar:

I think, Deputy Ward, your question is wider than just the community cost bonus. The community cost bonus I think is a relatively straightforward application process. We do not ask for lots of bank statements. As I say, the requirements are that you are not receiving income support and you are not liable to pay income tax at the moment, and that you have been resident in Jersey for 5 years, which I presume we can establish from our own records. There is an application process and it is appropriate that we do, on occasion, check. We have to means test benefits and we have to check that we are paying benefits to people who are truly entitled to receive them and to minimise cases where benefits are paid in error or to people who do not need them. We have to make sure that taxpayer money goes to people who truly need it and not to people who may be ... it is rare, but making fraudulent applications. So there does have to be some rigour around the application process, I would suggest.

The Greffier of the States (in the Chair):

Deputy Kovacs, the opportunity of a final question comes to you. No.