

**WRITTEN QUESTION TO THE MINISTER FOR SOCIAL SECURITY
BY DEPUTY G.P. SOUTHERN OF ST. HELIER
ANSWER TO BE TABLED ON MONDAY 30th NOVEMBER 2020**

Question

“Will the Minister –

- (a) state what estimates, if any, are available for the impact of the latest Covid-19 figures on incomes in the lowest income households, particularly those in the bottom income quintile;
- (b) advise whether she is giving any consideration to increasing benefits temporarily in order to assist low income households (as has been the response by the U.K. Government) or equivalent measures and if so, to what extent; and if not, why not?

Answer

- a) Detailed data on household incomes is collated on an annual and five yearly cycle and it is too soon to be able to report on the impact of Covid-19 across the population as a whole. However, data is available in respect of the earnings of Income Support claimants, where at least one participant on the claim has an earned income. An initial analysis of this data suggests that there was a significant and expected decrease in average wages between March and June, but as of the end of October earnings have on average returned to pre-Covid-19 levels. The Income Support system automatically compensates for a reduction in household earnings and the Income Support budget for 2020 has been increased by £6.9 Million to support households from this drop in wages.
- b) It is not easy to make a direct comparison with the UK. The Council of Ministers rapidly considered, and then brought forward, a range of measures to help low-income households during the Covid-19 lockdown period; this area remains under active consideration by Ministers. Measures that have been taken include:
 - Co-Funded Payroll Scheme – the Co-Funded Payroll Scheme continues to support the wages of employees and self-employed people
 - Spend Local - £100 card issued to every adult and child
 - Direct payments - an additional £100 payment to all Income Support and Pension Plus recipients
 - Covid Related Emergency Support Scheme (CRESS) –an extra benefit was provided from April to August for unemployed people who did not qualify to apply for Income Support
 - A rent freeze was applied to all domestic properties until the end of September and Andium rents have been frozen for the whole of 2021
 - The Income Support budget for 2021, and future years, has been increased to ensure support remains available for low income families while the economy starts to recover.

I have no further plans to increase benefit rates at present, but I can assure members that I am monitoring the situation very closely and will consider additional measures when and if they are needed.

