WRITTEN QUESTION TO THE MINISTER FOR SOCIAL SECURITY BY DEPUTY I. GARDINER OF ST. HELIER NORTH QUESTION SUBMITTED ON MONDAY 10th MARCH 2025 ANSWER TO BE TABLED ON MONDAY 17th MARCH 2025

Ouestion

"Further to the her response to <u>Written Question 78/2025</u> regarding the 151 businesses that deferred Class 1 Social Security payments and have ceased trading, will the Minister advise –

- (a) the total amount of debt owed and average debt per business;
- (b) the estimated cost of recovering this debt per business; and

whether the Minister can be assured that the directors of these dissolved businesses will not be able to apply for any States grants, loans or subsidies through a newly registered business and if not, why?"

Answer

Written question 78/2025 refers to businesses that had deferred Class 1 Social Security contributions outstanding at the end of 2024. Class 1 contributions are paid by all businesses that have employees, these businesses may be owned by individuals, companies, partnerships etc. All businesses operating in Jersey require a Control of Housing and Work (Law) 2012 (CHWL) business licence.

WQ.78/2025 identified that 151 businesses had ceased trading by the end of 2024. This figure was obtained by cross referencing against the business licensing records to determine whether the business licence was still active. The 151 businesses referenced in the last question no longer hold an active business licence under the Control of Housing and Work (Law) 2012.

In most cases this means that they are no longer trading, however this could also be because business licences are merged or adjusted for other administrative purposes under CHWL. It is important to note that these businesses will be a mix of different trading entities, not just limited companies. To determine whether a company is dissolved, this would need to be confirmed with the JFSC who regulate company administration – I do not hold this data.

- (a) The 151 entities which no longer held business licences on 31st December owed £1.502m, this has subsequently reduced to £1.386m on the 1st March, an average of £9,200 per business.
- (b) It is not possible to estimate the cost of recovering this debt per business. There is a central income and debt collection team within Government. In 2024 the cost of this team was £1.5 million, and they collected £1.4 billion in income. The income and debt collection team cost less than 1p per £1 of debt collected.

As I am not responsible for the allocation of all States grants, loans and subsidies, I am unable to provide the assurance sought in the final part of the question.