

Ministerial Meeting Minutes – Income Support up-rate discussion -01-05-2020	TEAMS 14:00 to 14:30
Attendees	Apologies
Judy Martin – Minister for Social Security	
Jeremy Maçon - Assistant Minister for Social Security	
Ian Burns	
Policy Director	
Ministerial Support Officer	
Communications Officer	
Policy Principal	
Chief Economic Adviser	

Subject	Minister's Decision	Action Notes	Action By	To be completed by	Exemptions if applicable
Income Support up-rate		<p>A draft paper was circulated to support a discussion with the Social Security ministerial team about whether there should be any changes to the Income Support rates during 2020.</p> <p>To agree:</p> <ul style="list-style-type: none"> • whether or not to do an Income Support up-rate this year • If an up-rate is agreed to decide on what it should be, or whether further information is required to decide on the amount 			Exempt Article 35

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		<p>It was explained that time is short and if any 2020 change to the rates are required legislative drafting would need to be requested next week to enable Regulations to be lodged by early June to meet the last States sitting before the summer.</p> <p>Three options were presented for consideration:</p> <ol style="list-style-type: none"> 1. A 4.5% to 5% uprate to income Support components in October 2020 (followed by no uprates in 2021 and 2022). 2. A 2.7% uprate to income Support components in October 2020 (current RPI) 3. No uprate in October 2020 <p>The Chief Economic Adviser voiced support for option 1 on the basis of providing assistance to low income islanders as a well targeted stimulus measure to help aid recovery of the local economy following Covid19.</p> <p>The ministerial team expressed concern that it would be difficult to “frontload” a larger uprate in 2020 and rely on no uprate in 2021 or 2022. This could be challenged politically. They also noted the current steep increase in income support claimants which will add to the overall income support cost for 2020 at current rates.</p> <p>The Minister and Assistant Minister both agreed that it is too soon to consider making a decision and noted that, therefore, there would be no uprate in October 2020.</p>			

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		<p>However, they wish to review the situation later in the year and consider possible income support changes as part of the wider stimulus plan to be agreed by the Council of Ministers.</p> <p>It was noted that:</p> <ul style="list-style-type: none"> • Social Security contributory benefits will be uprated automatically in October 2020 • Annual Andium rent increases are in January so any potential future uprate could be aligned • More consideration can be given to a temporary bonus scheme to boost the local economy • The IS up-rate costs circa £3M per annum and it is important than decisions continue to be made on the basis of 'right to do' as well as cost <p>It was agreed that a short paper will be prepared for presentation to the Ministerial team to summarise this discussion and confirm that the Income Support up-rate will be considered later in the year as part of the wider economic plan.</p>	<p>██████</p>	<p>22/05</p>	