

Freedom of Information Request

Date of receipt: 16th November 2022

Date of response: 21st December 2022

Freedom of Information request regarding Benefit Recipients / Tax Payers / Guernsey Development Agency / Compromise Agreements

Request:

1. How many people are receiving benefits of 10,000 / 20,000 / 30,000 per household?
2. How many people employed are paying 0% tax?
3. What percentage of earners are net contributors?
4. In our request dated 19 August 2022 we asked '*Can you please confirm the process of appointment for the Chairman of the new Guernsey Development Agency?*' your response of 21 September 2022 mentions an '*open and transparent process*' can you please confirm what this process consisted of?
5. In our request dated 19 August 2022 we asked '*Can you confirm the value and number of compromise agreements issued by the States of Guernsey during 2021 and 2022 year to date?*'. Can you confirm if the values in your response dated 21 September 2022 includes gardening leave or similar payments?

Response provided by the Policy & Resources Committee:

1. The figures set out in tables 1 to 4 show the number of households (and people within those households) that received at least one of the following benefits during 2021:
 - States Pension*
 - Bereavement Allowance*
 - Bereavement Payment*
 - Death Grant*
 - Widowed Parent's Allowance*
 - Widowed Parent's Allowance Personal*
 - Maternity Grant*
 - Adoption Grant*
 - Maternal Health Allowance*

- Newborn Care Allowance*
- Parental Allowance*
- Sickness Benefit*
- Incapacity Benefit*
- Industrial Injuries Benefit*
- Industrial Disablement Benefit*
- Unemployment Benefit*
- Long Term Care benefit**
- Attendance Allowance
- Invalid Care Allowance
- Family Allowance
- Income Support

The figures in tables 5 to 8 **exclude** States pension but include all of the other above listed benefits.

Explanatory notes:

- Benefits listed above that are marked with an asterisk are insurance-based benefits funded from the Guernsey Insurance Fund. Long-term Care benefit (marked **) is an insurance-based benefit funded from the Long-term Care Insurance Fund. The other listed benefits are funded from General Revenue.
- The figures include households in Guernsey, Herm and Jethou.
- The figures in the tables refer to benefits received across the whole of the calendar year 2021.
- The term “consistent households” refers to those where there has been no change in the composition and number of individuals within a household and no change of address throughout the full calendar year.
- The term “inconsistent households” refers to those including different people at the start and end of the year, so some of the people may not have been living in the household when the benefit was paid.
- It should be noted that some households are very large (for example, staff accommodation, lodging houses, nursing/residential homes).

Table 1: No. households / people in those households in receipt of benefits (including States pension) totalling under £10,000 during 2021

	No. households	No. people in those households	No. adults (16+)	No. children (15 and under)
Consistent households	7,613	21,212	16,762	4,450
Inconsistent households	3,546	11,789	9,538	2,251
TOTAL	11,159	33,001	26,300	6,701

Table 2: No. households / people in those households in receipt of benefits (including States pension) totalling £10,000 to £19,999 during 2021

	No. households	No. people in those households	No. adults (16+)	No. children (15 and under)
Consistent households	4,220	8,043	7,609	434
Inconsistent households	1,008	2,823	2,481	342
TOTAL	5,228	10,866	10,090	776

Table 3: No. households / people in those households in receipt of benefits (including States pension) totalling £20,000 to £29,999 during 2021

	No. households	No. people in those households	No. adults (16+)	No. children (15 and under)
Consistent households	2,019	4,511	4,142	369
Inconsistent households	466	1,582	1,316	266
TOTAL	2,485	6,093	5,458	635

Table 4: No. households / people in those households in receipt of benefits (including States pension) totalling £30,000 or more during 2021

	No. households	No. people in those households	No. adults (16+)	No. children (15 and under)
Consistent households	433	1,618	1,123	495
Inconsistent households	318	1,930	1,613	317
TOTAL	751	3,548	2,736	812

Table 5: No. households / people in those households in receipt of benefits (excluding States pension) totalling under £10,000 during 2021

	No. households	No. people in those households	No. adults (16+)	No. children (15 and under)
Consistent households	7,447	21,858	17,271	4,587
Inconsistent households	3,803	12,842	10,446	2,396
TOTAL	11,250	34,700	27,717	6,983

Table 6: No. households / people in those households in receipt of benefits (excluding States pension) totalling £10,000 to £19,999 during 2021

	No. households	No. people in those households	No. adults (16+)	No. children (15 and under)
Consistent households	978	2,390	2,061	329
Inconsistent households	389	1,369	1,148	221
TOTAL	1,367	3,759	3,209	550

Table 7: No. households / people in those households in receipt of benefits (excluding States pension) totalling £20,000 to £29,999 during 2021

	No. households	No. people in those households	No. adults (16+)	No. children (15 and under)
Consistent households	525	1,254	935	319
Inconsistent households	231	799	617	182
TOTAL	756	2,053	1,552	501

Table 8: No. households / people in those households in receipt of benefits (excluding States pension) totalling £30,000 or more during 2021

	No. households	No. people in those households	No. adults (16+)	No. children (15 and under)
Consistent households	297	1,247	763	484
Inconsistent households	251	1,667	1,366	301
TOTAL	548	2,914	2,129	785

2. There are approximately 2,400 to 2,600 individuals with an Employed or Self Employed status who pay zero tax due to their earnings being less than their total allowances.
3. The definition of a 'net contributor' is difficult to establish. People's use of public services and their tax contributions varies enormously from person to person and across their life-time. A young person early in their career, or an older person who has retired on a reduced income is unlikely to be paying sufficient tax to cover their life-time annual average cost, but that does not mean that they will not be a net contributor if their position is considered across their entire life-time. Their costs will also depend on whether they remain in Guernsey and the level of care services they require, particularly towards the end of their life. However, in the interest of providing an indicative answer, the average cost of public services per capital is approximately £11,000 a year. We estimate that approximately a third of households *currently* contribute at least £11,000 per adult in tax revenues.
4. The role was advertised openly and transparently through www.gov.gg, the media and social media, accompanied by a person specification that included detail of remuneration. A panel of Deputies supported by a civil servant interviewed all of the short-listed candidates. The role was offered on behalf of the panel to Mr Falla. His appointment is subject to the agreement of the States of Deliberation, in line with comparable public appointments in Guernsey. The States will be asked to consider his appointment and other members of the Board during Q1 2023.
5. Yes, the figure does include such arrangements, for example, the payment in lieu of notice, whereby an Employee would not be expected to attend work.