

# STATES OF JERSEY



## **DRAFT INCOME SUPPORT (AMENDMENT No. 16) (JERSEY) REGULATIONS 201-**

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**Lodged au Greffe on 30th May 2017  
by the Minister for Social Security**

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**STATES GREFFE**





Jersey

## **DRAFT INCOME SUPPORT (AMENDMENT No. 16) (JERSEY) REGULATIONS 201-**

### **REPORT**

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#### **1. Summary of the draft Regulations**

**These draft Regulations increase all Income Support components by 2.9% – in line with the latest increase in the Retail Prices Index (“RPI”) of March 2017.**

Most of the components have been fixed during 2015 and 2016, and the proposed 2.9% increase across all components from 1st October 2017 ensures that all households claiming Income Support will benefit from this change.

The Council of Ministers fully supports the proposal, which will help all households claiming Income Support.

These Regulations have been submitted for approval before the summer recess in order to allow time for the new values to be processed before 1st October 2017.

#### **2. Improving Income Support**

The Minister for Social Security is proposing to improve Income Support this year by –

- (i) increasing all the Income Support components by 2.9%; and**
- (ii) strengthening the financial incentives for households to increase their income.**

The first part of the above proposal is included in these draft Regulations.

The Minister for Social Security is also planning to strengthen the financial incentives for households to increase their income, by increasing all the income disregards from 23% to 25% from 1st October 2017.

The Minister will increase the income disregards by Ministerial Order following the approval of these Regulations.

#### **3. MTFP and benefit savings**

The Medium Term Financial Plan (“MTFP”) 2016 – 2019 sets out the Social Security Department’s spending plans and spending limits up to the end of 2019.

The States agreed a package of measures in the MTFP 2016 – 2019 to invest in strategic priority areas and improve infrastructure. As part of these plans, the Department agreed to propose a £10 million annual reduction in the benefit budget by 2019, which on a like-for-like basis means that the benefit budget is flat for the period.

These changes were carefully chosen to meet the following objectives –

- promote financial independence
- minimise the impact on individuals
- improve the targeting of benefits.

#### 4. Component increases

The basic living cost components, housing components, impairment components, childcare day components and carer's component are all increased by 2.9% in these Regulations.

| Component                                      | Legislation           | Current | New    |
|--|-----------------------|---------|--------|
|  |                       | £/week  | £/week |
| <u>Part 1: Basic components</u>                |                       |         |        |
| Adult  | Sch. 1, Para. 2(1)(a) | 92.12   | 94.85  |
| Child (first)                                  | Sch. 1, Para. 2(1)(d) | 63.98   | 65.87  |
| Child (subsequent)                             | Sch. 1, Para. 2(1)(e) | 63.98   | 65.87  |
| Household                                      | Sch. 1, Para. 2(1)(f) | 51.31   | 52.85  |
| <u>Part 2: Housing component</u>               |                       |         |        |
| <u>Rental: (private sector)</u>                |                       |         |        |
| in the case of a hostel                        | Sch. 1, Para. 4(2)(a) | 100.10  | 103.04 |
| in the case of lodgings or a bedsit            | Sch. 1, Para. 4(2)(b) | 131.88  | 135.73 |
| in the case of a flat with 1 bedroom           | Sch. 1, Para. 4(2)(c) | 194.46  | 200.13 |
| in the case of a flat with 2 bedrooms          | Sch. 1, Para. 4(2)(d) | 248.99  | 256.27 |
| in the case of a flat with 3 or more bedrooms  | Sch. 1, Para. 4(2)(e) | 267.26  | 275.03 |
| in the case of a house with 1 bedroom          | Sch. 1, Para. 4(2)(f) | 222.88  | 229.39 |
| in the case of a house with 2 bedrooms         | Sch. 1, Para. 4(2)(g) | 283.01  | 291.27 |
| in the case of a house with 3 bedrooms         | Sch. 1, Para. 4(2)(h) | 330.54  | 340.13 |
| in the case of a house with 4 bedrooms         | Sch. 1, Para. 4(2)(i) | 360.29  | 370.79 |
| in the case of a house with 5 or more bedrooms | Sch. 1, Para. 4(2)(j) | 398.86  | 410.48 |

Owner:

|  |                       |       |       |
|--|-----------------------|-------|-------|
| in the case of a bedsit or flat with 1 or 2 bedrooms | Sch. 1, Para. 4(7)(a) | 6.37  | 6.58  |
| in the case of a flat with 3 bedrooms                | Sch. 1, Para. 4(7)(b) | 9.03  | 9.31  |
| in the case of a flat with 4 or more bedrooms        | Sch. 1, Para. 4(7)(c) | 12.74 | 13.16 |
| in the case of a house with 1 bedroom                | Sch. 1, Para. 4(7)(d) | 6.37  | 6.58  |
| in the case of a house with 2 bedrooms               | Sch. 1, Para. 4(7)(e) | 9.03  | 9.31  |
| in the case of a house with 3 or more bedrooms       | Sch. 1, Para. 4(7)(f) | 12.74 | 13.16 |

Shared by 2 or more households:

|  |                        |        |        |
|--|------------------------|--------|--------|
| in the case of a hostel                        | Sch. 1, Para. 4(13)(a) | 100.10 | 103.04 |
| in the case of lodgings or a bedsit            | Sch. 1, Para. 4(13)(b) | 124.95 | 128.59 |
| in the case of a flat with 1 bedroom           | Sch. 1, Para. 4(13)(c) | 184.24 | 189.63 |
| in the case of a flat with 2 bedrooms          | Sch. 1, Para. 4(13)(d) | 235.90 | 242.76 |
| in the case of a flat with 3 or more bedrooms  | Sch. 1, Para. 4(13)(e) | 253.19 | 260.54 |
| in the case of a house with 1 bedroom          | Sch. 1, Para. 4(13)(f) | 211.12 | 217.28 |
| in the case of a house with 2 bedrooms         | Sch. 1, Para. 4(13)(g) | 268.17 | 276.01 |
| in the case of a house with 3 bedrooms         | Sch. 1, Para. 4(13)(h) | 313.11 | 322.21 |
| in the case of a house with 4 bedrooms         | Sch. 1, Para. 4(13)(i) | 341.32 | 351.26 |
| in the case of a house with 5 or more bedrooms | Sch. 1, Para. 4(13)(j) | 377.86 | 388.85 |

| <b>Component</b>                               | <b>Legislation</b>     | <b>Current<br/>£/week</b> | <b>New<br/>£/week</b> |
|--|------------------------|---------------------------|-----------------------|
| <b><u>B: Impairment component</u></b>          |                        |                           |                       |
| <b>Personal care element:</b>                  |                        |                           |                       |
| for a score of at least 15<br>but less than 36 | Sch. 1, Para. 6(3)(a)  | 22.96                     | 23.66                 |
| for a score of at least 36<br>but less than 56 | Sch. 1, Para. 6(3)(b)  | 101.15                    | 104.09                |
| for a score of at least 56                     | Sch. 1, Para. 6(3)(c)  | 145.25                    | 149.52                |
| <b>Mobility element:</b>                       |                        |                           |                       |
| (a)  | Sch. 1, Para. 7(3)(a)  | 22.96                     | 23.66                 |
| (b)  | Sch. 1, Para. 7(3)(b)  | 45.92                     | 47.32                 |
| <b>Clinical cost element:</b>                  |                        |                           |                       |
| (a)  | Sch. 1, Para. 8(2)(a)  | 3.15                      | 3.29                  |
| (b)  | Sch. 1, Para. 8(2)(b)  | 6.30                      | 6.58                  |
| <b><u>C: Childcare day component</u></b>       |                        |                           |                       |
| (a) child under 3                              | Sch. 1, Para. 10(3)(a) | 6.59                      | 6.79                  |
| (b) child 3 +                                  | Sch. 1, Para. 10(3)(b) | 5.15                      | 5.30                  |
| <b><u>D: Carer's component</u></b>             |                        |                           |                       |
| Carer's component                              | Sch. 1, Para. 12       | 46.97                     | 48.37                 |

## **5. Support for Social Housing**

Following the approval of the Housing Transformation Programme in 2013, changes were made to the Income Support Regulations to allow social sector rentals values to move towards 90% of market value. Component values are no longer needed within the Income Support Regulations, and rental components for social sector tenants (Andium and Housing Trusts) are adjusted automatically each year.

### **Collective responsibility under Standing Order 21(3A)**

The Council of Ministers has a single policy position on this proposition, and as such, all Ministers, and the Assistant Minister for Social Security, are bound by the principle of collective responsibility to support the proposition, as outlined in the Code of Conduct and Practice for Ministers and Assistant Ministers ([R.11/2015](#) refers).

**Financial and manpower implications**

The estimated cost of £3.9 million a year for this overall package (i.e. increases to the components and the income disregards) has been built into the Department's budget in the MTFP 2016 – 2019. There are no staff or other resource implications arising from this proposal.

## Explanatory Note

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These Regulations amend the Income Support (Jersey) Regulations 2007 to increase the rates of the basic, housing, impairment, child care and carer's components of income support by 2.9% in line with the latest increases in the Jersey Retail Prices Index (March 2017) (*Regulation 1*).

*Regulation 2* sets out the title of these Regulations and provides that they shall come into force on 1st October 2017.





Jersey

## DRAFT INCOME SUPPORT (AMENDMENT No. 16) (JERSEY) REGULATIONS 201-

Made [date to be inserted]  
Coming into force [date to be inserted]

**THE STATES**, in pursuance of Articles 5 and 18 of the Income Support (Jersey) Law 2007<sup>1</sup>, have made the following Regulations –

### 1 Schedule 1 to the Income Support (Jersey) Regulations 2007 amended

In Schedule 1 to the Income Support (Jersey) Regulations 2007<sup>2</sup> –

- (a) in paragraph 2(1) –  
(i) for clause (a) there shall be substituted the following clause –

|      |  |          |
|------|--|----------|
| “(a) | under Article 5(2)(a) (adult component rate) | £94.85”, |
|------|--|----------|

- (ii) for clauses (d), (e) and (f) there shall be substituted the following clauses –

|      |   |          |
|------|---|----------|
| “(d) | under Article 5(2)(c) of the Law (first child component rate)       | £65.87   |
| (e)  | under Article 5(2)(ca) of the Law (subsequent child component rate) | £65.87   |
| (f)  | under Article 5(2)(d) of the Law (household component rate)         | £52.85”; |

- (b) for paragraph 4(2) there shall be substituted the following sub-paragraph –

“(2) The rates payable under this sub-paragraph are –

|     |                                      |         |
|-----|--------------------------------------|---------|
| (a) | in the case of a hostel              | £103.04 |
| (b) | in the case of lodgings or a bedsit  | £135.73 |
| (c) | in the case of a flat with 1 bedroom | £200.13 |

|     |  |            |
|-----|--|------------|
| (d) | in the case of a flat with 2 bedrooms          | £256.27    |
| (e) | in the case of a flat with 3 or more bedrooms  | £275.03    |
| (f) | in the case of a house with 1 bedroom          | £229.39    |
| (g) | in the case of a house with 2 bedrooms         | £291.27    |
| (h) | in the case of a house with 3 bedrooms         | £340.13    |
| (i) | in the case of a house with 4 bedrooms         | £370.79    |
| (j) | in the case of a house with 5 or more bedrooms | £410.48.”; |

(c) for paragraph 4(7) there shall be substituted the following sub-paragraph –

“(7) The rates payable under this sub-paragraph are –

|     |  |           |
|-----|--|-----------|
| (a) | in the case of a bedsit or flat with 1 or 2 bedrooms | £6.58     |
| (b) | in the case of a flat with 3 bedrooms                | £9.31     |
| (c) | in the case of a flat with 4 or more bedrooms        | £13.16    |
| (d) | in the case of a house with 1 bedroom                | £6.58     |
| (e) | in the case of a house with 2 bedrooms               | £9.31     |
| (f) | in the case of a house with 3 or more bedrooms       | £13.16.”; |

(d) for paragraph 4(13) there shall be substituted the following sub-paragraph –

“(13) The rates payable under this sub-paragraph are –

|     |  |            |
|-----|--|------------|
| (a) | in the case of a hostel                        | £103.04    |
| (b) | in the case of lodgings or a bedsit            | £128.59    |
| (c) | in the case of a flat with 1 bedroom           | £189.63    |
| (d) | in the case of a flat with 2 bedrooms          | £242.76    |
| (e) | in the case of a flat with 3 or more bedrooms  | £260.54    |
| (f) | in the case of a house with 1 bedroom          | £217.28    |
| (g) | in the case of a house with 2 bedrooms         | £276.01    |
| (h) | in the case of a house with 3 bedrooms         | £322.21    |
| (i) | in the case of a house with 4 bedrooms         | £351.26    |
| (j) | in the case of a house with 5 or more bedrooms | £388.85.”; |

- (e) for paragraph 6(3) there shall be substituted the following sub-paragraph –

“(3) The rate of personal care element payable in respect of the total score calculated under sub-paragraph (2) is as follows –

- |     |   |            |
|-----|---|------------|
| (a) | for a score of at least 15 but less than 36 | £23.66     |
| (b) | for a score of at least 36 but less than 56 | £104.09    |
| (c) | For a score of at least 56                  | £149.52.”; |

- (f) for paragraph 7(3) there shall be substituted the following sub-paragraph –

“(3) The rate of mobility element of the impairment component is –

- |     |  |
|-----|--|
| (a) | £23.66; or   |
| (b) | £47.32 if the person’s average weekly earnings exceed the amount in this clause.”; |

- (g) for paragraph 8(2) there shall be substituted the following sub-paragraph –

“(2) The rate of clinical cost element of the impairment component is –

- |     |  |
|-----|--|
| (a) | £3.29; or  |
| (b) | if, based on the criteria set out in sub-paragraph (1)(b), the member will need at least 9 consultations with an approved medical practitioner, £6.58.”; |

- (h) for paragraph 10(3) there shall be substituted the following sub-paragraph –

“(3) The rates payable under this sub-paragraph are –

- |     |                                      |          |
|-----|--------------------------------------|----------|
| (a) | for a child under the age of 3 years | £6.79    |
| (b) | for a child aged 3 years or over     | £5.30.”; |

- (i) for paragraph 12 there shall be substituted the following paragraph –

**“12 Rate for the carer’s component**

The rate payable in respect of the carer’s component is £48.37.”.

**2 Citation and commencement**

These Regulations may be cited as the Income Support (Amendment No. 16) (Jersey) Regulations 201- and shall come into force on 1st October 2017.

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- <sup>1</sup> *chapter 26.550*  
<sup>2</sup> *chapter 26.550.30*