

STATES OF JERSEY



Jersey

DRAFT INCOME SUPPORT (AMENDMENT No. 21) (JERSEY) REGULATIONS 202-

**Lodged au Greffe on 18th May 2021
by the Minister for Social Security
Earliest date for debate: 29th June 2021**

STATES GREFFE

REPORT

1. Proposal to increase income support

The Minister for Social Security has the responsibility to review income support, for example the level of the weekly component rates and income disregards, each year.

The Minister has decided to propose increases to the income support components for 2021 and 2022 because of the election timetable next year. The next Minister will not be able to review income support or propose any changes in time for 1st October 2022.

For 1st October 2021

The Minister for Social Security is proposing to improve income support this year by:

1. **Increasing the first child component** by £5 a week to help families receiving income support. This brings the total increase to an extra £15 a week over the last few years.
2. **Increasing the child care cost component hourly rates** in line with the proposed changed rate for the Nursery Education Fund later this year.
3. **Increasing most of the remaining income support components by 1.1%** to provide support to all households receiving income support, broadly in line with the annual increase in the cost of living.

The proposed increases are lower than in previous years because they are based on RPI which has been lower than normal since March 2020.

For 1st October 2022

The Minister for Social Security is proposing to **increase most of the income support components by 2.6%** next year.

This will provide support to all households receiving income support, in line with the expected annual increase in the cost of living during 2022.

This proposed increase is higher than the increase for October 2021 because RPI is expected to be higher at 2.6% for 2022.

The [Government Plan 2021–24](#) includes an increase in the income support budget of £1.2 million a year from October 2021 and £2 million a year from October 2022. This proposal uses this extra budget included in the Government Plan.

2. Summary of the Regulations

The accompanying Regulations cover the proposed changes to the income support component rates.

The proposed changes for each year have been set out in Regulations 2 and 3 so that States members may vote on them separately.

These Regulations have been submitted for States members to approve before the summer recess to allow time for the new values to be processed before 1st October 2021.

Regulation 2 – for 1st October 2021

This Regulation will:

1. **Increase the first child component by £5.04 a week**
2. **Increase the child care cost component hourly rates:**
 - For a child 3 years or over – from £5.57/hr to £6.70/hr in line with the proposed changed rate for the Nursery Education Fund later this year.
 - For a child under the age of 3 years – from £7.14 per hour to £8.00 per hour
3. **Increase most of the Income Support components by approximately 1.1%.** These cover: adult, household, child component (second and subsequent), carer, personal care, clinical cost, mobility and accommodation (owners and private sector rental). The single parent component will remain the same.

Regulation 3 – for 1st October 2022

This Regulation will:

Increase most of the Income Support components by approximately 2.6%. These cover: adult, household, child component (first, and second and subsequent), carer, personal care, clinical cost, mobility and accommodation (owners and private sector rental). The single parent component will remain the same.

All the proposed component changes are summarised at the end of the report.

3. Common Strategic 2018-2022 policy priorities

The States Assembly agreed five strategic priorities up to 2022. This proposal helps the government to make progress towards two of these priorities:

1. **Put children first** – by increasing the first child component.
2. **Reduce income inequality and improve the standard of living** – by increasing most of the income support components.



4. Details of the proposal

The Minister for Social Security is proposing to improve income support over the next couple of years by increasing the value of components, with a focus on families this year.

Support for low income families

In January 2019, a supplement was added to the component for the first child in each family receiving income support, providing an additional £5.04 p per week.

In October 2019, the Minister for Social Security built on this extra help to families with low incomes, by giving a further £5.04p per week to every household that includes a child under school leaving age.

The Minister is now proposing a further increase of £5.04p per week to the component for the first child to bring the total increase to over £15 per week.

This will increase the amount of income support available for the first child from £77.98 to £83.02 a week in October 2021.

At the end of 2020, there were 1,900 income support households (about 1 in 3 of the total) with children that will benefit from this.

The estimated cost of this is £0.5 million a year from 1st October 2021.

Support for all households receiving income support

The RPI figure for the year to March 2021 for households with low incomes is 1.4%. The RPI figure for all households is 0.8%. The cost of living is expected to increase more quickly next year – the Fiscal Policy Panel expects the RPI to increase by 2.6% in 2022.

The Minister for Social Security's proposal includes an increase in most of the components of 1.1% from October 2021 and 2.6% from October 2022.

The cost of the 1.1% proposal for October 2021 is approximately £0.7 million a year and the cost of the 2.6% proposal for October 2022 is approximately £2 million a year.

This does not include the additional component available to single parents or the cost of social housing rentals, which are discussed below.

Single parents

In 2018, the States approved the [Income Support \(Amendment No. 17\) \(Jersey\) Regulations 2018](#) which provided for an additional single parent component to be reinstated to all single parents receiving income support at the rate of £40.39.

From October 2021, all single parent families will receive the increased child component of £5.04 a week, as well as increases in the adult component and other relevant components.

The Minister has not proposed a further increase in the single parent component in 2021 or 2022.

Support for Social Housing

Following the approval of the Housing Transformation Programme in 2013, changes were made to the Income Support Regulations. Component values are no longer specified within the Regulations and rental components for social sector tenants

(Andium and Housing Trusts) are adjusted automatically each year. Households¹ receive the full value of their rent as part of their income support calculation.

In January 2019, the Minister for Housing and Children confirmed a new rent adjustment policy for Andium Homes. The policy means that annual rents will increase by RPI+ 0.75% but will also be capped to remain within a range of 2.5% to 4% in the future. The rents for Andium tenants were frozen on 1st January 2020. The next annual rent review will be on 1st January 2021.

5. Financial and manpower implications

October 2021 proposal

The total estimated cost of the changes proposed for October 2021 is £1.2 million a year.

	£ million
Increase first child component by £5.04 /wk	0.5
Increase most components by 1.1%	0.7
Increase the child care cost hourly rates	0.0*
	1.2

(* Rounded down as this is expected to cost less than £50,000 a year.)

October 2022 proposal

The total estimated cost of the changes proposed for October 2022 is £2 million a year.

	£ million
Increase most components by 2.6%	2

The cost of these proposals is built into the Government Plan 2021–2024.

There are no staff or other resource implications to this proposal.

¹ As long as the household is not under occupying a property.

Component increases from 1st October 2021

Component	Legislation	Current £ / week	New £ / week
<u>Part 1: Basic components</u>			
Adult	Sch1. Para 2(1)(a)	99.61	100.73
Single parent	Sch1. Para 2(1)(b)	40.39	40.39
Child (first)	Sch1. Para 2(1)(d)	77.98	83.02
Child (subsequent)	Sch1. Para 2(1)(e)	69.23	70.00
Household	Sch1. Para 2(1)(f)	55.51	56.14
<u>Part 2: Housing component</u>			
<u>Rental:</u>			
in the case of a hostel	Sch1. Para 4(2)(a)	108.22	109.48
in the case of lodgings or a bedsit	Sch1. Para 4(2)(b)	142.52	144.13
in the case of a flat with 1 bedroom	Sch1. Para 4(2)(c)	210.07	212.45
in the case of a flat with 2 bedrooms	Sch1. Para 4(2)(d)	269.01	272.02
in the case of a flat with 3 or more bedrooms	Sch1. Para 4(2)(e)	288.68	291.90
in the case of a house with 1 bedroom	Sch1. Para 4(2)(f)	240.87	243.53
in the case of a house with 2 bedrooms	Sch1. Para 4(2)(g)	305.76	309.19
in the case of a house with 3 bedrooms	Sch1. Para 4(2)(h)	357.07	361.06
in the case of a house with 4 bedrooms	Sch1. Para 4(2)(i)	389.20	393.54
in the case of a house with 5 or more bedrooms	Sch1. Para 4(2)(j)	430.85	435.61
<u>Owner:</u>			
in the case of a bedsit or flat with 1 or 2 bedrooms	Sch1. Para 4(7)(a)	6.93	7.07
in the case of a flat with 3 bedrooms	Sch1. Para 4(7)(b)	9.80	9.94
in the case of a flat with 4 or more bedrooms	Sch1. Para 4(7)(c)	13.86	14.07
in the case of a house with 1 bedroom	Sch1. Para 4(7)(d)	6.93	7.07
in the case of a house with 2 bedrooms	Sch1. Para 4(7)(e)	9.80	9.94
in the case of a house with 3 or more bedrooms	Sch1. Para 4(7)(f)	13.86	14.07
<u>Shared by two or more households:</u>			
in the case of a hostel	Sch1. Para 4(13)(a)	108.22	109.48
in the case of lodgings or a bedsit	Sch1. Para 4(13)(b)	135.03	136.57
in the case of a flat with 1 bedroom	Sch1. Para 4(13)(c)	199.15	201.39
in the case of a flat with 2 bedrooms	Sch1. Para 4(13)(d)	254.87	257.74

Component increases from 1st October 2021 (continued)

Component	Legislation	Current £ / week	New £ / week
in the case of a flat with 3 or more bedrooms	Sch1. Para 4(13)(e)	273.49	276.50
in the case of a house with 1 bedroom	Sch1. Para 4(13)(f)	228.13	230.65
in the case of a house with 2 bedrooms	Sch1. Para 4(13)(g)	289.80	293.02
in the case of a house with 3 bedrooms	Sch1. Para 4(13)(h)	338.31	342.09
in the case of a house with 4 bedrooms	Sch1. Para 4(13)(i)	368.76	372.82
in the case of a house with 5 or more bedrooms	Sch1. Para 4(13)(j)	408.17	412.72
<u>B: Impairment component</u>			
Personal care element:			
for a score of at least 15 but less than 36	Sch1. Para 6(3)(a)	24.92	25.20
for a score of at least 36 but less than 56	Sch1. Para 6(3)(b)	109.34	110.60
for a score of at least 56	Sch1. Para 6(3)(c)	157.01	158.76
Mobility element:			
(a)	Sch1. Para 7(3)(a)	24.92	25.20
(b)	Sch1. Para 7(3)(b)	49.77	50.33
Clinical cost element:			
(a)	Sch1. Para 8(2)(a)	3.50	3.57
(b)	Sch1. Para 8(2)(b)	7.00	7.14
<u>C: Childcare day component</u>			
(a) child under 3	Sch1. Para 10(3)(a)	7.14	8.00
(b) child 3 +	Sch1. Para 10(3)(b)	5.57	6.70
<u>D: Carer's component</u>			
Carer's component	Sch1. Para 12	50.82	51.38

Component increases from 1st October 2022

Component	Legislation	Oct 2021 £ / week	Oct 2022 £ / week
<u>Part 1: Basic components</u>			
Adult	Sch1. Para 2(1)(a)	100.73	103.39
Single parent	Sch1. Para 2(1)(b)	40.39	40.39
Child (first)	Sch1. Para 2(1)(d)	83.02	85.19
Child (subsequent)	Sch1. Para 2(1)(e)	70.00	71.82
Household	Sch1. Para 2(1)(f)	56.14	57.61
<u>Part 2: Housing component</u>			
<u>Rental:</u>			
in the case of a hostel	Sch1. Para 4(2)(a)	109.48	112.35
in the case of lodgings or a bedsit	Sch1. Para 4(2)(b)	144.13	147.91
in the case of a flat with 1 bedroom	Sch1. Para 4(2)(c)	212.45	217.98
in the case of a flat with 2 bedrooms	Sch1. Para 4(2)(d)	272.02	279.16
in the case of a flat with 3 or more bedrooms	Sch1. Para 4(2)(e)	291.90	299.53
in the case of a house with 1 bedroom	Sch1. Para 4(2)(f)	243.53	249.90
in the case of a house with 2 bedrooms	Sch1. Para 4(2)(g)	309.19	317.24
in the case of a house with 3 bedrooms	Sch1. Para 4(2)(h)	361.06	370.51
in the case of a house with 4 bedrooms	Sch1. Para 4(2)(i)	393.54	403.83
in the case of a house with 5 or more bedrooms	Sch1. Para 4(2)(j)	435.61	446.95
<u>Owner:</u>			
in the case of a bedsit or flat with 1 or 2 bedrooms	Sch1. Para 4(7)(a)	7.07	7.28
in the case of a flat with 3 bedrooms	Sch1. Para 4(7)(b)	9.94	10.22
in the case of a flat with 4 or more bedrooms	Sch1. Para 4(7)(c)	14.07	14.49
in the case of a house with 1 bedroom	Sch1. Para 4(7)(d)	7.07	7.28
in the case of a house with 2 bedrooms	Sch1. Para 4(7)(e)	9.94	10.22
in the case of a house with 3 or more bedrooms	Sch1. Para 4(7)(f)	14.07	14.49

Component increases from 1st October 2022 (continued)

Component	Legislation	Oct 2021 £ / week	Oct 2022 £ / week
<u>Shared by two or more households:</u>			
in the case of a hostel	Sch1. Para 4(13)(a)	109.48	112.35
in the case of lodgings or a bedsit	Sch1. Para 4(13)(b)	136.57	140.14
in the case of a flat with 1 bedroom	Sch1. Para 4(13)(c)	201.39	206.64
in the case of a flat with 2 bedrooms	Sch1. Para 4(13)(d)	257.74	264.46
in the case of a flat with 3 or more bedrooms	Sch1. Para 4(13)(e)	276.50	283.71
in the case of a house with 1 bedroom	Sch1. Para 4(13)(f)	230.65	236.67
in the case of a house with 2 bedrooms	Sch1. Para 4(13)(g)	293.02	300.65
in the case of a house with 3 bedrooms	Sch1. Para 4(13)(h)	342.09	351.05
in the case of a house with 4 bedrooms	Sch1. Para 4(13)(i)	372.82	382.55
in the case of a house with 5 or more bedrooms	Sch1. Para 4(13)(j)	412.72	423.50
<u>B: Impairment component</u>			
Personal care element:			
for a score of at least 15 but less than 36	Sch1. Para 6(3)(a)	25.20	25.90
for a score of at least 36 but less than 56	Sch1. Para 6(3)(b)	110.60	113.54
for a score of at least 56	Sch1. Para 6(3)(c)	158.76	162.89
Mobility element:			
(a)	Sch1. Para 7(3)(a)	25.20	25.90
(b)	Sch1. Para 7(3)(b)	50.33	51.66
Clinical cost element:			
(a)	Sch1. Para 8(2)(a)	3.57	3.71
(b)	Sch1. Para 8(2)(b)	7.14	7.42
<u>C: Childcare day component</u>			
(a) child under 3	Sch1. Para 10(3)(a)	8.00	8.21
(b) child 3 +	Sch1. Para 10(3)(b)	6.70	6.87
<u>D: Carer's component</u>			
Carer's component	Sch1. Para 12	51.38	52.78

EXPLANATORY NOTE

The Income Support (Amendment No. 21) (Jersey) Regulations 202-, if adopted, would amend Schedule 1 to the Income Support (Jersey) Regulations 2007 in order to increase the rates payable for various components of income support. In particular –

Regulation 2 would come into force on 1st October 2021 and would increase –

- the first child component by £5.04;
- the childcare cost component for a child 3 years or age or over from £5.57 per hour to £6.70 per hour;
- the childcare cost component for a child under 3 years of age from £7.14 per hour to £8.00 per hour;
- all other components, save the single parent component, by 1.1%.

Regulation 3 would come into force on 1st October 2022 and would increase all components, other than the single parent component, by 2.6%.



Jersey

DRAFT INCOME SUPPORT (AMENDMENT No. 21) (JERSEY) REGULATIONS 202-

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Jersey

DRAFT INCOME SUPPORT (AMENDMENT No. 21) (JERSEY) REGULATIONS 202-

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

THE STATES make these Regulations under Articles 5 and 18 of the Income Support (Jersey) Law 2007¹ –

1 Interpretation

In these Regulations, a reference to a paragraph by number is to the paragraph of the same number in Schedule 1 to the Income Support (Jersey) Regulations 2007².

2 Amendments to take effect to 1st October 2021

(1) For paragraph 2(1) (rates for basic components) there is substituted –

“(1) The rates payable for the basic components under Article 5(2) of the Law are as follows –

(a)	under Article 5(2)(a) of the Law (adult component rate)	£100.73
(b)	under Article 5(2)(b) of the Law (single parent component rate)	£40.39
(c)	under Article 5(2)(c) of the Law (first child component rate)	£83.02
(d)	under Article 5(2)(ca) of the Law (subsequent child component rate)	£70.00
(e)	under Article 5(2)(d) of the Law (household component rate)	£56.14”.

(2) For paragraph 4(2) (rates of housing component) there is substituted –

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

(a)	in the case of a hostel	£109.48
(b)	in the case of lodgings or a bedsit	£144.13
(c)	in the case of a flat with 1 bedroom	£212.45

(d)	in the case of a flat with 2 bedrooms	£272.02
(e)	in the case of a flat with 3 or more bedrooms	£291.90
(f)	in the case of a house with 1 bedroom	£243.53
(g)	in the case of a house with 2 bedrooms	£309.19
(h)	in the case of a house with 3 bedrooms	£361.06
(i)	in the case of a house with 4 bedrooms	£393.54
(j)	in the case of a house with 5 or more bedrooms	£435.61”.

(3) For paragraph 4(7) there is substituted –

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

(a)	in the case of a bedsit or flat with 1 or 2 bedrooms	£7.07
(b)	in the case of a flat with 3 bedrooms	£9.94
(c)	in the case of a flat with 4 or more bedrooms	£14.07
(d)	in the case of a house with 1 bedroom	£7.07
(e)	in the case of a house with 2 bedrooms	£9.94
(f)	in the case of a house with 3 or more bedrooms	£14.07”.

(4) For paragraph 4(13) there is substituted –

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

(a)	in the case of a hostel	£109.48
(b)	in the case of lodgings or a bedsit	£136.57
(c)	in the case of a flat with 1 bedroom	£201.39
(d)	in the case of a flat with 2 bedrooms	£257.74
(e)	in the case of a flat with 3 or more bedrooms	£276.50
(f)	in the case of a house with 1 bedroom	£230.65
(g)	in the case of a house with 2 bedrooms	£293.02
(h)	in the case of a house with 3 bedrooms	£342.09
(i)	in the case of a house with 4 bedrooms	£372.82
(j)	in the case of a house with 5 or more bedrooms	£412.72”.

(5) For paragraph 6(3) (personal care element) there is substituted –

“(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	£25.20
(b)	for a score of at least 36 but less than 56	£110.60
(c)	For a score of at least 56	£158.76”.

- (6) For paragraph 7(3) (mobility element) there is substituted –
- “(3) The rate of mobility element of the impairment component is –
- (a) £25.20 if the person’s average weekly earnings do not exceed the amount in clause (b); or
- (b) £50.33.”.
- (7) For paragraph 8(2) (clinical cost element) there is substituted –
- “(2) The rate of clinical cost element of the impairment component is –
- (a) £3.57; 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, £7.14.”.
- (8) For paragraph 10(3) (rate for the child day care component) there is substituted –
- “(3) The rates payable under this sub-paragraph are –
- | | | |
|-----|--------------------------------------|---------|
| (a) | for a child under the age of 3 years | £8.00 |
| (b) | for a child aged 3 years or over | £6.70”. |
- (9) In paragraph 12 (rate for the carer’s component) for “£50.82” there is substituted “£51.38”.

3 Amendments to take effect on 1st October 2022

- (1) For paragraph 2(1) (rates for basic components) there is substituted –
- “(1) The rates payable for the basic components under Article 5(2) of the Law are as follows –
- | | | |
|-----|---|----------|
| (a) | under Article 5(2)(a) of the Law (adult component rate) | £103.39 |
| (b) | under Article 5(2)(b) of the Law (single parent component rate) | £40.39 |
| (c) | under Article 5(2)(c) of the Law (first child component rate) | £85.19 |
| (d) | under Article 5(2)(ca) of the Law (subsequent child component rate) | £71.82 |
| (e) | under Article 5(2)(d) of the Law (household component rate) | £57.61”. |
- (2) For paragraph 4(2) (rates of housing component) there is substituted –
- “(2) The rates payable under this sub-paragraph are –
- | | | |
|-----|---|---------|
| (a) | in the case of a hostel | £112.35 |
| (b) | in the case of lodgings or a bedsit | £147.91 |
| (c) | in the case of a flat with 1 bedroom | £217.98 |
| (d) | in the case of a flat with 2 bedrooms | £279.16 |
| (e) | in the case of a flat with 3 or more bedrooms | £299.53 |

(f)	in the case of a house with 1 bedroom	£249.90
(g)	in the case of a house with 2 bedrooms	£317.24
(h)	in the case of a house with 3 bedrooms	£370.51
(i)	in the case of a house with 4 bedrooms	£403.83
(j)	in the case of a house with 5 or more bedrooms	£446.95”.

(3) For paragraph 4(7) there is substituted –

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

(a)	in the case of a bedsit or flat with 1 or 2 bedrooms	£7.28
(b)	in the case of a flat with 3 bedrooms	£10.22
(c)	in the case of a flat with 4 or more bedrooms	£14.49
(d)	in the case of a house with 1 bedroom	£7.28
(e)	in the case of a house with 2 bedrooms	£10.22
(f)	in the case of a house with 3 or more bedrooms	£14.49”.

(4) For paragraph 4(13) there is substituted –

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

(a)	in the case of a hostel	£112.35
(b)	in the case of lodgings or a bedsit	£140.14
(c)	in the case of a flat with 1 bedroom	£206.64
(d)	in the case of a flat with 2 bedrooms	£264.46
(e)	in the case of a flat with 3 or more bedrooms	£283.71
(f)	in the case of a house with 1 bedroom	£236.67
(g)	in the case of a house with 2 bedrooms	£300.65
(h)	in the case of a house with 3 bedrooms	£351.05
(i)	in the case of a house with 4 bedrooms	£382.55
(j)	in the case of a house with 5 or more bedrooms	£423.50”.

(5) For paragraph 6(3) (personal care element) there is substituted –

“(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	£25.90
(b)	for a score of at least 36 but less than 56	£113.54
(c)	For a score of at least 56	£162.89”.

(6) For paragraph 7(3) (mobility element) there is substituted –

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

- (a) £25.90 if the person's average weekly earnings do not exceed the amount in clause (b); or
- (b) £51.66.”.
- (7) For paragraph 8(2) (clinical cost element) there is substituted –
- “(2) The rate of clinical cost element of the impairment component is –
- (a) £3.71; 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, £7.42.”.
- (8) For paragraph 10(3) (rate for the child day care component) there is substituted –
- “(3) The rates payable under this sub-paragraph are –
- | | | |
|-----|--------------------------------------|---------|
| (a) | for a child under the age of 3 years | £8.21 |
| (b) | for a child aged 3 years or over | £6.87”. |
- (9) In paragraph 12 (rate for the carer's component) for “£51.38” there is substituted “£52.78”.

4 Citation and commencement

- (1) These Regulations may be cited as the Income Support (Amendment No. 21) (Jersey) Regulations 202-.
- (2) Regulations 1 and 2 come into force on 1st October 2021.
- (3) Regulation 3 comes into force on 1st October 2022.

ENDNOTES

Table of Endnote References

1	<i>chapter 26.550</i>
2	<i>chapter 26.550.30</i>