

**WRITTEN QUESTIONS TO THE PRESIDENT OF THE EMPLOYMENT AND SOCIAL SECURITY  
COMMITTEE BY DEPUTY G.P. SOUTHERN OF ST. HELIER**

**ANSWER TO BE TABLED ON TUESDAY 1st MARCH 2005**

**Question**

1. Will the President explain to members why the rates for the Committee's proposed income support scheme are to be based on uprated parish welfare rates and not those which apply to contributory benefits?

**Answer**

The Committee has yet to complete its discussions with all the other main interested Committees and the Comité des Connétables and has not, therefore, reached any final decisions.

I am aware that Deputy Southern recently took the opportunity of discussing the research being undertaken by officers of the Department and the officers and I am grateful for his comments and interest. The model he saw uses various scenarios and rates of benefit, gleaned from the research done in 2002 and uprated to 2004 to give an order of cost. Various rates have been employed in the model ranging from Parish Welfare to the standard rate of contributory benefits. The reason for including the welfare rate in the model, and subsequently increasing it by various percentages, is that it is an existing "living allowance" currently being applied in Jersey and, therefore, easily recognised.

I would add that, in social protection terms, income support rates are normally set below contributory benefit rates to maintain the incentive to work. In their report 'Issues for the design of a new Minimum Income System for Jersey', CRSP commented.

'MIS (Minimum Income Systems) are also expected to conform to principles of subsidiarity in relation to other social benefits and to family support. A fundamental principle of all MIS is said to be that MI is subsidiary to other social security benefits, so that those in receipt of such benefits are not eligible for MI. However, there are exceptions to this, particularly benefits linked to a guaranteed income (family benefits and housing allowances, for example), and in circumstances where social security benefits are insufficient to lift income to the level of the guaranteed minimum income. These considerations are of direct relevance to the Jersey situation. It is anticipated that the existing social security system will remain in place essentially unchanged. But decisions about the level at which the MI is set (and the model adopted) will obviously dictate whether those on social security benefits will also be eligible to claim MI. The relationship between the level of MI and payments under Social Security will also need to be carefully considered in order to ensure that the new system does not introduce a disincentive to pay Social Security Contributions'.

Finally, can I remind States members that there will be presentations on the conclusions reached from various discussions on the proposed new Income Support system on 30th March 2005. This will give members the opportunity to put any further views forward prior to lodging a report and proposition.

**Question**

2. Will the President inform members whether the changeover to the new Department of Employment and Social Security computer scheme has caused any disruption to the payment of benefits, and, if so, how many recipients of benefits have been affected and what assurances, if any, can the Committee give that there will be no further disruption?

**Answer**

I am grateful to Deputy Southern for his question as it gives me the opportunity to inform members that since the

introduction of the new computer system on 10th January 2005, scheduled weekly, four weekly and monthly payments have continued on their regular cycles. Naturally, it takes time to adapt and fine tune a new computer system as complex as the Social Security system and staff have put in a tremendous effort to ensure that the transition has been as seamless as possible. Any problems are being identified quickly and rectified with live experience. Given the parlous state of the old computer system which has caused great difficulty over recent years, the new system should be much more reliable and effective in processing claims more quickly in future.

It is not possible to give the statistics requested as most of the disruption at this time of the year is because of the high activity arising from, amongst other things, increased sickness benefit claims and the influx of seasonal workers. Typically workloads increase by around 50 per cent.

There has been very high activity in incapacity claims since the beginning of the year. From 10th January to 12th February 2005, the Department received, on average, just under 300 new medical certificates and produced 725 payments of incapacity benefit a day. The incidence of sickness has been 50% higher than normal and, of course, this happens at a time when some Departmental staff are also hit with the same winter viruses.

In order to cope with peak periods, the Department relies on staff working overtime, as they have done every weekend over the last month, and redeployment of staff internally to high priority areas.

Some claims, often because of complexity or missing information, do take longer to process and if any individual does experience an undue delay I would urge members to direct them to contact the Department where any complaint is fully investigated and actioned.