

2.3 Deputy R.G. Le Hérissier of St. Saviour of the Minister for Social Security regarding the recovery of residential or nursing care costs from the sale of a resident's home or estate:

Would the Minister identify whether any moves are imminent to discontinue the practice whereby the costs of residential or nursing care are, in certain circumstances, recovered from the proceeds of the sale of a resident's home or from that resident's estate?

Senator P.F. Routier (The Minister for Social Security):

The responsibility for the allocation of funds, management and administration of residential and nursing care currently resides predominantly with the Parishes and Health and Social Services. However, with the introduction of income support next year, the responsibility for funding residential care for those in need will transfer to the Social Security Department. But responsibility for nursing care costs will not transfer during this first phase of the implementation of income support. However, my department and Health and Social Services are working closely to consider this as an option for the future. Removing the burden for residential care for those with significant assets, including a house, but with low incomes in the Income Support Scheme, is not catered for in the funds currently available. I remind Members that RC.49/2004 - the policy review of the social insurance system in Jersey, recognises that meeting health needs of the older population should include a consideration of long-term care costs and should be developed within an integrated health framework. This is why my department is working with Health and Social Services through the New Directions initiative - the next phase of the developing of the security insurance scheme - which, starting next year, will consider and bring forward options for addressing the funding of long-term health care. If the public consultation supports an increase in contributions as an insurance to cover the costs of residential and nursing care, this will obviously remove the need to recover the costs through the sale of someone's home.

2.3.1 Deputy R.G. Le Hérissier:

Firstly, Sir, would the Minister identify why nursing care is not in the near future going to be covered, given that it is by far the higher cost and one that is in severe danger of almost bankrupting individuals? Secondly, Sir, would he not acknowledge we have had report after report over the years and the result has been no action when we, for example, look at our sister Island, which has already in place - and has had for several years - a proper system of residential care insurance?

Senator P.F. Routier:

With regard to the nursing care, as opposed to the residential care, certainly residential care will be the responsibility of income support. The costs of nursing care: we are working with Health and Social Services to identify an appropriate time for that to be funded from elsewhere. But that will have to come through the investigation of a social security insurance scheme. But with regard to the suggestion there has been report after report, I think there have been anecdotal comments made but there has never been a report made which has suggested that an insurance scheme should definitely be put in place. That is the piece of work that will be undertaken during next year.

2.3.2 Deputy J.A. Martin:

I would have liked the Minister to answer Deputy Le Hérissier's question with a "no" because if anyone has studied the Low Income Support Law, if anyone moves their assets or gives them to someone else, there is a part in the law that even with property, Sir - and I think the Minister can confirm this and it is not going to come out until the Regs - it gives in the Law it will be following the U.K. line that if you have not moved your assets up to 7 years, and that asset being your property, that asset is then still classed as your own and it will be used to fund your nursing or residential care. It has not been sorted and it is in the low income support.

The Bailiff:

You must come to the question, please.

Deputy J.A. Martin:

Will the Minister just agree that the answer to the question should have been "no" and there are no terms in the low income support to make this any different? Thank you, Sir.

Senator P.F. Routier:

As I said in the initial answer to the question, there are certainly no funds to enable us to achieve that, and that is the crux of the matter. We do not have sufficient funds within the income support budget to enable us to make that commitment. Certainly the desire is there to do it but the funds just do not permit that to happen at the current time. That is why it is important that during next year we do bring forward a system, in conjunction with Health and Social Services, which will ensure that people are protected in the way that I think everybody wants to do.

2.3.3 Deputy S. Pitman of St. Helier:

Would the Minister advise the House as to why, in an affluent society as Jersey, the level of savings an individual is able to retain untouched, should his or her spouse go into care, is little more than half that permitted in the U.K.?

Senator P.F. Routier:

The rates which we are working on with regard to the new income support system have not been finalised yet. We are certainly in the process of working on that but we have just been finalising the responses from the consultation process, which will be shared with Members in the very near future. With regard to the amounts that will be allowed as assets, that will be a decision for the States and that decision will be made in the spring.

2.3.4 Deputy J.B. Fox of St. Helier:

I wonder if the Minister would just clarify, he talks about discussions with his Ministerial colleague at Health and Social Services. Can you give me an indication of a time scale in date as to when such a proposition could come back to this House, as opposed to something that go on to the future, because I think it is very important, this subject?

Senator P.F. Routier:

Certainly, if Members will recall, in the States' business plan there is a requirement for myself taking the lead, but to work with Health and Social Services, to come forward with a proposition by the end of next year.

2.3.5 Deputy G.P. Southern:

Will the Minister state whether there is funding or whether he will seek funding to enable a decent level of savings to be kept by those who have saved throughout their lifetimes in order to protect themselves?

Senator P.F. Routier:

As I said earlier, Sir, we know that the income support system has a defined budget and the amount that is to be agreed by this House, and this House only, will hopefully set a better level which is an appropriate level.

2.3.6 Deputy R.G. Le Hérissier:

Would the Minister not acknowledge that Members are now very confused? Is he going ahead with adding the residential nursing care component to the low income support system or is he going to put all his energy and that of his Ministerial colleague into developing an insurance system? Because, as he knows, the current system is shot with anomalies, inequalities, unfairness, and, almost - but not quite - arbitrary decisions as to whether people do or do not have to put all their savings towards residential and nursing care.

Senator P.F. Routier:

I want to make it very clear it is the undertaking which we have given to this House in the States' business plan that we will be working on a resolution to this knotty issue. It is something that certainly our Ministerial colleagues are not comfortable with and are as keen as any Member in this House to ensure that we do find a way forward, and that is what we will be doing with... including nursing care, to come forward with the solution that we have. Nursing care at the present time cannot be afforded within income support budget. But we have to find a way forward to ensure that in the future people do not face this difficult problem.

2.3.7 Connétable M.K. Jackson of St. Brelade:

Could the Minister confirm that the Social Security Department will be taking on the administration of residential care next May when the low income support system comes into place?

Senator P.F. Routier:

The funding of residential care is already coming out of the Social Security budget. That has already happened. With regards to what happens in June of next year, it will be that we will be administering all the applications for support for nursing care, where this is currently carried out by the Parishes. But, certainly, in June of next year we will be taking on that responsibility.

2.3.8 Deputy P.V.F. Le Claire of St. Helier:

I have been asked by a number of residents to clarify this point on a couple of occasions and never really found the opportune moment. But perhaps I could squeeze it into this part of the morning and ask the Minister whether or not he is going to be considering with his department the implications for those individuals from Jersey

who have saved all of their lives and purchased their own home, finding themselves in retirement with a decreasing amount of money available to them, having that home measured against their ability to be supported on a means test basis. Does the Minister not agree that individuals who have saved all of their lives and have not been a burden upon society should not be, in these instances, negated from any means test, especially in regards to their own property, in regards to the fact that that property has been set aside for them in their old age as a pension, in some cases? Is it not a case that this type of means test for those individuals is wrong and should it not be addressed?

Senator P.F. Routier:

I can confirm that with regard to income support itself, as opposed to supporting people in residential care, the main home of anyone - a pensioner - will not be considered in part of the assessment or income support. That is very clear and we are settled on that.

2.3.9 Deputy P.V.F. Le Claire:

May I interject? May I ask? That is a very reassuring statement from the Minister, Sir. May I also ask the Minister further if any of their possessions within their home will be means tested, because at the moment that is a concern?

Senator P.F. Routier:

With regard to possessions, there has to be a judgment made, certainly, that the ordinary run-of-the-mill possessions would not be considered to be part of the assessment. If somebody had a Picasso hanging on the wall, well, perhaps that might be a different matter. But certainly an average house and an average contents would not be considered to be a part of the assessment.

The Bailiff:

Two more supplementaries. Deputy Southern.

2.3.10 Deputy G.P. Southern:

Would the Minister not accept that far from being a new start, income support looks likely to carry over many of the worst aspects of our current welfare system into the new system of which this is just one?

Senator P.F. Routier:

No, Sir. I think it is a new start and we are going to start afresh and I think, from the evidence we have had from all the consultation process, a lot of people are looking forward to it because it will be a lot better.

2.3.11 Deputy J.A. Martin:

Just squeeze in 2. How many people responded to the consultation and - myself, as the Chairman of the Panel looking into low income support, having sighted already the new claim form which covers everything, if the Minister is assuring, Sir, people out there that assets will not be taken into account - why is there a section on the form that asks that any asset worth over £1,000 is itemised on the form? Can the Minister tell me why or are they just nosy?

Senator P.F. Routier:

With regard to the consultation process, it has been quite a wide-ranging consultation. We have had various focus group meetings where we have had quite a number of people attend. We had the last one only the end of last week. I have run a couple of special ones as well for people who were not able to make the timed events. The written responses have been coming in. I think from memory there are around 45 written responses, mixtures of individuals and organisations. Those are all being collated at the present time, so we will obviously be sharing it with Members and the Scrutiny Panel as soon as we possibly can. The second part of your question, sorry?

Deputy J.A. Martin:

You are reassuring people that assets, unless they are Picassos... but you have a section on the new form that asks for any assets over £1,000 to be itemised. Can you explain this then, please?

Senator P.F. Routier:

Yes, certainly, Sir. We have to be aware of people's assets and it gives an opportunity for people to declare what they have. The assurance that we are able to give is that a person's house will not be taken into consideration for that assessment. As it is a means-tested benefit, we just need to be aware of what their assets are.