

**WRITTEN QUESTION TO THE MINISTER FOR SOCIAL SECURITY  
BY DEPUTY S. PITMAN OF ST. HELIER  
ANSWER TO BE TABLED ON MONDAY 21st SEPTEMBER 2009**

**Question**

Would the Minister inform members why recipients of Invalidity Benefit are not eligible for incapacity pension?

**Answer**

Prior to October 2004, individuals with long term illnesses were able to apply for Invalidity Benefit. If the individual was awarded the benefit they received a standard rate benefit (i.e. the same benefit as for a full rate pension) and were not allowed to undertake any paid work.

This system was replaced in 2004. Individuals receiving Invalidity Benefit on 30th September 2004 have the right to either continue to receive Invalidity Benefit, or to transfer to the new benefit system, which allows individuals with long term conditions to receive a benefit and undertake paid employment at the same time. The current benefit (LTIA) is paid at a percentage rate, based on the loss of faculty of the individual.

The new system also provided for an Incapacity Pension. This is available to someone whose age and medical condition mean that they are likely to be permanently incapable of work with the rate of benefit being calculated based on his/her contribution record up to that time and deemed contributions from that date to the person's pensionable age. The maximum benefit available under an Incapacity Pension would be a full rate benefit, and the individual would be barred from taking up paid employment.

There is no reason why an individual currently receiving Invalidity Benefit under a legacy provision should not transfer to an Incapacity Pension (although there will be a substantial number of individuals currently receiving Invalidity Benefit who would not qualify for an Incapacity Pension). If they were eligible to transfer and did so, they would receive up to the same value of benefit and be subject to the same employment restrictions. If they did not have a full contribution record, they would receive a smaller value benefit.

It is not possible to receive benefits under the old system and the new system at the same time. Individuals are allowed to retain their entitlement under the old system if they choose to do so, but they cannot then apply under the new system at the same time.