

**WRITTEN QUESTION TO THE MINISTER FOR SOCIAL SECURITY
BY DEPUTY G.P. SOUTHERN OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 3rd NOVEMBER 2015**

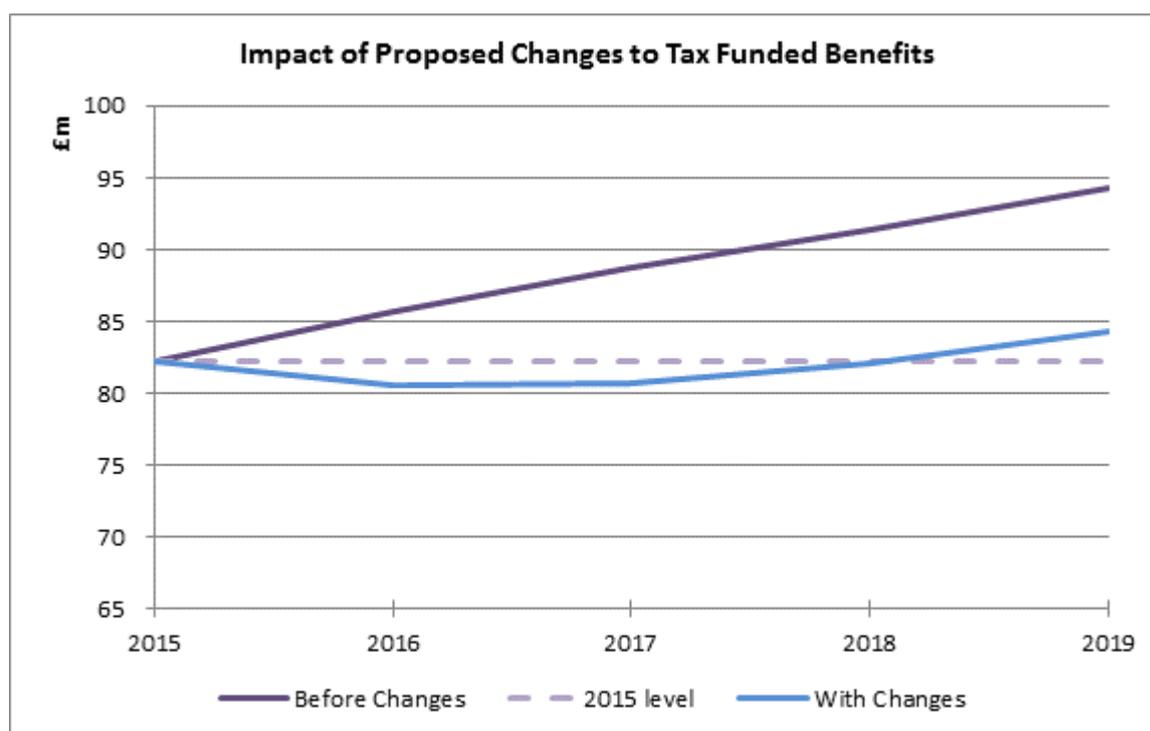
Question

Can the Minister advise whether attempts to cut benefits in an equitable manner by ‘spreading the cuts over large groups to minimise individual impact’ have failed because they have concentrated on the interaction between the benefits system and Income Support which only apply to a minority of recipients (1,700 out of 17,500 local pensioners and 1,500 of 4,500 who have an Long Term Incapacity Allowance claim)? Can targeting those on Income Support who are the least well-off be considered to comply with the intention to be ‘fair’?

Will the Minister also inform members how many recipients of Long Term Incapacity Allowance are also in receipt of personal care, clinical care and mobility components and are therefore protected from the full impact of the changes as per her previous answers?

Answer

My proposals, as agreed by the States Assembly, hold the benefit budget broadly flat over the next four years at about £83 million a year. Page 97 of the Annex to the Medium Term Financial Plan includes the following graph, which shows the growth in the original budget against the impact of the benefit changes.



I reiterate that the proposals were designed to improve the overall fairness and reduce complexity in the benefit system. In particular, we were guided by three criteria: to promote financial independence, to improve targeting and to minimise impact on individuals.

Specifically, the benefit changes minimise the impact on individuals by ensuring that a significant element (57%) of the £10 million target by 2019 will be achieved by:

1. Maintaining most of the Income Support component rates at 2015 levels for two years : £4.1 million saved by 2019
2. Closing the Christmas Bonus scheme from 2016 : £1.6 million saved by 2019

As a comparison, removing the 6% disregard for LTIA and certain other contributory benefits in the Income Support system contributes £0.6 million of the £10 million savings by 2019, i.e. just 6% of the total.

As at 30 September 2015 there were 1,221 Long Term Incapacity Allowance claimants who were also part of an Income Support household.

531 of these 1,221 individuals (43%) also had an award of one or more of the impairment components of Income Support. This breaks down as follows:

- 237 (19%) had a personal care component award
- 167 (14%) had a mobility component award
- 454 (37%) had a clinical cost component award

Individuals can receive more than one type of impairment component at the same time.

As I have previously stated, the impairment components are not subject to any reduction in the package of benefit proposals. It should be noted that all Income Support households will see the majority of component levels held at the 2015 level until October 2017.