

APPROVED

**WRITTEN QUESTION TO THE MINISTER FOR SOCIAL SECURITY  
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ANSWER TO BE TABLED ON TUESDAY 18TH APRIL 2017**

**Question**

Is it the Minister's assessment that a single adult on the average Long-Term Incapacity Allowance benefit for disability, and unable or not required to seek work, and claiming Income Support is some £22 per week worse off in real terms compared to 2009?

What equivalent figure does she have for the real terms position for a pensioner claiming Income Support and in receipt of a full States pension, and if none, why not?

**Answer**

The most recent annual Departmental report gives detailed information on a wide range of benefits areas.

On page 35, Figure 14 indicates that a rate of 20% is the most commonly awarded rate for Long-Term Incapacity Allowance (LTIA). The accompanying text confirms that the average (mean) award is 36% and that this average has not changed significantly over the last few years.

LTIA is an in work benefit and there are no limits placed on any recipient regardless of % award (including those at 100%) who are able to work in doing so with no restriction on their earnings. An individual with an LTIA award of up to 40% who is claiming Income Support is not normally exempt from job seeking requirements and would be expected to seek work. Exceptions are made for individual cases but jobseekers with mild to moderate long-term health conditions are now fully supported through both general and specialist advisers in the Back to Work teams. As such, it is not possible to answer the question as posed. However, the following details provide relevant information on this topic.

In December 2009, an Income Support claimant would have received a 10% allowance against earned income. Today, that figure stands at 23%.

- In cash terms, an Income Support claimant with wages of £250 a week in 2009 would have been £25 a week better off than a similar claimant who was unemployed and a jobseeker.
- Today an Income Support claimant with wages of £250 a week is £57.50 a week better off than a similar claimant who is unemployed and a jobseeker.

There will be some Income Support claimants with more serious long-term health condition who are exempt from job seeking. These claimants are likely to be receiving higher than average levels of LTIA payments, and may be receiving additional support through the Income Support system through the three types of impairment component – personal care, mobility and clinical cost.

For a single pensioner receiving Income Support at the end of 2009 an allowance of £32.69 was allowed against pension income. By the end of 2016, that pensioner would be entitled to an allowance of at least £55.23 per week, an increase of £22.54 per week since 2009.

A comparison of the same pensioner receiving Income Support at the end of 2009 and the end of 2016 is provided below.

	<b>December 2009 weekly amounts £</b>	<b>December 2016 weekly amounts £</b>
Pension income (full rate Jersey OAP)	178.01	204.19

Deduct pension disregard	-32.69	-55.23
<b>Pension income included in Income Support calculation</b>	<b>145.32</b>	<b>148.96</b>
Income Support		
Adult component	92.12	92.12
Household component	48.58	51.31
Rent component	152.53	194.46
<b>Total of all components</b>	<b>293.23</b>	<b>337.89</b>
Deduct net pension income	-145.32	-148.96
<b>Total Income Support</b>	<b>147.91</b>	<b>188.93</b>
<b>Total household income (pension + Income Support)</b>	<b>325.92</b>	<b>393.12</b>
% change in household income 2009 - 2016		+20.6%
RPI % change 2009 - 2016		+16.4%