## WRITTEN QUESTION TO THE MINISTER FOR SOCIAL SECURITY BY DEPUTY G.P. SOUTHERN OF ST. HELIER QUESTION SUBMITTED ON MONDAY 15th FEBRUARY 2021 ANSWER TO BE TABLED ON MONDAY 22nd FEBRUARY 2021

## Question

Further to the response to Written Question 9/2021, will the Minister –

- (a) explain why the response drew a comparison between the change in average weekly claims for Income Support and the prospective uprate in Income Support components on the basis of R.P.I.;
- (b) state the percentage rise in the components labelled as Basic Rates (i.e. removing the rental components) in order to indicate changes in disposable income compared with R.P.I.; and
- (c) state the percentage rise in the rental components over the period 2014 to 2021?

## **Answer**

- (a) Written question 9/2021 requested information on Income Support components and included a request to confirm "how much they would have been uprated by if they had been updated to match inflation". The answer to question 9/2021 used the Retail Price Index (RPI) as the most common measure of inflation.
- (b) The information given in question 9 provided full details of Income Support rates between January 2014 and January 2021. It noted that:

The Income Support scheme is based on a combination of components and disregards, ensuring that each household claim takes full account of the size and nature of the household and its income and other assets.

There have been many changes to the Income Support scheme since 2014. The disregard applied to earned income has increased from 20% to 26% over this period. For each £100 of wages received in a week, an Income Support claimant now retains £26, compared to a retention of £20 in 2014. The income disregard now applies to earned income, pension income and maintenance income received by household members.

The RPI for December 2013 was 156.4. The RPI for December 2020 was 181.4. Components would have been uprated by 16% if they had been updated to match inflation. The average income support weekly claim amount over the same time has increased by 18% from £218 per week to £257 per week.

It is not possible to calculate disposable income from the Basic Rates. Household disposable income will depend on household composition and income.

The percentage change from the 2014 rate to the 2021 rate is shown in the right-hand column of the table below.

(c) The percentage rise in rental components is shown in the right-hand column of the table.

## Table of 2014 and 2021 Income Support component rates and the percentage change over this period.

Note: This table cannot be used to calculate changes in overall Income Support levels or the disposable income of Income Support claimants. The Income Support scheme is based on a combination of components and disregards. The average Income Support weekly claim amount over the same time has increased by 18% from £218 per week to £257 per week.

| Category                     | Component  | 2014                     | 2021   | % increase |
|------------------------------|--|--------------------------|--------|------------|
| Basic Rates                  | Adult  | 92.12                    | 99.61  | 8%         |
| Basic Rates                  | Single Parent (Adult + single parent supplement) | 132.51                   | 140    | 6%         |
| Basic Rates                  | First Child                                      | 63.98                    | 77.98  | 22%        |
| Basic Rates                  | Subsequent Child                                 |                          | 69.23  | 8%         |
| Basic Rates                  | Household  | 51.31                    | 55.51  | 8%         |
| Carer Rate                   | Carer  | 46.97                    | 50.82  | 8%         |
| Housing Rental Caps          | Hostel   | 80.64                    | 108.22 | 34%        |
| Housing Rental Caps          | Lodgings   | 115.71                   | 142.52 | 23%        |
| Housing Rental Caps          | Rented Bedsit                                    | 115.71                   | 142.52 | 23%        |
| Housing Rental Caps          | Rented 1 Bed Flat                                | 165.27                   | 210.07 | 27%        |
| Housing Rental Caps          | Rented 2 Bed Flat                                | 207.9                    | 269.01 | 29%        |
| Housing Rental Caps          | Rented 3 Bed Flat                                | 236.18                   | 288.68 | 22%        |
| Housing Rental Caps          | Rented 1 Bed House                               | 187.74                   | 240.87 | 28%        |
| Housing Rental Caps          | Rented 2 Bed House                               | 244.58                   | 305.76 | 25%        |
| Housing Rental Caps          | Rented 3 Bed House                               | 272.79                   | 357.07 | 31%        |
| Housing Rental Caps          | Rented 4 Bed House                               | 295.19                   | 389.2  | 32%        |
| Housing Rental Caps          | Rented 5 Bed House                               | 321.16                   | 430.85 | 34%        |
| Social Housing               | All types  | Uncapped from April 2014 |        |            |
| Housing Owner Occupied Rates | Owner Occupied Bedsit                            | 6.02                     | 6.93   | 15%        |
| Housing Owner Occupied Rates | Owner Occupied 1 Bed Flat                        | 6.02                     | 6.93   | 15%        |
| Housing Owner Occupied Rates | Owner Occupied 2 Bed Flat                        | 6.02                     | 6.93   | 15%        |
| Housing Owner Occupied Rates | Owner Occupied 3 Bed Flat                        | 8.54                     | 9.8    | 15%        |
| Housing Owner Occupied Rates | Owner Occupied 4 Bed Flat                        | 12.11                    | 13.86  | 14%        |
| Housing Owner Occupied Rates | Owner Occupied 1 Bed<br>House                    | 6.02                     | 6.93   | 15%        |
| Housing Owner Occupied Rates | Owner Occupied 2 Bed<br>House                    | 8.54                     | 9.8    | 15%        |
| Housing Owner Occupied Rates | Owner Occupied 3 Bed<br>House                    | 12.11                    | 13.86  | 14%        |
| Impairment Rates             | Personal Care Level 1                            | 22.96                    | 24.92  | 9%         |
| Impairment Rates             | Personal Care Level 2                            | 101.15                   | 109.34 | 8%         |
| Impairment Rates             | Personal Care Level 3                            | 145.25                   | 157.01 | 8%         |
| Impairment Rates             | Mobility Level 1                                 | 22.96                    | 24.92  | 9%         |
| Impairment Rates             | Mobility Level 2                                 | 45.92                    | 49.77  | 8%         |
| Impairment Rates             | Clinical Costs Level 1                           | 3.15                     | 3.5    | 11%        |

| Impairment Rates      | Clinical Costs Level 2    | 6.3  | 7    | 11%           |
|-----------------------|---------------------------|------|------|---------------|
| Category              | Component                 | 2014 | 2021 | %<br>increase |
| Childcare Hourly rate | Child Day Care Age 0 - 2  | 6.27 | 7.14 | 14%           |
| Childcare Hourly rate | Child Day Care Age 3 - 4  | 4.9  | 5.57 | 14%           |
| Childcare Hourly rate | Child Day Care Age 5 - 11 | 4.85 | 5.57 | 15%           |