

22.11.22

1 Deputy B.B. de S.DV.M. Porée of St. Helier South of the Minister for Social Security regarding cold weather bonus payments (OQ.123/2022)

Will the Minister consider extending cold weather bonus payments to individuals in receipt of long-term incapacity benefits and, if not, why not?

Deputy E. Millar of St. John, St. Lawrence and Trinity (The Minister for Social Security):

I thank the Deputy for her question. No, I will not be considering extending cold weather bonus payments to individuals in receipt of long-term incapacity benefit. Long-term incapacity allowance is a benefit that is available to anyone who has paid social security regardless of their household income as long as they are assessed as having a long-term health condition. It is not a means-tested benefit. There are around 4,500 claimants of this benefit but the majority are for relatively low awards. Some of the recipients will be in full-time work and many will not be on a low income. These factors mean that long-term incapacity is not a good way to target additional benefits to seek to help low-income people. To extend the bonus to everyone who receives L.T.I.A. (long-term incapacity allowance) at the moment would create a significant cost pressure at a time when we should be targeting any new spending to those who most need it. People with disabilities who are on low income already receive cold weather payments through income support. Pensioner households who receive income support or do not pay tax are also eligible for cold weather support. Other working households are receiving support through other changes we have made in the mini-Budget.

3.1.1 Deputy G.P. Southern:

It seems strange to me that the Minister should refuse point blank to examine this possibility since she has deliberately informed us that she is going to conduct a full review of the entire benefit system. It seems to me common sense that this should be included in that review. Can the Minister please say why and why not?

[9:45]

Deputy E. Millar:

Long-term incapacity will of course form part of the review and changes that are required at that point, having conducted the review, having seen all the benefits that are available to persons with disabilities and long-term incapacities, will be considered as part of that review. But right at this moment, I am not intending to extend cold weather payments simply to people who receive long-term incapacity.

3.1.2 Deputy G.P. Southern:

The answer leaves me somewhat confused. There are reasons why you should examine the review of all benefits but you are prepared to make an exception in this case and not examine that. It does not make sense to me. In what way does it make sense to her?

Deputy E. Millar:

I think I have explained why it is not appropriate simply to give people in long-term incapacity further benefits. It is not means tested and it may not mean targeted benefit is going to those who are most in need of it. There is an incapacity review ... there is a full review of incapacity benefits underway. That will begin with the short-term incapacity allowance. It is already underway focusing on short-term incapacity. We will begin looking fully as part of that review. We will begin looking

fully at long-term incapacity towards the end of next year. It is a very big project and we cannot speculate further at this stage, however there are reports issued by my predecessor, which cover this matter in some detail.

3.1.3 Deputy S.Y. Mézec of St. Helier South:

Could the Minister explain of those who claim long-term incapacity allowance how many of those also claim income support and how many do not claim income support?

Deputy E. Millar:

I do not have those figures in front of me. I can provide them at a later date. But many of the people ... I understand some of the people who receive long-term incapacity are certainly not on income support and many of them will earn quite significant incomes. I can provide the details, if the Deputy wishes.

3.1.4 Deputy S.Y. Mézec:

I would be very surprised if it was many. I would have thought that number would be comparatively small. Of course it is the case that many who claim long-term incapacity allowance will also claim income support and therefore be eligible for the cold weather bonus payments that way, but does it not make sense to the Minister to examine those who are on the periphery of being able to claim income support but who, for whatever reason, cannot, to examine whether extending this bonus payment to those in a similar way to what has been done with the community cost bonus, might be a good way of helping some people who comparatively are towards the lower end of the income scale and could do with the help?

Deputy E. Millar:

I do not believe that having long-term incapacity will necessarily stop someone claiming any of the benefits that they are entitled to if their means merit it. We have a full programme in the mini-Budget. Long-term incapacity is an old-fashioned benefit. It is not well-targeted. I believe that under other circumstances Reform would also agree with that. The benefit does need review. The previous Minister has published expert reports, which are available for review. We are looking at it. Income support is a much better benefit. People who are on income support and long-term incapacity will be receiving cold weather payments and, as I have already said, using long-term incapacity as a means of simply giving further benefits is not the most well-targeted way of achieving the aim.

3.1.5 Deputy R.J. Ward:

It was interesting to see a report in the news today about doctors prescribing heating payments to patients in the U.K. (United Kingdom). One of the reasons being it helped with long-term care and saved the health service an enormous amount of money because it meant that there was less hospitalisation. Is this one of the things that the Minister could consider and one of the reasons why extending cold weather payments, in the long term, could save us a significant amount of money?

Deputy E. Millar:

I also saw that report this morning and I thought it was very interesting. It is the first time I have heard of that. Paying people's electricity bills ... Jersey does not, in some sectors, have the same issues with electricity and fuel prices as they are encountering in the U.K. It is a large subject. It was not clear to me whether the payment of electricity was coming from a Health budget or a Social Security budget. It would require a lot of detail. However, I would emphasise that what we have

done as part of the mini-Budget is we have increased the cold weather payment for this year to a guaranteed £70 a month regardless of weather. In the past that has been significantly less. It is not weather related. So even if we have a relatively mild winter those who qualify for cold weather support will receive it this year on a guaranteed basis between October and March. The initiative that the Deputy is talking about is clearly something that is quite new. It is being explored in one or 2 regions in England and Scotland, as I understood the report, and it would need very careful consideration and funding.

3.1.6 Deputy R.J. Ward:

Is the Minister aware of the number of people who go to ... one of the things that foodbanks hand out are energy vouchers because people are facing trouble with their heating costs as the winter comes. Would this not be one of the ways in which we understand the reality of life for many on this Island as opposed to just saying, actually, energy is not a problem on this Island?

Deputy E. Millar:

I do not think I said energy was not a problem. We have provided a full package of measures. The initiatives that Deputy Ward is discussing clearly have a great deal of merit, but they would require very careful consideration and budgeting and deciding whether that funding comes from Health. The budget was particularly aimed at people who have significant health conditions such as cardiovascular disease and other specific health conditions, so the question would be where the funding comes from. It is a very big subject and would need careful thought, thank you.

Deputy A. Howell of St. John, St. Lawrence and Trinity:

Please may I raise the défaut on Deputy Farnham?

The Greffier of the States (in the Chair):

Do Members agree to raise the défaut on Deputy Farnham? The défaut is raised. Deputy Porée, do you have a final supplementary? Sorry, Deputy Alves, your light was on.

3.1.7 Deputy C.S. Alves of St. Helier Central:

The review into the benefit system that the Minister mentioned, can she inform the Assembly how this review will be conducted and by whom?

Deputy E. Millar:

It will be conducted by my officers. It will be a review of all their benefits to look at any that are not working, what is working well, what is not working well, to look at any that are obsolete and to look at obvious changes that can be made. We are aiming to do that relatively quickly over the course of next year.

3.1.8 Deputy C.S. Alves:

Did the Minister consider looking at maybe an independent reviewer or somebody outside of her own department?

Deputy E. Millar:

An independent review would be quite costly. Someone would have to come in. They would have to understand the benefit system. It would take much longer to bring an independent in. My officers are aware of issues. Where there are issues with the way benefits operate at the periphery, as Deputy Ward suggests, my officers are aware of where issues arise and they are best placed to

conduct an initial review. To the extent we needed independent or expert advice it will be sought at a later date. But I think to bring in an independent expert would cost us money that could be better used elsewhere.