

# Social Affairs Scrutiny Panel

## Interim Report

### Delivery of Income Support: Structure



States  
of Jersey 

Presented to the States on 9<sup>th</sup> October 2006

**S.R.5/2006**



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# 1: Introduction

## 1.1 Constitution of the Social Affairs Sub-Panel (Income Support)

At their meeting of 6<sup>th</sup> March 2006 the Social Affairs Scrutiny Panel agreed to constitute a Sub-Panel for the purpose of reviewing the Income Support proposals. The Panel further agreed to invite Senator B. E. Shenton and Deputy G. P. Southern to join the Sub-Panel for the purpose of the review. The Sub-Panel's first meeting was on the 21<sup>st</sup> March 2006. The Sub-Panel was constituted as follows:

Deputy J.A. Martin, Chairman  
Deputy S. Pitman, Vice-Chairman  
Senator B. Shenton  
Deputy G.P. Southern

Officer Support: Mr. C. A. Ahier and Mr. W. J. C. Millow

## 1.2 Terms of Reference

Prior to undertaking the review, the Sub-Panel had agreed the following terms of reference:

1. *To assess whether the proposed Income Support system would meet the objective of the Department of Social Security to establish a fair and integrated system that would meet the requirements of all customers.*
2. *To consider whether the proposed system would be cost-effective.*
3. *To consider whether there would be sufficient manpower resources and training and support for those delivering the Income Support system.*
4. *To assess whether the proposals would mitigate the effects of GST for those on low incomes.*

## 1.3 Interim report

The Sub-Panel has decided to produce an interim report on the rôle of the Parishes covering points 1-3 of the terms of reference. Progress on the other aspects in the terms of reference must be delayed awaiting the production of detailed figures by the Department of Social Security. These proposed rates will not be available to the Sub-Panel until March 2007, some 6 months after the States debate the enabling legislation required to bring in the income support proposals. As such, the Sub-Panel feel that they cannot progress the review until those figures and the Regulations are available. As a result the Sub-Panel feels that the only aspect it can reasonably assess is the proposed structure of how Income Support is to be delivered.

The Sub-Panel regards the production of the detailed figures 6 months after the legislation is debated as unsatisfactory and intends to resume the review once the detailed data from the Social Security Department becomes available with a view to scrutinising the Regulations, administration and proposed levels of support.

## 1.4 Adviser

The Sub-Panel engaged Dr. Martin Evans, Senior Research Fellow at the Department of Social and Policy Sciences, University of Bath, as their adviser on 10<sup>th</sup> July 2006 for the duration of the review.

Since his engagement Dr. Evans has worked with both the Sub-Panel and the Department of Social Security in the examination and development of the Income Support proposals. The Sub-Panel believe that the relationship has been to the benefit of all parties concerned. Dr. Evans has raised issues that were not previously considered by the Social Security Department and highlighted a number of areas where the proposals can be improved. These will be considered in further detail in the main report.

The engagement of Dr Evans ensures that the work undertaken by the Sub-Panel, and the consequent proposals will be of a high standard. Given the proposed substantial changes to the benefits system the Sub-Panel believes that the Social Security Department would have benefited from appointing their own external expert Adviser(s).

The Sub-Panel would like to acknowledge the help and assistance provided by the Minister for Social Security and his Department during the course of this review to date. The Sub-Panel would also like to endorse the approach taken by the Minister in involving Scrutiny in the development of the Income Support proposals from the outset.

## 2: Methodology

### 2.1 Call for evidence

The Sub-Panel has attempted to engage the Public during the course of this review and, to this end, has issued a call for evidence in the Jersey Evening Post on two occasions:

The original terms of reference were placed on Monday 6<sup>th</sup> and Tuesday 7<sup>th</sup> March 2006.

Subsequently at the June meeting with the Department of Social Security we became aware that the income thresholds and levels of support would not be available until early 2007. As a result we sent out revised terms of reference appropriate to this element on Friday 7<sup>th</sup> and Monday 10<sup>th</sup> July 2006:

1. What has been your experience of the current Welfare system?
2. Should the Connétables have direct responsibility for the proposed Citizen's Fund?
3. Should the administration of the new Income Support system be done centrally at the Social Security Department or should the Parish Halls continue to be involved?

### 2.2 Requests made to interested parties

The Sub-Panel contacted the following groups or organisations inviting them to meet or make a written submission:

- States Tenants Action Group
- Support Through Divorce
- Citizens Advice Bureau
- Jersey Childcare Trust
- Family Nursing and Homecare
- Jersey Association of Carers
- Age Concern
- The Samaritans

The Sub-Panel further contacted Mrs. E. Martins, Data Protection Commissioner, to establish whether she had been consulted with regard to the *Draft Income Support (Jersey) Law 200-*.

### 2.3 Meetings with interested parties

The Sub-Panel met with the following groups or individuals in the course of the review:

7<sup>th</sup> April 2006:

Citizens Advice Bureau, Mr. F. Le Gresley

24<sup>th</sup> April 2006:

Age Concern, Mrs D. Minihane

Senior Citizen's Association, Mr B. Le Brocq

Jersey Childcare Trust, Mrs. F. Breen

2<sup>nd</sup> May 2006:

Jersey Association of Carers, Mrs. F. Hagg

The Sub-Panel also met with the Minister for Social Security and his Department on the following dates:

19<sup>th</sup> May 2006

7<sup>th</sup> July 2006

11<sup>th</sup> August 2006

## 2.4 Public Hearings.

The Sub-Panel held one Public Hearing on 25<sup>th</sup> July 2006 with the following witnesses attending:

Minister for Social Security, Senator P. F. Routier  
Comité des Connétables, Connétable K. P. Vibert  
Citizens Advice Bureau, Mr. F. Le Gresley

### **3: Sub-Panel Key Findings and Recommendations**

#### **Parish Involvement**

**The Sub-Panel feels that no argument has been made to support the view that job seekers need satellite offices.**

**The Sub-Panel believes that a single, centralised, appropriately staffed office is the way forward to:**

**Allow maximum resources to be focussed on Income Support benefit rates and the Citizen's Fund; and**

**Ensure the administration of Income Support will be simpler, more efficient and more cost effective.**

**The Sub-Panel is convinced that the assessment of "costs" has not been comprehensive. It is clear that staff training, assessing and monitoring, as well as IT and ongoing service costs of Satellite Offices have not been taken into account in a transparent and comprehensive way.**

**The Sub-Panel is of the opinion that the simplest way of achieving consistency of assessment and administration is by having all staff at one central location.**

**The Sub-Panel believe that the dedicated Welfare staff in the Parishes of St. Clement, St. Saviour and St. Brelade should be treated in an equitable way and given the option of transferring to the offices of the Department of Social Security from their current Parish.**

**The Sub-Panel understands that the Income Support advisers and manager will be employed by the Social Security Department. The Sub-Panel believes that the proposed number of advisers should be able to deal with the demand from the whole Island including home visits where appropriate.**

**The Sub-Panel believes that several factors may produce an under reporting of all those who are eligible for Welfare. This in turn may lead to a greater demand and a greater resource requirement following the transfer to Income Support in a centralised model.**

**The Sub-Panel is concerned that the Minister appears to be championing the need for a number of satellite offices. The result of this would be to duplicate some of the resources whose elimination is one of the major reasons for the proposed new system.**

**The Sub-Panel recommends that there should be no Parish involvement in the delivery of Income Support.**

#### **Citizen's Fund**

**The Sub-Panel believes that close monitoring of the Citizen's Fund in the first year is an inadequate solution and work must be done to establish a realistic figure so that funds do not run out half way through the year.**

**The Sub-Panel believes that no applicant should ever be put in the situation where they have to say "I do not know why I was turned down" and strongly recommends clear guidelines, easily accessible to the public, on how the Fund is to be administered.**

**The Sub-Panel agree with the Connétable that administering the Citizen's Fund will be a difficult job. However, using the 'clean sheet' approach previously advocated the Sub-Panel recommends that the administration of the Citizen's Fund should be entirely contained within the Social Security Department.**

### ***Future Issues***

**The Sub-Panel strongly recommends that the Social Security Department take steps to secure accurate data as soon as possible pertaining to the likely financial consequences of the proposed change for people receiving a benefit towards housing cost after their qualifying period of 5 years.**

**The Sub-Panel has grave doubts as to whether the funds currently available will be sufficient to provide adequate levels of benefit to prevent social exclusion and prevent poverty and to promote incentives to work and to save for retirement.**

**The Sub-Panel is concerned that, in effect, two clients in identical circumstances would receive different payments dependent on whether they benefit from transitional protection.**

**The Sub-Panel have been presented with no evidence as to why indicative rates cannot be calculated from the existing data at this stage. As a result the new system would merely redistribute the existing funds rather than address the underlying problems.**

**The Sub-Panel believes that there is a lot more work to be carried out in all the above areas and will report fully on these later.**

### 3.1 Parish Involvement:

#### 3.1.1 **The Minister for Social Security's perceived support for a continued role for Parishes in the delivery of Income Support raises some serious concerns that appear to weaken his Department's fundamental policy aims set out below:**

The proposed unification of low-income support into a single centrally run service has been developed over the past five or more years based on the following assumptions:

- i. That consistency of approach and of decision making was a major gain;
- ii. That greater efficiency in the delivery of support could occur through the ending of duplication of provision across Parish and Social Security recipients;
- iii. That Parish Welfare, while highly regarded by some, has perceived problems of stigma and fairness that could be overcome by centrally set rules, guidance and management; and
- iv. The aim of a consistent service will require the Parishes to relinquish all decision making powers. Articles 9 and 20 (Abolition of Parish Welfare) of *the Draft Income Support (Jersey) Law 200-* clearly abolishes all the rights of Parishes to make any decision on any aspect of the new benefits.

#### 3.1.2 Under the new Income Support proposals there are only two groups that will automatically be completely exempt from work. These are defined as:

*a. anyone over 65 years old*

The pension age in Jersey is now set at 65. Some women still have the right to a pension when they are 60 and some people choose to take a reduced pension at 63. Individuals under age 65 will be expected to have a job or be looking for a job, even if they are already receiving a pension.

*b. those looking after a child under five years old*

The Social Security Department administers a scheme (Home Responsibility Protection) that allows the parent of a child under five to remain at home with the child. The department credits the pension record of the parent for up to 10 years whilst the parent is involved in looking after a young family. The Income Support scheme will take a similar line, and a parent with a child under five would not be required to seek work.

The Social Security Department will consider every other recipient a job seeker unless they can demonstrate circumstances to be considered otherwise.

The Social Security Department's own consultation document of September 2006 states:

*'If an adult (that is, anyone over school age) in an Income Support household is not working but is able to work (either full-time or part-time), he or she will be referred to the Work Zone in the Social Security Department and will have an interview with a specialist Job Adviser.'*

Any recipients of Income Support deemed to be a job seeker would need to attend the Social

Security Department in St. Helier in order to meet with a specialist Job Adviser.

As such, recipients of Income Support are likely to be mobile and able to travel to the Social Security Department in St. Helier. Correspondingly, if the recipients are not mobile and therefore unable to travel to the Social Security Department in St. Helier they are unlikely to be mobile enough to travel to a satellite office.

**The Sub-Panel feel that non-mobile applicants should be visited in their own homes by Social Security staff.**

Under the current arrangements a recipient of a State pension would go to the Social Security Department in St. Helier for assessment and, dependent upon the outcome of their assessment, if they required a top up to their pension, would be advised to approach their Parish for assistance.

Under the Income Support proposals a recipient of a State pension would go to the Social Security Department in St. Helier for assessment and, dependent upon the outcome of their assessment, any top up that was needed would be given under the Income Support scheme from the Social Security Department.

**The Sub-Panel feels that no argument has been made to support the view that job seekers need satellite offices.**

**The Sub-Panel believes that a single, centralised, appropriately staffed office is the way forward to:**

**Allow maximum resources to be focussed on Income Support benefit rates and the Citizen's Fund; and**

**Ensure the administration of Income Support will be simpler, more efficient and more cost effective.**

## **Costs**

3.1.3 At the Public Hearing the Minister for Social Security commented on the cost implications of satellite offices as follows:

*'There is no additional cost, really, not as far as I know.'*

However at the same Public Hearing the Department of Social Security's Quality Systems Executive, who accompanied the Minister, explained that any Parishes operating as satellite offices would undertake the following:

*'The service level agreement would explain that the Social Security Department had a responsibility to provide the computer connections to the Parishes because you cannot do anything without the computer.'*

*'We want everything to be recorded on the computer.'*

*'There will be a lot of requirements around data protection within the service level agreement.'*

*'That is one of the key issues, that obviously we are taking our data into other offices, and we do need to make sure that that is very secure.'*

*'It would be our responsibility to provide training to staff and to maintain that training, and it would be our responsibility to provide telephone support to staff during office hours so that any question at all, they have their line manager to get in touch with straight away.'*

*'Staff would have to take the oath of secrecy, as per the Social Security Law.'*

*'They would have to ensure that they maintain the data safely.'*

*'Provide private facilities if they were going to do assessments, so there is no question of people being intimidated in general offices.'*

*'They would be responsible for their own cash.'*

*'The main thing would be that they would be required to run the system to our standard and if there is any issue with that then the agreement would be broken.'*

**The Sub-Panel believes that the above obligations will result in significant administration costs.**

Training of new staff and retraining of existing staff is a key element in ensuring effective and consistent administration. At the Public Hearing the Chairman of the Comité des Connétables commented on the training of Parish staff:

*'...because of the low numbers they are going to be dealing with; **they will need to be retrained on a regular basis** if they are going to do that. The person who is doing it every day does not have that problem, because they are more familiar with the system.'*

**The Sub-Panel believe that this will result in significant training costs.**

At the Public Hearing the Minister for Social Security appears to contradict his earlier statement that there are no additional costs by saying:

*'You have to move away from thinking that they are Parish staff.'*

*'What they are is somebody who has been trained to assess somebody in a proper manner. They will have to have extensive training. They will have to have updates on how to deal with people. If somebody in the Parish is not in a position to follow the set procedures regarding the service level agreement assess people in a proper manner, they will not be doing it.'*

**The Sub-Panel is convinced that the assessment of "costs" has not been comprehensive. It is clear that staff training, assessing and monitoring, as well as IT and ongoing service costs of Satellite Offices have not been taken into account in a transparent and comprehensive way.**

### **Consistency**

- 3.1.4 The demand for training outlined above is aimed at promoting consistency. This in turn will depend upon line management at the Social Security Department.

The reporting line of Parish staff, if they were indeed to be retained in any way, and the delegation of powers to them when administering Income Support are unclear.

There appears to be confusion concerning whose responsibility it is for adhering to the service

level agreement between the Minister for Social Security and the Parishes.

The Minister for Social Security and the Controller of Social Security offered different interpretations when questioned at the Public Hearing.

The Minister for Social Security stated:

*'...anybody who is doing an assessment has to be responsible to the Minister. They are not responsible to the Constable, they are responsible to the Minister...'*

The Controller of Social Security stated:

*'My position on this is that the member of staff would work with the Constable. The Parish would be accountable (to the Minister) for the service they provide.'*

**The Sub-Panel is of the opinion that the simplest way of achieving consistency of assessment and administration is by having all staff at one central location.**

### **Staffing**

3.1.5 More recently at the Public Hearing the Chairman of the Comité des Connétables stated

*'...I know that St. Clement and St. Saviour and St. Brelade have dedicated staff at the moment, and would wish those staff to be retained and trained by Social Security, and will run an office in those Parishes.'*

The Parish of St. Helier have decided not to operate a satellite office. Their dedicated Welfare staff have been offered jobs by the Department of Social Security as part of an agreement between the two parties. Whilst this arrangement has not met with the approval of all the staff involved, some staff are content with the proposals and will transfer. The Sub-Panel understands that the dedicated Welfare staff in the Parishes of St. Clement, St. Saviour and St. Brelade have not been offered the same option and that there appears to be no plans to do so.

**The Sub-Panel believe that the dedicated Welfare staff in the Parishes of St. Clement, St. Saviour and St. Brelade should be treated in an equitable way and given the option of transferring to the offices of the Department of Social Security from their current Parish.**

At the Public Hearing the Social Security Department's Quality Systems Executive confirmed the following proposed staffing levels:

*'There will be 12 advisers at Social Security plus a manager directly involved with assessments.'*

**The Sub-Panel understands that the Income Support advisers and manager will be employed by the Social Security Department and it believes that the proposed number of advisers should be able to deal with the demand from the whole Island including home visits where appropriate.**

### **Stigma**

3.1.6 Concerns have been expressed that the Parish Welfare system does not reach all those in need, especially in the urban Parishes.

Mr. F. Le Gresley of the Citizens Advice Bureau commented at the Public Hearing as follows:

*'But the Parish Welfare, being a totally discretionary, non-contributory benefit, is almost certainly not claimed by some people because of the current procedure for claiming it. I think it is mainly the elderly who would say: "Well you know, I know my pension is only 50-60 per cent of the maximum pension, but I do manage and I wouldn't dream of going down to the Parish Hall and, you know, asking them for money because there's probably people more in need than me" is the sort of attitude that a lot of them would have.'*

*'Although the Parishes would say "We're very user-friendly and we want to help," and I know genuinely they do want to help parishioners; it is because it is steeped in Victorian tradition that is why people do not want to use that.'*

**The Sub-Panel believes that several factors may produce an under reporting of all those who are eligible for Welfare. This in turn may lead to a greater demand and a greater resource requirement following the transfer to Income Support in a centralised model.**

### **Conclusion**

**The Sub-Panel is concerned that the Minister appears to be championing the need for a number of satellite offices. The result of this would be to duplicate some of the resources whose elimination is one of the major reasons for the proposed new system.**

During the Public Hearing Senator B.E. Shenton stated:

*'With Income Support you (The Minister) have a tremendous opportunity of starting almost with a clean sheet of paper to provide a service that is efficient and cost effective.'*

*'It seems to me that you want to contaminate it and keep the Parishes involved more for political reasons than anything else.'*

**The Sub-Panel recommends that there should be no Parish involvement in the delivery of Income Support.**

## 3.2 Citizen's Fund:

The Sub-Panel have the following comments in respect of the Citizen's Fund:

### ***Current Welfare arrangements***

- 3.2.1 In their letter of 16<sup>th</sup> May 2006 the Comité des Connétables provided evidence concerning the wide ranging areas that the current Welfare system covers:

*The 'scale rates of Welfare' are intended to cover the basic necessities such as food, clothing, household bills etc and a 'rent allowance' assists towards housing costs. Positive discretion is exercised to meet additional costs which a householder is unable to meet...*

The letter provided the following as an example of this type of payment:

*Fuel allowance during the winter months*

*In addition, individuals may experience exceptional expenditure or crisis and have to meet 'one off' costs that are difficult to budget for on an ongoing basis if the person has been on welfare for some time or even when a person is just living above the limit for welfare but meets a particularly difficult time.*

The letter provided the following as an example of this type of payment:

*Dentistry – either not covered by any scheme or as a top-up to support through the Social Security scheme for over 65s (a new set of dentures can cost in the region of £1000)*

### ***Is there enough money in the Citizen's Fund?***

- 3.2.2 The Citizen's Fund is defined in the Draft Income Support (Jersey) Law 200- lodged on the 29<sup>th</sup> August 2006. It states:

*The requirement for a discretionary element to the Income Support System is to allow instances of exceptional need, which fall outside of the entitlements under Part 2 of the Law, to be addressed.'*

- 3.2.3 At the Public Hearing both the Minister for Social Security and the Controller of Social Security acknowledged that the money available for Income Support is finite. The approximate sum for Income Support will be £64m in 2007 with the funds for the Citizen's Fund being made up of the discretionary elements of this.

- 3.2.4 At the Public Hearing the Controller of Social Security acknowledged that the Citizen's Fund would have to be closely monitored in the first year in order to ascertain how much would be required. When asked if the Department had done any research with the Parishes as to the amount of money, over and above any welfare, they had spent on client emergencies, the Controller stated:

*'The Parish system itself is inconsistent from one Parish to another, so identifying the core Parish system is quite difficult in any case.'*

**The Sub-Panel believes that close monitoring of the Citizen's Fund in the first year is an inadequate solution and work must be done to establish a realistic figure so that funds**

**do not run out half way through the year.**

***Should there be a guide?***

3.2.5 Mr. F. Le Gresley of the Citizens Advice Bureau stated at the Public Hearing on 25th July 2006:

*'I would say that there has to be a guidance book for Social Security...a rule book that is in simple English...That book should be available to the public...not hidden on a shelf...'*

**The Sub-Panel endorses the view of the Citizens Advice Bureau.**

**The Sub-Panel believes that no applicant should ever be put in the situation where they have to say "I do not know why I was turned down" and strongly recommends clear guidelines, easily accessible to the public, on how the Fund is to be administered are published.**

***How should the Citizen's Fund be administered?***

3.2.6 The Chairman of the Comité des Connétables expressed the following view:

*'I think it should be an independent body who maybe advise the Minister as to how he should allocate moneys from the Citizen's Fund. It is not an easy job to do. It is very difficult to decide whether you are going to make a grant or a loan.'*

**The Sub-Panel agree with the Connétable that administering the Citizen's Fund will be a difficult job. However, using the 'clean sheet' approach previously advocated the Sub-Panel recommends that the administration of the Citizen's Fund should be entirely contained within the Social Security Department.**

### 3.3 Draft Law:

The Sub-Panel have the following comments in respect of the Draft Law:

- 3.3.1 The Sub-Panel examined the draft Law being proposed by the Minister for Social Security and as a result of discussions between the two parties amendments were made.
- 3.3.2 It has become increasingly clear that the Regulations, once produced, will prescribe the manner in which the Income Support system will work. To date the Minister for Social Security has indicated that the Regulations will not be available for consultation until October 2006, with a view to being debated by the States in April 2007, and the proposed amounts for each component will not be available until April 2007. As such it has been virtually impossible for the Sub-Panel to test the proposed system in any meaningful way. This will be resolved only when the relevant information has been produced and made available to the Sub-Panel for scrutiny by the Minister for Social Security.

#### **Future Issues**

- 3.3.3 There are a number of uncertainties regarding the proposed system that need to be clarified. These include:
  - a. It is unclear what the effect will be of lowering the residency requirement to 5 years for receiving payments towards housing costs. The Social Security Department have no evidence of any accurate prediction of likely take up under the new proposals. On Page 13 of the Social Security Department's September 2006 consultation document it is stated that:

*'There are approximately 1,500 households in Jersey that will have between 5 years and 12 years residence in 2007. Most of these households will not need Income Support. If 20% - 25% of these households are in the income bracket that would receive Income Support, this would add 300 to 400 households to the total number receiving Income Support.'*

**The Sub-Panel have obtained similar evidence from the Statistics Unit at the Chief Minister's Department that the proposed changes to residency requirements could result in up to 1,500 additional households becoming eligible.**

**However this data is based upon the 2001 Census and the Sub-Panel is concerned that the data is out of date and may be misleading.**

- b. The Sub-Panel has been unable to secure any figures from the Comité des Connétables concerning the amount of Welfare payments paid to non-residentially qualified people in respect of housing costs.

The Comité des Connétables informed the Sub-Panel that the relevant data required to provide that figure was not recorded on the Welfare application form or during discussions with applicants.

**The Sub-Panel strongly recommends that the Social Security Department take steps to secure accurate data as soon as possible pertaining to the likely financial consequences of the proposed change for people receiving a benefit towards housing cost after their qualifying period of 5 years.**

- c. It has been a commonly held belief that many people were unwilling to claim support as a result of the perceived stigma attached to Welfare. One of the intentions of the new system is to remove any such stigma and encourage everyone who is eligible to claim support. The Sub-Panel has been unable to find any evidence of accurate predictions of the numbers of new claimants under the Income Support proposals.

**All of the above factors point to an under estimation of demand, leading to an under resourced Fund. The Sub-Panel has grave doubts as to whether the funds currently available will be sufficient to provide adequate levels of benefit to prevent social exclusion and prevent poverty and to promote incentives to work and to save for retirement.**

- d. Although the Sub-Panel has noted that 'a sum of £20 million has been identified by the Minister for Treasury & Resources to be allocated over a period of years as phased protection to those households affected', it is concerned that new claimants may effectively 'lose out' as they will not be eligible for the transitional payments made to existing beneficiaries.

**The Sub-Panel is concerned that, in effect, two clients in identical circumstances would receive different payments dependent on whether they benefit from transitional protection.**

- e. The Sub-Panel is concerned that the proposed budget will not be sufficient to service the Income Support proposals. The *Draft Income Support (Jersey) Law 200-* states that:

*'In approving P.86/2005, the States agreed that the funds available to the new Income Support System would be equivalent to the overall cost of the existing means tested benefit systems, this amounts to £64 million in 2007 as per the States Annual Business Plan 2007. The view of the former Employment and Social Security Committee still prevails with the intention of setting rates higher than the existing Parish Welfare levels.*

*At this stage, however, rates cannot be calculated but this will be done as more up-to-date and accurate information is gathered from those existing beneficiaries who will move over to income support.'*

The Social Security Department already has data from The Income Distribution Survey at its disposal as well as the CRSP Reports detailing different options for a budget standards approach.

**The Sub-Panel have been presented with no evidence as to why indicative rates cannot be calculated from the existing data at this stage. As a result the new system would merely redistribute the existing funds rather than address the underlying problems.**

- 3.3.4 The Sub-Panel notes that some means tested benefits for education and childcare are currently carried out outside the Income Support system which potentially leads to duplication in administrative costs.

**The Sub-Panel believes that there is a lot more work to be carried out in all the above areas and will report fully on these later.**