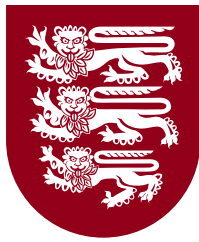


STATES OF JERSEY



Jersey

DRAFT INCOME SUPPORT (AMENDMENT No. 23) (JERSEY) REGULATIONS 202-

**Lodged au Greffe on 26th September 2023
by the Minister for Social Security
Earliest date for debate: 7th November 2023**

STATES GREFFE

Report

Background

The Minister for Social Security has the responsibility for reviewing Income Support benefit rates, including changes to the component rates and income disregards, each year. The Minister must bring forward any proposals to change Income Support component rates to the States Assembly.

Last year the Council of Ministers took unprecedented action to support Islanders at a time of significant cost of living increases. This included providing for two increases in income support rates within a 12-month period. Rates were increased in October 2022 and again in January 2023.

Additional temporary support was also provided through “COLTS” payments to income support families between April and December 2022.

January 2024 uprate

Income support components are designed to cover a range of basic household costs. Each component is set separately and last year the opportunity was taken to provide enhanced support in respect of private sector rental costs, support for those living in hostel accommodation and to increase the carer’s allowance, in addition to the main year on year increase of 10.4%.

To determine the appropriate uplift for 2024 a number of factors have been considered. A feature of the “headline” RPI rate for Jersey is that it is directly affected by changes in the Bank of England Base Rate which has risen sharply over the last 2 years. A key impact of the base rate rise has been an increase in mortgage costs for home owners. The quarterly reports from Statistics Jersey on the Retail Price Index also include a specific index reflecting the typical household spending of low-income groups. The majority of low income households are not mortgage holders and are less affected by changes to the base rate. Looking at the RPI produced for low income households, over the last year the annual figure rose to a maximum of 8.6% with the most recent annual increase as at June 2023 dropping below this high point, as shown in the table¹ below:

Date		RPI low income annual percentage change
Sep	2022	7.9
Dec	2022	8.5
Mar	2023	8.6
Jun	2023	6.4

Recent economic advice is that RPI figures will continue to fall from the peak experienced in March. The latest economic assumptions report from the Fiscal Policy Panel² includes the following comment:

“It is the view of the Panel that RPI peaked in Q1 2023 at 12.7% and also that both RPI and RPI(X) inflation will continue to fall, albeit more gradually than anticipated. There is a risk in Jersey that the tight labour market will result in wage increases, which would keep inflation higher for longer.”

¹ See [open data set](#)

² [FPP Economic Assumptions July 2023](#)

Acknowledging the significant pressures faced by low-income families since early 2022, however, it is proposed to increase the majority of components by 8.6% from January 2024. The increase of 8.6% matches the highest low income RPI figure experienced in the last 12 months.

It is proposed that the clinical cost component, which provides support for GP costs will remain at its current rate. This component was designed to support the co-payment costs of GP visits at the full rate. With the introduction of the Health Access Scheme, these costs have significantly fallen for income support claimants, reducing the need for additional support through income support components.

These Regulations provide for income support rate increases for all income support households from January 2024. The details of each component are listed in the **Appendix**.

In addition to these increases, all income support households continue to benefit from the Health Access Scheme, which provides access to general practice services at significantly reduced prices. The cost to the patient has not increased since the scheme was introduced in December 2020 and remains at £12 for a surgery visit with a GP, with related services also available at substantial discounts. GP surgery visits for all children are now free of charge to the patient.

Pensioners receiving income support who are members of the Pension Plus scheme have also seen a major increase in the value of support available for dental, optical and chiropody costs since the beginning of September. Income support households that include a pensioner, a child under 3, or someone with a significant disability, will also benefit from enhanced Cold Weather Payments this winter, which will be fixed at £70 per month running from October 2023 to March 2024.

Financial and staffing implications

The total estimated annual cost of the changes to the Income Support weekly components as set out in these Regulations and proposed for January 2024 is £7.9 million.

The cost of these proposals is provided for in the 2024 Government Plan under the CLS departmental budget.

There are no staff or other resource implications to this proposal.

APPENDIX

Current and proposed rates

Component	Legislation	Jan-23	Jan-24
		£ / week	£ / week
<u>Part 1: Basic components</u>			
Adult	Sch1. Para 2(1)(a)	£ 111.30	£ 120.89
Single parent	Sch1. Para 2(1)(b)	£ 43.47	£ 47.25
Child (first)	Sch1. Para 2(1)(d)	£ 91.70	£ 99.61
Child (subsequent)	Sch1. Para 2(1)(e)	£ 77.28	£ 83.93
Household	Sch1. Para 2(1)(f)	£ 62.02	£ 67.41
<u>Part 2: Housing component</u>			
<u>Private Rental:</u>			
in the case of a hostel	Sch1. Para 4(2)(a)	£ 140.49	£ 152.60
in the case of lodgings or a bedsit	Sch1. Para 4(2)(b)	£ 170.10	£ 184.73
in the case of a flat with 1 bedroom	Sch1. Para 4(2)(c)	£ 250.74	£ 272.37
in the case of a flat with 2 bedrooms	Sch1. Para 4(2)(d)	£ 321.09	£ 348.74
in the case of a flat with 3 or more bedrooms	Sch1. Para 4(2)(e)	£ 344.47	£ 374.15
in the case of a house with 1 bedroom	Sch1. Para 4(2)(f)	£ 287.42	£ 312.20
in the case of a house with 2 bedrooms	Sch1. Para 4(2)(g)	£ 364.84	£ 396.27
in the case of a house with 3 bedrooms	Sch1. Para 4(2)(h)	£ 426.09	£ 462.77
in the case of a house with 4 bedrooms	Sch1. Para 4(2)(i)	£ 464.45	£ 504.42
in the case of a house with 5 or more bedrooms	Sch1. Para 4(2)(j)	£ 514.01	£ 558.25
<u>Owner:</u>			
in the case of a bedsit or flat with 1 or 2 bedrooms	Sch1. Para 4(7)(a)	£ 7.84	£ 8.54
in the case of a flat with 3 bedrooms	Sch1. Para 4(7)(b)	£ 11.06	£ 12.04
in the case of a flat with 4 or more bedrooms	Sch1. Para 4(7)(c)	£ 15.61	£ 17.01

Component	Legislation	Jan-23	Jan-24
		£ / week	£ / week
in the case of a house with 1 bedroom	Sch1. Para 4(7)(d)	£ 7.84	£ 8.54
in the case of a house with 2 bedrooms	Sch1. Para 4(7)(e)	£ 11.06	£ 12.04
in the case of a house with 3 or more bedrooms	Sch1. Para 4(7)(f)	£ 15.61	£ 17.01
<u>Rental housing shared by two or more households:</u>			
in the case of a hostel	Sch1. Para 4(13)(a)	£ 140.49	£ 152.60
in the case of lodgings or a bedsit	Sch1. Para 4(13)(b)	£ 161.21	£ 175.14
in the case of a flat with 1 bedroom	Sch1. Para 4(13)(c)	£ 237.65	£ 258.09
in the case of a flat with 2 bedrooms	Sch1. Para 4(13)(d)	£ 304.15	£ 330.33
in the case of a flat with 3 or more bedrooms	Sch1. Para 4(13)(e)	£ 326.27	£ 354.34
in the case of a house with 1 bedroom	Sch1. Para 4(13)(f)	£ 272.23	£ 295.68
in the case of a house with 2 bedrooms	Sch1. Para 4(13)(g)	£ 345.80	£ 375.55
in the case of a house with 3 bedrooms	Sch1. Para 4(13)(h)	£ 403.76	£ 438.55
in the case of a house with 4 bedrooms	Sch1. Para 4(13)(i)	£ 439.95	£ 477.82
in the case of a house with 5 or more bedrooms	Sch1. Para 4(13)(j)	£ 487.06	£ 528.99
<u>B: Impairment component</u>			
Personal care element:			
for a score of at least 15 but less than 36	Sch1. Para 6(3)(a)	£ 27.93	£ 30.38
for a score of at least 36 but less than 56	Sch1. Para 6(3)(b)	£ 122.22	£ 132.79
for a score of at least 56	Sch1. Para 6(3)(c)	£ 175.28	£ 190.40
Mobility element:			
(a)	Sch1. Para 7(3)(a)	£ 27.93	£ 30.38
(b)	Sch1. Para 7(3)(b)	£ 55.65	£ 60.48

Component	Legislation	Jan-23	Jan-24
		£ / week	£ / week
Clinical cost element:			
(a)	Sch1. Para 8(2)(a)	£ 3.99	£ 3.99
(b)	Sch1. Para 8(2)(b)	£ 7.98	£ 7.98
<u>C: Childcare day component</u>		Hourly rates	
(a) child under 3	Sch1. Para 10(3)(a)	£ 8.84	£ 9.61
(b) child 3 +	Sch1. Para 10(3)(b)	£ 7.40	£ 8.04
<u>D: Carer's component</u>		£ / week	£ / week
Carer's component	Sch1. Para 12	£ 63.35	£ 68.81

EXPLANATORY NOTE

These Regulations amend Schedule 1 to the Income Support (Jersey) Regulations 2007. The amendments increase by 8.6% the rates payable for the following components of income support from 1st January 2024 –

- the basic components;
- the housing component;
- the personal care and mobility elements of the impairment component;
- the child day care component; and
- the carer's component.

Only the rates payable for the clinical cost element of the impairment component are not changed. All of the rates were last increased with effect from 1st January 2023.



Jersey

DRAFT INCOME SUPPORT (AMENDMENT No. 23) (JERSEY) REGULATIONS 202-

Contents

Regulation

1	Schedule 1 to the Income Support (Jersey) Regulations 2007 amended.....	9
2	Schedule 2 to the Income Support (General Provisions) (Jersey) Order 2008 consequentially amended.....	11
3	Citation and commencement	11



Jersey

DRAFT INCOME SUPPORT (AMENDMENT No. 23) (JERSEY) REGULATIONS 202-

Made *[date to be inserted]*

Coming into force *[date to be inserted]*

THE STATES make these Regulations under Articles 5 and 18 of the [Income Support \(Jersey\) Law 2007](#) –

1 Schedule 1 to the [Income Support \(Jersey\) Regulations 2007](#) amended

(1) This Regulation amends Schedule 1 to the [Income Support \(Jersey\) Regulations 2007](#).

(2) For paragraph 2(1) (rates for basic components) there is substituted –

“The rates payable for the basic components under Article 5(2) of the Law are as follows –

(a)	under Article 5(2)(a) of the Law (adult component rate)	£120.89
(b)	under Article 5(2)(b) of the Law (single parent component rate)	£47.25
(c)	under Article 5(2)(c) of the Law (first child component rate)	£99.61
(d)	under Article 5(2)(ca) of the Law (subsequent child component rate)	£83.93
(e)	under Article 5(2)(d) of the Law (household component rate)	£67.41”.

(3) For paragraph 4(2) (rates of housing component) there is substituted –

“(2) The rates payable under this sub-paragraph are –

(a)	in the case of a hostel	£152.60
(b)	in the case of lodgings or a bedsit	£184.73
(c)	in the case of a flat with 1 bedroom	£272.37
(d)	in the case of a flat with 2 bedrooms	£348.74

(e)	in the case of a flat with 3 or more bedrooms	£374.15
(f)	in the case of a house with 1 bedroom	£312.20
(g)	in the case of a house with 2 bedrooms	£396.27
(h)	in the case of a house with 3 bedrooms	£462.77
(i)	in the case of a house with 4 bedrooms	£504.42
(j)	in the case of a house with 5 or more bedrooms	£558.25”.

(4) For paragraph 4(7) (rates of housing component) there is substituted –

“(7) The rates payable under this sub-paragraph are –

(a)	in the case of a bedsit or flat with 1 or 2 bedrooms	£8.54
(b)	in the case of a flat with 3 bedrooms	£12.04
(c)	in the case of a flat with 4 or more bedrooms	£17.01
(d)	in the case of a house with 1 bedroom	£8.54
(e)	in the case of a house with 2 bedrooms	£12.04
(f)	in the case of a house with 3 or more bedrooms	£17.01”.

(5) For paragraph 4(13) (rates of housing component) there is substituted –

“(13) The rates payable under this sub-paragraph are –

(a)	in the case of a hostel	£152.60
(b)	in the case of lodgings or a bedsit	£175.14
(c)	in the case of a flat with 1 bedroom	£258.09
(d)	in the case of a flat with 2 bedrooms	£330.33
(e)	in the case of a flat with 3 or more bedrooms	£354.34
(f)	in the case of a house with 1 bedroom	£295.68
(g)	in the case of a house with 2 bedrooms	£375.55
(h)	in the case of a house with 3 bedrooms	£438.55
(i)	in the case of a house with 4 bedrooms	£477.82
(j)	in the case of a house with 5 or more bedrooms	£528.99”.

(6) For paragraph 6(3) (personal care element) there is substituted –

“(3) The rate of personal care element payable in respect of the total score calculated under sub-paragraph (2) is as follows –

(a)	for a score of at least 15 but less than 36	£30.38
(b)	for a score of at least 36 but less than 56	£132.79

(c)	for a score of at least 56	£190.40”.
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(7) For paragraph 7(3) (mobility element) there is substituted –

“(3) The rate of mobility element of the impairment component is –

- (a) £30.38 if the person’s average weekly earnings do not exceed the amount in clause (b); or
- (b) £60.48.”.

(8) For paragraph 10(3) (rate for the child day care component) there is substituted –

“(3) The rates payable under this sub-paragraph are –

(a)	for a child under the age of 3 years	£9.61
(b)	for a child aged 3 years or over	£8.04”.

(9) For paragraph 12 (rate for the carer’s component) there is substituted –

“12 Rate for the carer’s component

The rate payable in respect of the carer’s component is £68.81.”.

2 Schedule 2 to the [Income Support \(General Provisions\) \(Jersey\) Order 2008](#) consequentially amended

(1) This Regulation amends Schedule 2 to the [Income Support \(General Provisions\) \(Jersey\) Order 2008](#).

(2) In paragraph 4(1)(c)(ii) (calculation of income) –

- (a) for “paragraph 2(1)(a)” there is substituted “paragraph 2(a)”; and
- (b) for “paragraph 2(1)(d)” there is substituted “paragraph 2(d)”.

3 Citation and commencement

These Regulations may be cited as the Income Support (Amendment No. 23) (Jersey) Regulations 202- and come into force on 1st January 2024.