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Social Security Advisory Council

Mr Richard Bell,
Chief Officer,
Social Security Department,
Philip Le Feuvre House,
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St Helier,
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6th March 2008

Dear Mr Bell, Social Security Advisory Council – Annual Report 2007.

I am pleased to enclose Jurat Allo's Social Security Advisory Council Annual Report for 2007 to which is attached a report on a visit to the UK Social Security Advisory Committee last November.

It is very much hoped that you will find these reports both interesting and helpful. Should you have any queries or observations, please do not hesitate in contacting me.

With kindest regards,

Yours sincerely,



John T L Rosser.
Chairman.

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Social Security Advisory Council Annual Report

Brief Introduction

The Social Security Advisory Council is representative of the stakeholders of the Social Security Insurance scheme and community at large in particular employees, employers and beneficiaries.

The Social Security Advisory Council is to act as a sounding board for future innovations in social issues and as a mechanism for independent representation of the Social Security Insurance scheme's members such as employees, employers and beneficiaries.

Social Security Advisory Council Annual Report 2007

Members of the Social Security Advisory Council

Jurat G C Allo	Chairman
Miss J B Collins FCA	Vice Chairman
Mrs A Cullen Chartered FCIPD	
Mr P Harrison (until April 2007)	
Mr J T Rosser ACII	
Mrs F Houghton	
Mrs S Seymour	
Miss I de Ornelas	Council Secretary

This is the third Annual Report of the Social Security Council. Throughout the year we have continued to carefully monitor the progress of the Income Support System, and indeed have been assisted throughout by the presence ex officio of the Policy & Strategy Director Tom Gales.

Additional council meetings were held at which time both the Minister and Assistant Minister were invited to attend to answer questions raised and indeed provide a progress to date report on Income Support and other related matters. Towards the end of the year Sue Duhamel kindly attended a meeting of council discussing outstanding issues related to Income Support in some detail.

Members of council also attended presentations made to representative bodies by the Minister leading up to the launch of Income Support.

The council has continued to meet on a monthly basis, and the addition of Annette Cullen and Sylvie Seymour to membership has proved to be of great benefit, both have brought with them skills which are of considerable value.

Two Sub Committees have produced valuable information. John Rosser and Sylvie Seymour covered 'pensions' and 'investment of Social Security funds' and these have been particularly helpful. Jackie Collins and Annette Cullen have dealt with aspects of communication. This is still in progress but I am sure that the results will come to fruition in 2008.

The council values the regular receipt of the Income Support Briefing Newsletters as this provides up to date information together with the latest developments.

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It has been the intention for some time that the council should indeed take up the offer made at outset to visit the Social Security Advisory Committee in London to attend one of their monthly meetings. However with a view to saving expense and the valuable time of members it was agreed we should wait until such time as an agenda was up for discussion the contents of which closely followed the subjects being discussed by us. Such a situation occurred in November and in addition to the normal meeting there was also a Stakeholders' Meeting held the following day. Both these meetings were attended by John Rosser and Jackie Collins representing the Jersey council.

The visit was found to be of great value and it is hoped that a similar visit may be arranged next year to allow further members to attend. Attached to this document is to be found a copy of the Report presented to council following this visit where the range of topics covered can be seen at first hand. (Please see Appendix attached)

I would like at this point to place on record my thanks to Gill Saunders the Secretary of the London committee for arranging these excellent meetings. It is hoped during the coming year that, in addition to a further visit to London by our council, it may also be possible to invite Gill Saunders to our council as her input at the time of setting up the Jersey council was of great value.

The question of continuity of council membership was carefully discussed during the year and it was agreed to advertise for additional voluntary members. This action took place in November and we were delighted with not only the quality of the replies received but the number who showed interest. An interview panel was arranged and on completion of initial interviews a short list of candidates will be presented to the full council who will be joined by a representative of Social Security as nominated by the Minister. The successful candidates will be named in the next annual report.

As in previous years, I wish to place on record my sincere thanks to all council members who throughout this year have continued to give so freely of their time, in many cases not just attending monthly meetings but also being present for other important events. Thanks also to Jackie Collins for acting as my vice chairman.

Despite suffering ill health during this year Tom Gales has been of great assistance as our link between council and Social Security and we wish him a full and speedy recovery. Additionally we congratulate him on his move to the office of the Chief Minister shortly to take place, he will be greatly missed.

A request has been made to Richard Bell the Controller to advise who will be nominated to replace Tom Gales. It is important that we have a person of equivalent knowledge and experience to continue this important line of communication.

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Our annual budget for 2007 was £6,600 and during the year we have expended the sum of £2,940. This is an increase on last year's expenditure mainly brought about by the visit to London and indeed the advertising related to the proposed appointment of new council members.

What of the year ahead! I feel that this will be one of challenge and many aspects gathered at the SSAC London visit, some of which are highlighted in the attached report, will be discussed and applied as appropriate to the Jersey situation.

We will also see for the first time how the long awaited Income Support Scheme actually works and this will be of great interest to the council.

This will be my last annual report as I informed council twelve months ago that I intended to retire on the completion of five years. It was in October 2002 that Senator Le Sueur wrote and asked me to form the council but, despite great efforts, it was not until eighteen months later that this proposal was finally achieved.

I am delighted that John Rosser, one of the founder members, has agreed to take over as chairman effective from January 2008 until the expiry of his term at the end of 2009. I know I leave the council in safe hands, and I wish them every success in the years ahead.

Jurat Geoffrey C Allo
Chairman

Social Security Advisory Council
Appendix to Annual Report 2007

Synopsis of a presentation to the members on the visit by John Rosser and Jackie Collins to the UK Social Security Advisory Committee November 2007.

Introduction

Council members have had an open invitation to attend a UK monthly committee meeting since the early days of Council's formation. There has always been a hesitation in accepting the invitation on the grounds of an efficient use of time and cost against a meeting agenda which might be of little benefit. The November agenda for the Committee included a number of topics which have featured in discussions in Jersey recently so this agenda appeared inviting. That, and an invitation to their annual meeting of stakeholders to be held the following day, made the trip worthwhile.

There are differences between the UK and Jersey advisory groups. There is the obvious one that the name is different; they are a committee and we are a council. They are a larger group consisting of a chairman and 13 other members with the membership drawn from different fields connected to social welfare representing employers and employees, disability and action groups, academics and some members holding a watching brief for Wales, Scotland and Northern Ireland where there are some differences to the legislation adopted. Compared to Jersey, the volume, scope and complexity of social security legislation in the UK is huge.

They are paid for their time and have the support of a full-time secretariat consisting of half a dozen staff that deal with general administration and operational matters, conduct research and assist in generating reports, maintain connections with all the various sections and departments and generally move matters forward. SSAC UK is concerned with all aspects of the work of the Department for Work and Pensions, including its delivery of benefits, customer service, policy changes, etc. and they also provide informal advice to the UK tax office on financial benefits. They undertake their own independent investigations, respond to reports on social security matters and provide briefing papers. They have an open policy with the public and there is a comprehensive website detailing their remit and reproducing papers on a number of topics. It also includes their annual report which is well worth a read (www.ssac.org.uk).

The welcome was warm and everyone was more than happy to impart information and equally as interested in social security in Jersey. There has been a change in chairman since their visit to Jersey but there is still a connection as Robert Walker, a current member of the committee, was commissioned to prepare a report for the States of Jersey Social Policy Strategy Group in 2001 published under the title of 'Aiming for a Fairer Society' and later contributed to 'Social Protection in Jersey: a Comparative Study'.

Monthly committee meeting

We were invited to join the committee for the formal session during the morning. The volume of business was extensive and varied and much was covered during the morning. Minutes are available on their website but the following are points and comments which may be relevant to Jersey.

- Meeting preparation is well honed. The minutes from the previous meeting include a summary of tasks and questions which arose and are updated with progress or answers which have been received. All parts of the agenda were supported with very comprehensive paperwork, leaving little in some cases to discuss at all; just a yes/no vote.

- The UK is moving towards a greater use of telephony to improve efficiency in delivering and monitoring benefits. It would appear from the discussions that SSAC UK has concerns on its use while accepting that the move forward is inevitable. There were two items on the agenda concerning telephony, the first the use of Voice Risk Analysis (VRA) and the second, the approval of crisis loans. Concerns ranged from the transferring costs to the beneficiary, identity theft, misunderstandings leading for instance to error later in the benefit system to generally making matters worse for beneficiaries who were already disadvantaged in accessing the system due to a disability, differences in cultural or just difficulty in using technology.
- Jersey has elected to go down the route of face to face meetings for application at all times and uses the telephone as a minor part of the process so if this application of VRA is to be a major weapon in the armoury to reduce risk when using the telephone, it is probably of little use to Jersey. However, the presentation raised some points which must be common to all agencies whether or not they are using a telephone and computer, a face to face interview with an electronic or paper form: the need to have robust systems to detect fraud, reduce error while being accessible to all.
- The discussion on accessing crisis loans over the telephone and making payment using electric banking has similar concerns to VRA especially for those with little access to a payment centre. There were echoes of the discussions in Jersey on emergency payments and the problems for those who do not have or cannot get bank accounts. While there are basic facilities available with UK banks, the Committee were concerned at the practicality of placing funds into a bank account of someone who needs to access urgent, financial support as it is likely the account could be overdrawn, incurring bank and overdraft charges, where the bank may take the benefit payment and the applicant is left without support. They were concerned the payment would end up being paid twice. As travelling to a payment centre is not such an issue for beneficiaries in Jersey needing emergency cash payments, this is unlikely to be an issue but in the move to use inter bank payments generally there should be some form of 'failsafe'.
- It was interesting that SSAC were involved quite early on in the process of introducing initiatives. For the presentations on telephony and other matters, papers included information on pilot sites and the budgets as well as a thumb nail sketch of the initiatives. Equally as interesting is that the presenters for the DWP and others were interested in what SSAC had to say, the bigger picture view, and where they thought problems could occur. This was very evident on the sessions with DWP officers from the Change Programme and an informal discussion during the afternoon with officers from the National Audit Office
- The aim of the Change Programme was to improve customer service, not necessarily make huge budget savings, but there was, usually, potential for financial savings in the future. Using Lean Academy techniques every aspect of the service is viewed from the customer perspective and they ask 'What is critical to you?' and 'What is the best way to achieve that?' The customers are defined as anyone using the department; beneficiaries/public, ministers, taxpayers etc. The change team engage with the customer and the areas of focus are often driven by front line staff resulting in initial schemes where concentration has been on reducing the time between the start and ending of a process. Solutions may involve developing new pathways, pilots or another challenge in changing standard procedures. It may require spending to invest in improving staff skills so they can do the job effectively, training on wider core skills such as risk management and 'Lean'/organisation skill. A big part of the challenge for staff is identified as taking the ownership of job or task; the aim should be that, to the customer, the department's service should be seamless. The Committee seemed to welcome this type of initiative commenting that a lot of the problems they see stem from lack of wider knowledge in staff.

Systems and procedures are viewed as extremely complex to the point it drives out customers or prevents application for benefit. The system creaks and groans from standard models or office procedures and strange directives where no-one understands why they exist or how they should be implemented.

- The team from the National Audit Office were in the early stages of a project to tackle 'Error in the benefit system' and the purpose was to have an open discussion based on SSAC's experiences of potential areas for error to arise. Fraud has been dealt with as a separate issue. Comment and discussion was very varied. There appears to be a lack of clear definition of what error is, how it is measured and how it is universally understood. Generally, no one takes ownership of a mistake or an error. Error and complexity go hand in hand and lack of knowledge and understanding can compound the problem. The Committee made some recommendations for possible lines of investigation.

Stakeholders' seminar

This was the second seminar to be held and was an attempt to communicate more directly with stakeholders and encourage two-way contact. The first seminar had influenced changes to SSAC's practices and the ideas and themes from that meeting had informed their work programme. A review of the Committee's work in their annual report shows complexity is still seen as a 'big issue' for them. Welfare to work objectives are high on the agenda and SSAC's response to 'In work, better off: Next steps to full employment' was recently published. After the Chairman's opening address, two topical papers were presented

The first speaker, Mr Roy Sainsbury, asked 'Do we need a single work aged benefit?' a statement through which he hopes to provoke debate on reform to the benefit system.

- He sees the current welfare system as over developed and complex; too many rules and procedures, multiple benefits needing handbooks of 1500 pages on how to access benefits, too many places for error/fraud to occur or just plainly too costly. He saw three options for the future; cope with the system as it is and do nothing, try a simplification process or instigate radical reform. His option for radical reform looks at income replacement with possible add-ons for unique expenses.
- He advocates a single set of rules and a standard rate of benefit. This would reduce complexity and remove uncertainties related to aspects such as moving between benefits and/or commencing work. All applicants would be asked two 'gateway' questions:-
 - a. Do you think you will be able to work in the future?
 - b. Do you want to work at any time in the future?
- If answers to both questions were positive – as would apply to the vast majority of cases – benefits could be brought into effect very quickly. Other permutations of answers would have to be more fully considered, perhaps getting some assistance or counselling to assist the return to work.
- A major concern is that differing needs will not be fairly dealt with and further complications would probably develop in the future as endeavours are made to ensure that benefits are distributed on a fairer basis.

Roy Sainsbury said that the Liberal party apparently support this proposal and The Work and Pensions Select Committee consider it worthy of investigation. The 'jury is still out' for the SSAC and the DWP are 'decidedly lukewarm'.

Mr Sainsbury's presentation was very open ended and asked more questions than it answered - a good place to start a debate. The second speaker, Kate Green, spoke on 'How to end child poverty by reasserting rights'. Kate is Chief Executive of the Child Poverty Action Group.

- She promoted a more positive approach, suggesting that a judgemental approach was a current problem. The drive seems to be becoming unbalanced with the push for full employment against the rights of the child. She had concerns over whether some of the initiatives were 'fashionable' and the lack of universal provision leading to an aura of stigma.
- There was the fear that the current system made the poorer even poorer, that the approach is 'avoiding payment rather than dealing with the problem' and there was a lack of clarity. A much clearer and transparent 'decision process' was required.
- She promoted the urgent need for a 'language of entitlement' - the main objective being to act in the interest of the child. She advocated welfare which provided universal social protection not just to the poor; prevention of poverty with welfare being a safety net; a system which is accessible, fair and clear with no stigma attached to it; and a rights based system which links entitlement to citizenship.
- She also touched on the importance of the Voluntary Sector and child tax credit aspects were also mentioned.

The participants divided into small groups of stakeholders chaired by Committee members to consider three inter-linking topics:

1. rights and responsibilities – where should the balance lie?
2. service delivery – how to secure equality of access?
3. A single working age benefit – the solution to complexity?

The stakeholders at this seminar, ranged from House of Lords researchers, personnel from government departments, and academics through to representatives from a variety of focus groups and charities, so each group was diverse and the responses to the topics varied. A paper condensing the main points from each table is promised but many of the themes voiced were similar: benefit is seen as charity or attaching a stigma to the most needy; what is responsibility and to whom do you owe it as different members of the community focus on different aspects of these issues due to their age, backgrounds or culture? Complexity leads to lack of knowledge, access to information or misinformation, lack of service and error. 'One benefit for all' raised concerns that it was too simplistic and might not target the most vulnerable, that the current system may be too difficult to unravel so introducing another scheme would add to the confusion. A simple standard level of benefits to cover differing needs was debated and there was interest in Jersey's introduction of income support.

Conclusions

SSAC in Jersey may not have the same 'teeth' as the UK group; the UK committee has been operating for nearly 30 years with an excellent track record; the Jersey council has yet to complete 5 years. Jersey members may be unpaid and without the support of an 'administration team', but the social security laws as they stand even before the introduction of income support are nowhere near as numerous or complicated as those with which the UK committee has to deal. Given the development anticipated in welfare reform and the probable impact on social security, the way in which the Jersey council works is probably suitable for our unique community. However, there was much to learn from the way that the UK committee operates which could well drive us on to better things, and another visit is definitely recommended.