

STATES OF JERSEY

r

BENEFITS PAID BY THE HOUSING AND EMPLOYMENT AND SOCIAL SECURITY COMMITTEES: PROTECTION (P.75/2003) – COMMENTS

**Presented to the States on 15th July 2003
by the Policy and Resources Committee**

STATES GREFFE

COMMENTS

The Policy and Resources Committee has noted that the Finance and Economics Committee, the Housing Committee, the Employment and Social Security Committee and the Comité des Connétables have all commented adversely on Deputy Southern's proposals and that none of those bodies support this proposition.

The Committee is in accord with the comments of the Employment and Social Security Committee, the Finance and Economics Committee and the Comité des Connétables and agrees that, if it was to be approved, Deputy Southern's proposition would not allow the States to increase a particular benefit over and above existing arrangements should a pressing need arise, or in the interests of equity, or to decrease a benefit, even if it were shown beyond doubt that such a benefit was unfair or unsustainable.

The Committee supports the Finance and Economics Committee's view that all aspects of States' activity should remain available for review in order that expenditure is maintained at affordable levels and that resources should be targeted at the most needy. The Committee is of the further view that to seek to fix existing policies and arrangements for housing and social security benefits - irrespective of the fiscal position the Island may find itself in over the next 4, or more, years would be imprudent and that the ability to maintain a flexible balance between income and expenditure should be retained.

The Committee also agrees with the Employment and Social Security Committee's concern that the kind of freeze proposed would, if such a scheme is approved by the States in the intervening period, make it difficult to take a step by step approach to the introduction of a new low income support scheme.

The Committee has noted the detailed comment of the Housing Committee in relation to the effect this proposition would have on the proposed removal of the disregard of Disability and Invalidity benefit as income for rent subsidy calculations and the proposed change to the calculator for rent rebate and rent abatement which increases the percentage of income to be paid as rent. The Committee recognises that these matters will form part of the forthcoming States' debate on the States on the Housing Committee's projet 'Public and Private Sector Housing Rental Subsidy Schemes' (P.74/2003) and therefore does not comment on them here. However, the Committee does express concern that this proposition would tie the Housing Committee's hands at a time when it is trying to target resources at real need.

The Committee acknowledges the comment made by the Comité des Connétables regarding the impact this proposition would have Welfare payments. It would not wish to see any actions taken which might impact adversely on the ongoing work of the Review of the Relationship between the Parishes and the States Steering Group, whose recommendations are to be considered shortly.

Finally the Committee is of the view that what is being proposed would also potentially bring the States into disrepute. Taking ad-hoc action now to guarantee future levels of benefits, at a time when it is addressing known shortfalls in income levels and is also carrying out an overall fiscal review to ensure that there will be an acceptable balance maintained between income and expenditure, would be imprudent.

For this and the aforementioned reasons the Policy and Resources Committee does not support this proposition and recommends that it should be rejected.