STATEMENT TO BE MADE BY THE MINISTER FOR SOCIAL SECURITY ON TUESDAY 15th MAY 2012

In July 2011 I was one of 49 States Members who unanimously approved a new long-term care law. The debate on the law was the culmination of a comprehensive consultation programme including the publication of Green and White Papers, considerable public support and pressure from the Health, Social Security and Housing Scrutiny Panel.

The principles of the law were clear -- to collect money from both working age and pensioner contributors, to be paid into a new ring fenced fund, and to use that money to help adults of all ages to pay for long-term care. In particular, to encourage the growth of care services in the community, the new benefit will be available to people receiving care in their own home as well as to those living in a care home.

Experts predict that between 2010 and 2040 there will be a 95% increase in the number of residents aged over 65. The costs of long-term care will continue to rise over the next 40 years. As politicians, we have a duty to put in place long-term policies that will benefit not just the current generation, but will also stand up to scrutiny by the next generation.

Towards the end of November 2011, I became the Minister responsible for this new law. I asked my Officers to thoroughly review all aspects of the law and its proposed implementation. In particular, I believe that it is vital that any new scheme that requires contributions from members of the public should be based on firm financial principles and sustainable into the future. This point was raised by a number of Members in the States debate and the plan was always that further analysis was to be carried out on the financial aspects of the scheme.

Over the last few months, my understanding of the details surrounding the provision of long-term care has deepened. I have been a member of the Ministerial Oversight Group looking at the Health and Social Services white paper "Caring for each other, caring for ourselves". I remain a firm believer in the aims of the proposed law. However, it is vital that when this new law is implemented, the benefit it provides for older people is balanced against the costs it imposes on younger people. The impact must be fair both across generations, and between richer and poorer Islanders.

In order to ensure that we have the best scheme for Jersey, and that we work out all the details in advance, I have asked my Officers to aim for implementation during 2014, rather than 2013. This timescale will also allow my Department to work closely with the Income Tax Department to fully explore the possibility of contributions being collected using existing income tax methods, in order to streamline administration and to allow contributions to be collected from both earned and unearned income.

Whilst the detail of the new long-term scheme is being finalised, the existing arrangements for funding long-term care will continue. At the end of March this year my Department was supporting 547 individuals with their care costs. I would urge anyone worried about meeting the cost of care fees to contact the Income Support Residential Care Team at the Department.