WRITTEN QUESTION TO THE MINISTER FOR SOCIAL SECURITY BY DEPUTY G.P. SOUTHERN OF ST. HELIER

ANSWER TO BE TABLED ON TUESDAY 18th JULY 2006

Question

Would the Minister inform members –

- (a) how much was spent in producing the Report on Budget Standards for Jersey by the Centre for Research in Social Policy at Loughborough University, (the 'CRSP Report'), over the years 1997 to the present day?
- (b) whether, as said to be possible in CRSP444 in November 2001, the consensual budgets for all household types in Jersey have been up-rated annually or re-costed every 3 years since and , if not, the reasons why?
- (c) whether the levels of budget standards that were revealed by CRSP in 2001 have been up-rated to 2006/7 figures and, if not, the reasons why? and,
- (d) whether these figures will be applied in establishing the level of Income Support in 2007 and, if not, will he explain the reasons why and give the approximate levels he intends to apply?

Answer

- (a) The Centre for Research in Social Policy at Loughborough University was commissioned to develop modest but adequate Household Budgetary Requirements in Jersey. The research used a consensual methodology where the budgets were not prepared by experts but by the very people that live within the household types. The cost of this budgetary research from 1997 to date is £137,260.72.
- (b) The budgets have not been uprated annually. It is a matter of simple arithmetic to apply the relevant uprating indices to the budgets to produce an up-to-date figure at any particular time. Re-costing the budgets would also be a waste of time and resource until closer to the implementation of Income Support.
- (c) No; for the same reasons given in (b) above. The setting of rates has little relevance at this time but will be more significant closer to the implementation of Income Support.
- (d) The research undertaken by CRSP has proved invaluable in identifying the type and extent of expenditure within various household types. The CRSP research produced different budgets for the different Household Types investigated. The reasons for the variations and indeed the similarities within the budget standards were explained in the report and presentation. The Department has assimilated this knowledge into the design of the Income Support scheme.

These figures will not be applied directly to establish the level of income support as these only help in determining a basic living component and there will be more components than this in the Income Support scheme. I, and former Employment and Social Security Committees, believe that different rates of the living component would be divisive. For example pensioners would appear to have lower budgetary standards overall, (which includes heating costs), than other household types. I must re-iterate that these budgets were devised by the relevant household type in Jersey, (pensioners, single parents etc.), and not CRSP nor the Department or former Committee.

The Income Support proposals will be based on an adult basic component, a child basic component and a household component, and extra components to assist with the costs of housing, medical needs, and childcare. Further to the publication of the Household Expenditure Survey, additional comparative work and modelling is to be undertaken before the components of Income Support are proposed. As an indication of

the approximate level, I have stated that the basic level will be above the current Parish Welfare Rate.