

STATES OF JERSEY



Jersey

DRAFT INCOME SUPPORT LAW AND REGULATIONS (JERSEY) AMENDMENT REGULATIONS 202-

**Lodged au Greffe on 26th April 2024
by the Minister for Social Security
Earliest date for debate: 11th June 2024**

STATES GREFFE

REPORT

Executive Summary

To support Government's aim of removing barriers to receiving care at home, these Regulations, if approved, will make changes to the [Income Support \(Jersey\) Law 2007](#) and the [Income Support \(Jersey\) Regulations 2007](#) and will introduce a new special component under Article 5 of the Law. The component will be called the "ancillary home care costs component".

The new component will provide £30.03¹ per week in additional financial support for around 265 families (or individuals) who are on income support and receiving their care from the Long-Term Care (LTC) scheme. This extra support is designed to recognise the additional ancillary (non-care) costs that are faced as a result of care being provided at home.

This change to legislation is supported by existing Government Plan funding of £550,000.

The lodging of this legislation is the final step in completing a project set out in the [Minister for Social Security's 2023 Delivery Plan](#).

The Delivery Plan provides the following narrative:

MSS P2.2 – "Review the benefits and support available to adults with long term care needs and their carers. By considering the support provided to people receiving care in their own home, their carers and younger adults in 2023".

During development, the project was referred to as the "Care Needs at Home" project, further details on this project are included in a short **Appendix** to this report.

The proposed policy aligns with the [Jersey Outcome Indicators](#) in terms of supporting elements of the Community and Economic Pillars, specifically:

- Islanders with long-term health conditions enjoy a good quality of life.
- Islanders are able to afford a decent standard of living.

Context

Jersey faces a number of pressures due to a changing demographic. With a significant increase in number of people aged 85 and above in coming decades, the cost of care to be met through the LTC Fund is set to rise substantially. Starting from a low base, the number of people receiving care in their own home has increased steadily since the LTC scheme was introduced in 2014, with financial support now available for both direct care and carer break costs.

Whilst the care needs of the individual are fully supported within the LTC scheme, some families are faced with additional domestic or non-care costs associated with the care of the person in the family home.

When a person receiving LTC benefit is in a care home, the great majority of their living expenses are covered through the weekly fee. When receiving care at home, living expenses are covered by the household.

Whilst Income Support is available to support normal domestic costs, there is no specific financial support wrapped around the cared for individual for any extra or additional living expenses, such as extra heating and laundry costs.

Over the past several years, Government has been focused on removing the barriers to people receiving care in their own home. Whilst some care situations will necessitate the move to a care

¹ The value was agreed by the MSS as £30 per week, however CLS systems require a "daily rate" for weekly benefits, therefore the component value has to be divisible by 7, this is the reason it is set at £30.03 in legislation.

home, historically, Jersey practice has often considered a move to residential care as a “default” position. Initiatives such as Closer to Home and the ongoing work on Telecare initiatives support the view that where possible, a person should have the choice to receive a care package in their own home, for as long as possible.

Income Support Households and LTC

The LTC scheme provides support for care costs, including a care package provided at home. A low income family can receive both LTC payments and Income Support payments at the same time.

Income support payments already support low-income families with domestic costs such as rent, heating and daily living expenses which all households face. This proposal, if approved, will introduce an additional income support component to recognise the additional domestic costs that a home with a person with long term care needs living in, may face.

To maintain a simple system that is quick to implement, weekly payments will be based on a standard amount, and will be incorporated into the existing claimant’s income support benefit. This will ensure that households have regular payments to help them meet these ongoing costs.

The new component will be set at £30.03 per week (with usual uprating rules applied). It will be subject to a review after two years, during which time it will be carefully monitored with a review in the final six months to make any amendments that might be needed.

Income Support Legislation

The overall aim of this legislation is to take a first step in removing a potential financial barrier to the delivery of LTC packages in the home and demonstrate support for the important role played by informal carers.

The changes to the primary law involve creating the vires for the new component and the changes to the Regulations set out the rules around its name, who will be eligible to receive it, as well as the value of the component.

Eligibility

Income Support households that include a household member who is in receipt of an approved package of care via LTC legislation will be eligible for this new component. If there is more than one person living in the home that meets these criteria, each will be eligible for the new component.

It is estimated that approximately 265 households will be eligible for the new component.

A young person receiving LTC who continues to live in the family home, is able to make an income support claim in their own right, and will also be eligible for the new component.

The addition of the new component will increase the total value of income support available to eligible households. In some cases, where household income is just on the cusp of Income support eligibility, the new component may mean that the household starts to receive income support for the first time.

Value

In line with the funding available for this project, the new component will be set at a standard amount of £30.03 for everyone that is eligible for it. A standard rate ensures that all households in this situation receive some additional support and minimises the bureaucracy associated with claiming the component.

The Minister for Social Security usually considers uprating (increasing) Income Support components on an annual basis, this component will be subject to the usual uprating process.

Implementation – Timeline

If agreed by the Assembly, the implementation of the new component will be made by Ministerial Order shortly after the States debate i.e. June 2024.

Financial and staffing implications

The current Government Plan includes an allocated budget of £550,000 per annum for this work. The cost of the initial introduction of the new component, the operational cost associated with its setup and implementation and some expected growth in spend during the first year – all fall within the available budget.

| Cost area | Value (£) |
|---|----------------|
| Support for existing families (265 households) | 430,000 |
| Expansion of home care packages for low income families (15% = 40 extra households) | 65,100 |
| Operational costs | 50,000 |
| Total | 545,100 |

Some increase in this budget is expected in future years as it is hoped the scheme will result in more low income households choosing a care package at home. However, it is also hoped that the implementation of the scheme will help to mitigate the anticipated growth in LTC spend, by reducing the proportion of LTC claimants who need a residential care placement.

Based on numbers provided by the Customer and Local Services Pensions and Care team, we estimate that on average, res care packages cost around £15,000 more a year than home care packages.

If the scheme results in one in five low income families maintaining a home care package for an extra 6 months before needing to move to a care home, the savings to the LTC scheme in terms of care costs would be around £375,000 in that period, which would be a significant contribution towards covering the cost of this new component.

Separate arrangements will be established (via Ministerial Decision) for two legacy cohorts, who, since the launch of the LTC scheme have been subject to slightly different funding for their care. Given the complexity and history of many of these cases, the Minister has decided to maintain and formalise those arrangements going forward. There is no *additional* cost implication for these groups.

Children’s Rights Impact Assessment

A Children’s Rights Impact Assessment (CRIA) has been prepared in relation to this proposition and is available to read on the States Assembly website.

APPENDIX**Care Needs at Home Project****Summary**

This project is one of a number of initiatives across government to further increase the number of people who will be able to receive care in their own homes, helping to mitigate the rising cost of care and giving people the opportunity to stay close to their family and friends in their home environment.

The aim of the Care Needs at Home project was to look at improving the financial support for people in low-income (Income Support (IS)) households who have long-term care needs. This group is made up of a combination of older people and young adults.

Local families have confirmed extra domestic expenses, including consumables, utility costs, laundry costs and wear and tear associated with caring for a family member with long term care needs.

What is being proposed is a new benefit component that provides financial support for some of the additional costs that families face when delivering care at home by providing extra weekly payments to help with their ancillary domestic expenses, ensuring a more realistic choice for lower-income households, and contributing to the Government's commitment to support family carers and long-term care being provided at home.

Field work

Early in the project, several potential areas of extra cost were identified. To confirm this thinking, face to face meetings and discussions were held with numerous families to get a first-hand understanding of the extra costs faced as a result of care being delivered at home. The Government are extremely grateful for the support of all the families in undertaking this work and for the support provided by Social Workers in Health and Community Services.

The field work provided useful insights into the many factors that impact families providing care at home, the areas of additional cost – utilities (additional costs on bills), consumables (specialist foods and items) and wear and tear (more than usual replacements of clothing) – were all confirmed as being extra expenses faced by the families.

Value

Different caring and household circumstances can mean that some families may face more costs than others, but rather than adopting a “tiered” approach, it was decided that an appropriate starting point for the new component would be to pay one fixed weekly amount to all households, this makes operation of the new component simpler. Setting the initial value at £30 ensures the new component stays within the available budget for this project.

EXPLANATORY NOTE

These Regulations, if passed, will amend the Income Support (Jersey) Law 2007 (the “Income Support Law”) and the Income Support (Jersey) Regulations 2007 (the “Income Support Regulations”) to add a special component of income support called an “ancillary home care costs component”.

Regulation 1 amends Article 5(3) of the Income Support Law to add the ancillary home care costs component to the list of special components payable to eligible households. The ancillary home care costs component will provide additional financial support for the non-care costs of each person in an eligible household who meets the criteria inserted into the Income Support Regulations by *Regulation 2*.

Regulation 2 amends the Income Support Regulations to insert a new paragraph 13 into Part 2 (special components) of Schedule 1. This new paragraph provides that a household is entitled to an ancillary home care costs component in respect of each member of the household who is receiving, in their home, long-term care under the Long-Term Care (Jersey) Law 2012, and who is in receipt of an approved care package under that Law. This includes people who receive a special payment under the Income Support (Special Payments) (Long-Term Care) (Jersey) Regulations 2014 towards the cost of an approved care package.

Regulation 2 also inserts a definition of ancillary home care costs component into Regulation 1 of the Income Support Regulations, and inserts a new paragraph 14 into Schedule 1 to set the rate payable in respect of an ancillary home care costs component at £30.03 a week.

Regulation 3 gives the title of the Regulations and states that they come into force on a date to be specified by the Minister for Social Security by Order.



Jersey

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Made [date to be inserted]

Coming into force [date to be inserted]

THE STATES make these Regulations under Articles 5(4), (5) and (7) and 18 of the [Income Support \(Jersey\) Law 2007](#) –

1 [Income Support \(Jersey\) Law 2007](#) amended

In Article 5(3) (components and rate of income support) of the [Income Support \(Jersey\) Law 2007](#), after sub-paragraph (d) there is inserted –

“(e) a rate in respect of the ancillary home care costs of a person in the household who has long-term care needs.”.

2 [Income Support \(Jersey\) Regulations 2007](#) amended

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

(2) In Regulation 1 (interpretation), before the definition “approved care home” there is inserted –

““ancillary home care costs component” means the special component under Article 5(3)(e) of the Law;”.

(3) In Part 2 (special components) of Schedule 1, after paragraph 12 there is inserted –

“E: ANCILLARY HOME CARE COSTS COMPONENT

13 **Criteria for ancillary home care costs component**

A household is entitled to an ancillary home care costs component in respect of each member of the household who –

- (a) is in receipt of an approved care package under Article 7(2) of the [Long-Term Care \(Jersey\) Law 2012](#); and
- (b) is being provided with long-term care under that Law in their home.

14 **Rate for ancillary home care costs component**

The rate payable in respect of an ancillary home care costs component is £30.03.”.

3 Citation and commencement

These Regulations may be cited as the Income Support Law and Regulations (Jersey) Amendment Regulations 202- and come into force on a day to be specified by the Minister by Order.