

3.12 Deputy G.P. Southern of the Minister for Social Security regarding the differences between the definitions of incapacity in Long Term Incapacity Allowance (L.T.I.A.) and impairment contained in the medical components of Income Support:

Will the Minister inform Members what differences, if any, there are between the definitions of incapacity in L.T.I.A. (Long Term Incapacity Allowance) and impairment contained in the medical components of income support and whether it is appropriate to regard L.T.I.A. awards as income?

Deputy I.J. Gorst of St. Clement (The Minister for Social Security):

The definition of incapacity and long-term incapacity allowance is set out in the Social Security (Assessment of Long-term Incapacity) (Jersey) Order 2004. The definition of impairment in Income Support is given in the Income Support (Jersey) Regulations 2007. In summary, the L.T.I.A. assessment is based on the loss of faculty of the individual. The impairment component in income support is based on the loss of function experienced by the individual. L.T.I.A. is a contributory benefit paid under the social security system and as with all other contributory benefits it is appropriate that it should be included as part of the household income when assessing the needs of the household for additional financial support.

3.12.1 Deputy G.P. Southern:

Is it not the case that until recently impairment and the payment attached was defined as compensation for loss of faculty and therefore, until recently, was not regarded as income? If that is no longer the case and justified, is it not the case that impairment components are designed to cover the additional costs of the impairment and, again, should not be defined as income?

Deputy I.J. Gorst:

I am not sure whether the Deputy is confused by his question, but I certainly was. The income support regards income under L.T.I.A. It was a historical transfer in ... As I said, under L.T.I.A. it looks at loss of faculty; income support looks at loss of function. There are impairment components within income support, which those who are receiving L.T.I.A., if it is extremely severe and they also have loss of function, might be entitled to. So I am not sure what point the Deputy is trying to make.

3.12.2 The Deputy of St. John:

Household income: where a person is a tenant or a lodger within the house that is claiming income support, would the tenant or the lodger's income be taken as the overall within the household income?

Deputy I.J. Gorst:

Income Support looks at the household as a whole. I am not certain whether in that case a lodger might be classed as a separate household within their own right. If the Deputy has a particular case that he would like to speak to me about then I would be more than happy to discuss that with him.

3.12.3 Deputy G.P. Southern:

Does the Minister accept that payment for incapacity is defined as compensation for loss of faculty? Equally, does he not accept that the award of an impairment

component is to cover the additional costs - the extra costs - for that person of that impairment?

Deputy I.J. Gorst:

I do accept that under L.T.I.A. if payments are made for loss of faculty, if that person is also entitled to income support they might be entitled to impairment components under income support. The Deputy well knows that how we calculate income support is we look at all the components that an individual might be entitled to. They are all based around what the cost might be to that individual who is entitled to that component. This component is no different to any other component within our system in that respect.

3.12.4 Deputy J.A. Martin:

The Minister said he is slightly confused and I am slightly confused. Could he explain simply what is the difference between loss under either scheme ... involved in either scheme? The loss of faculty or the loss of function? A simple example would do, please.

Deputy I.J. Gorst:

I was not confused by my legislation or my schemes. What I was confused by was the Deputy's question because it seemed to me that she was confused as well. These are obviously determined in the case of L.T.I.A. by medical boards; in the case of income support, a self-declaration and then a medical form submitted by the G.P. (general practitioner). Quite simply, under L.T.I.A. if an individual were to lose a finger there is a percentage that the medical board can look down and say: "Okay, you have lost a faculty, as it were [i.e. a finger or a body part]. You are entitled to a set percentage" and that is what they look at. Under income support what we look at is: "Okay, you might have lost that faculty, but are you still able to function?" So are you still able to perhaps go out to work, are you able to hold things? Does it influence whether you are able to work or what function you can carry out? It does involve G.P.s and doctors; I am not saying that that makes it complicated, but it is quite difficult to give a straightforward explanation.