STATES OF JERSEY



DRAFT INCOME SUPPORT (AMENDMENT No. 22) (JERSEY) REGULATIONS 202- (P.94/2022): SECOND AMENDMENT

Lodged au Greffe on 26th October 2022 by the Minister for Social Security Earliest date for debate: 22nd November 2022

STATES GREFFE

2022 P.94/2022 Amd.(2)

DRAFT INCOME SUPPORT (AMENDMENT NO. 22) (JERSEY) REGULATIONS 202- (P.94/2022): SECOND AMENDMENT

1 PAGE 13, REGULATION 1(2) -

For Regulation 1(2) substitute –

- "(2) For paragraph 2(1) (rates for basic components) there is substituted
 - "(1) The rates payable for the basic components under Article 5(2) of the Law are as follows –

(a)	under Article 5(2)(a) of the Law (adult component rate)	£111.30
(b)	under Article 5(2)(b) of the Law (single parent component rate)	£43.47
(c)	under Article 5(2)(c) of the Law (first child component rate)	£91.70
(d)	under Article 5(2)(ca) of the Law (subsequent child component rate)	£77.28
(e)	under Article 5(2)(d) of the Law (household component rate)	£62.02"."

2 PAGE 14, REGULATION 1(4) -

For Regulation 1(4) substitute –

- "(4) For paragraph 4(7) there is substituted
 - "(7) The rates payable under this sub-paragraph are –

(a)	in the case of a bedsit or flat with 1 or 2 bedrooms	£7.84
(b)	in the case of a flat with 3 bedrooms	£11.06
(c)	in the case of a flat with 4 or more bedrooms	£15.61
(d)	in the case of a house with 1 bedroom	£7.84
(e)	in the case of a house with 2 bedrooms	£11.06
(f)	in the case of a house with 3 or more bedrooms	£15.61"."

3 PAGE 14, REGULATION 1(6) to (9) -

For Regulation 1(6) to (9) substitute –



"(6) I	For paragraph 6(3)	(personal care element)	there is substituted -
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"(3) The rate of personal care element payable in respect of the total score calculated under sub-paragraph (2) is as follows –

(a)	for a score of at least 15 but less than 36	£27.93
(b)	for a score of at least 36 but less than 56	£122.22
(c)	for a score of at least 56	£175.28".

(7) For paragraph 7(3) (mobility element) there is substituted –

- "(3) The rate of mobility element of the impairment component is -
 - (a) £27.93 if the person's average weekly earnings do not exceed the amount in clause (b); or
 - (b) £55.65.".
- (8) For paragraph 8(2) (clinical cost element) there is substituted
 - "(2) The rate of clinical cost element of the impairment component is -
 - (a) £3.99; or
 - (b) if, based on the criteria set out in sub-paragraph (1)(b), the member will need at least 9 consultations with an approved medical practitioner, £7.98.".
- (9) For paragraph 10(3) (rate for the child day care component) there is substituted
 - "(3) The rates payable under this sub-paragraph are –

(a)	for a child under the age of 3 years	£8.84
(b)	for a child aged 3 years or over	£7.40"."

MINISTER FOR SOCIAL SECURITY

REPORT

1. Introduction

P.94/2022: (Draft Income Support (Amendment No. 22) (Jersey) Regulations 202-) was lodged on 20th September for debate on 1st November 2022. This timing was chosen to allow for all of the administration involved with an Income Support uprate to be completed and new rates implemented for 1st January 2023.

The original report explained:

"... the Council of Ministers has considered the significant recent rise in the cost of living and is proposing an additional uprate for Income Support to take effect from 1st January 2023. This will allow Income Support components to reflect the recent increases in costs in Jersey."

And

"The most up to date information on cost of living rises available at present is the forecast provided by the Fiscal Policy Panel in their <u>Medium-Term Report</u> published in July 2022. This included the following section:

Inflation projections have also increased although they are still not as high as those in the UK. RPI, the headline measure of inflation is expected to peak at 9.2% in Q4 2022, and remain high for a protracted period, before slowly falling back to a long-run trend of 2.4% over the forecast horizon. The Panel has concluded that whilst inflation will not reach the peak expected in the UK, the impact will likely be more drawn out in the Island, with a longer period of above trend inflation.

In recognition of a potential RPI of 9.2% by the end of the year, it is proposed to increase most Income Support components in January by 6.4% above their October figure. As rates will already been uplifted by 2.6% the combined increase will take components to 9.2% above their current level.

The official RPI figure for September 2022 will be published on 21st October.

The Minister will review the proposed uplift in light of that information. Depending on the level of the actual RPI, the Minister may seek to amend these Regulations in advance of the debate scheduled for 1st November. Due to the date of publication of the RPI report, this would necessitate a reduced lodging period for the amendment.".

The published September RPI figure shows an overall annual increase of 10.4%. While the increase for low-income groups is lower at 7.9%, the Minister has concluded that the Income Support component rates for January 2023 should fully reflect the headline increase of 10.4% over the previous 12-month period. As such this amendment provides an additional percentage increase over and above the 6.4% increase provided in the original proposition. It is proposed to increase the percentage increase to 7.6% which represents a 10.4% increase on the September 2022 figure. The overall percentage increase for some components is a little higher than 10.4% in some cases to allow rates to be calculated accurately.

The Minister does not anticipate further changes to these rates being made during 2022.



A number of components have higher proposed percentage increases. No adjustment is proposed for these components. These include:

Carers component:

20% uplift over October rate; 23.3% increase over September rate.

Hostel rate:

25% uplift over October rate; 28.3% increase over September rate.

Private Sector rental components:

15% uplift over October rate; 18 % increase over September rate.

2. Amended rates

This table shows the September 2022 rate, the October rate that is now in force, and the original and amended proposed rates for January 2023.

Component	Legislation	September rate	Oct-22	Jan-23 proposed	Jan 23 amended proposed
		£ / week	£ / week	£ / week	£ / week
Part 1: Basic components					
Adult	Sch1. Para 2(1)(a)	£100.73	£103.39	£110.04	£111.30
Single parent	Sch1. Para 2(1)(b)	£ 40.39	£ 40.39	£ 42.98	£ 43.47
Child (first)	Sch1. Para 2(1)(d)	£ 83.02	£ 85.19	£ 90.65	£ 91.70
Child (subsequent)	Sch1. Para 2(1)(e)	£ 70.00	£ 71.82	£ 76.44	£ 77.28
Household	Sch1. Para 2(1)(f)	£ 56.14	£ 57.61	£ 61.32	£ 62.02
Part 2: Housing component					
Rental:					
in the case of a hostel	Sch1. Para 4(2)(a)	£109.48	£112.35	£140.49	no change
in the case of lodgings or a bedsit	Sch1. Para 4(2)(b)	£144.13	£147.91	£170.10	no change
in the case of a flat with 1 bedroom	Sch1. Para 4(2)(c)	£212.45	£217.98	£250.74	no change
in the case of a flat with 2 bedrooms	Sch1. Para 4(2)(d)	£272.02	£279.16	£321.09	no change
in the case of a flat with 3 or more bedrooms	Sch1. Para 4(2)(e)	£291.90	£299.53	£344.47	no change
in the case of a house with 1 bedroom	Sch1. Para 4(2)(f)	£243.53	£249.90	£287.42	no change
in the case of a house with 2 bedrooms	Sch1. Para 4(2)(g)	£309.19	£317.24	£364.84	no change
in the case of a house with 3 bedrooms	Sch1. Para 4(2)(h)	£361.06	£370.51	£426.09	no change
in the case of a house with 4 bedrooms	Sch1. Para 4(2)(i)	£393.54	£403.83	£464.45	no change

Component	Legislation	September rate	Oct-22	Jan-23 proposed	Jan 23 amended proposed
		£ / week	£ / week	£ / week	£ / week
in the case of a house with 5 or more bedrooms	Sch1. Para 4(2)(j)	£435.61	£446.95	£514.01	no change
Owner:					
in the case of a bedsit or flat with 1 or 2 bedrooms	Sch1. Para 4(7)(a)	£ 7.07	£ 7.28	£ 7.77	£ 7.84
in the case of a flat with 3 bedrooms	Sch1. Para 4(7)(b)	£ 9.94	£ 10.22	£ 10.92	£ 11.06
in the case of a flat with 4 or more bedrooms	Sch1. Para 4(7)(c)	£ 14.07	£ 14.49	£ 15.47	£ 15.61
in the case of a house with 1 bedroom	Sch1. Para 4(7)(d)	£ 7.07	£ 7.28	£ 7.77	£ 7.84
in the case of a house with 2 bedrooms	Sch1. Para 4(7)(e)	£ 9.94	£ 10.22	£ 10.92	£ 11.06
in the case of a house with 3 or more bedrooms	Sch1. Para 4(7)(f)	£ 14.07	£ 14.49	£ 15.47	£ 15.61
Shared by two or more households:					
in the case of a hostel	Sch1. Para 4(13)(a)	£109.48	£112.35	£140.49	no change
in the case of lodgings or a bedsit	Sch1. Para 4(13)(b)	£136.57	£140.14	£161.21	no change
in the case of a flat with 1 bedroom	Sch1. Para 4(13)(c)	£201.39	£206.64	£237.65	no change
in the case of a flat with 2 bedrooms	Sch1. Para 4(13)(d)	£257.74	£264.46	£304.15	no change
in the case of a flat with 3 or more bedrooms	Sch1. Para 4(13)(e)	£276.50	£283.71	£326.27	no change
in the case of a house with 1 bedroom	Sch1. Para 4(13)(f)	£230.65	£236.67	£272.23	no change
in the case of a house with 2 bedrooms	Sch1. Para 4(13)(g)	£293.02	£300.65	£345.80	no change
in the case of a house with 3 bedrooms	Sch1. Para 4(13)(h)	£342.09	£351.05	£403.76	no change
in the case of a house with 4 bedrooms	Sch1. Para 4(13)(i)	£372.82	£382.55	£439.95	no change
in the case of a house with 5 or more bedrooms	Sch1. Para 4(13)(j)	£412.72	£423.50	£487.06	no change



Component	Legislation	September rate	Oct-22	Jan-23 proposed	Jan 23 amended proposed
		£ / week	£ / week	£ / week	£ / week
Component	Legislation		Oct-22		
Component	20gishuron		£ / week		
B: Impairment component					
Personal care element:					
for a score of at least 15 but less than 36	Sch1. Para 6(3)(a)	£ 25.20	£ 25.90	£ 27.58	£ 27.93
for a score of at least 36 but less than 56	Sch1. Para 6(3)(b)	£110.60	£113.54	£120.82	£122.22
for a score of at least 56	Sch1. Para 6(3)(c)	£158.76	£162.89	£173.32	£175.28
Mobility element:					
(a)	Sch1. Para 7(3)(a)	£ 25.20	£ 25.90	£ 27.58	£ 27.93
(b)	Sch1. Para 7(3)(b)	£ 50.33	£ 51.66	£ 55.02	£ 55.65
Clinical cost element:					
(a)	Sch1. Para 8(2)(a)	£ 3.57	£ 3.71	£ 3.92	£ 3.99
(b)	Sch1. Para 8(2)(b)	£ 7.14	£ 7.42	£ 7.84	£ 7.98
C: Childcare day component		£/hour	£/hour	£/hour	£/hour
(a) child under 3	Sch1. Para 10(3)(a)	£ 8.00	£ 8.21	£ 8.74	£ 8.84
(b) child 3 +	Sch1. Para 10(3)(b)	£ 6.70	£ 6.87	£ 7.32	£ 7.40
D: Carer's component		£ / week	£ / week	£ / week	£ / week
Carer's component	Sch1. Para 12	£ 51.38	£ 52.78	£ 63.35	no change

3. Financial and manpower implications

The total estimated cost of the original changes proposed for January 2023 was £6.7 million a year. The additional uplift in specific components will require an additional budget of £860,000.

Based on existing forecasts, the cost of these proposals can be accommodated within the 2023 Government Plan budget for Income Support.

There are no staff or other resource implications to this proposal.