

**WRITTEN QUESTION TO THE MINISTER FOR SOCIAL SECURITY
BY DEPUTY G.P. SOUTHERN OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 12TH SEPTEMBER 2017**

Question

Will the Minister explain why the press release of 31st August 2017, entitled ‘Jersey pensioners to get more money from October 2017’, referred explicitly only to those pensioners in receipt of a full States pension?

Will she also inform members what proportion of locally-resident States pensioners indicated in Figure 7 and Table 8 of ‘Social Security Department: Minister’s Report 2016’ (R.92/2017) are in receipt of a full single-person pension, currently £204.19, and who will therefore benefit from the full increase of 2.8% (i.e. £5.74) referred to in the press release?

Will she further inform members what the average States pension received by local residents is; and whether it is her assessment that those who receive an average pension or less, and who need to claim Income Support, will effectively receive sub-inflation rises after all benefit changes are in place, and will consequently be worse off than at present?

Answer

The press release of 31st August 2017 accurately explained that

“From 1 October 2017, the Jersey Old Age Pension will increase by 2.8 per cent in line with the increase in the cost of living for pensioners.”

Every pensioner will receive the same percentage increase. The press release then provides two examples – pensioners who have a full rate pension and married couples who receive a full rate pension based on the husband’s record. These are common pension payment amounts for the Social Security Department.

At the end of 2016, just over a quarter of local pensioners were receiving a full rate Old Age Pension. This includes 2,600 pensioners who are claiming a full pension based on their own record and who will be entitled to a full rate single pension of £209.93 from 1/10/2017 and 1,000 pensioner couples who are claiming a full rate married pension based on the husband’s record and who will be entitled to a full rate couple pension of £348.53 from 1/10/2017.

The mean average Old Age Pension amount received by individual pensioners living in Jersey at the end of 2016 was just over £144 a week. Note that this figure averages the amounts received per person, including wives who receive a pension based on their husband’s contribution record and are currently entitled to a maximum pension of £134.82.

Income Support increases in October include:

- increases in rental components for Andium and housing trust tenants to fully match any increase in rental
- increases in private sector rental components and all personal components paid to pensioners of 2.9%.
- an increase in the amount of pension income retained by Income Support pensioners from 23% to 25%¹.

The net impact of these changes in percentage terms will vary depending on the exact circumstances of each pensioner household.

¹ For pensioners receiving income support prior to 1/1/16, a fixed value disregard of £55.31 (£91 for couples) remains available if this is higher than the % disregard.