

Minister's Report 2016

Social Security Department

Social Security Department

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Presented to the States by the Minister for Social Security.

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Section 1 – Minister’s Report

Minister’s Foreword

I am pleased to present Social Security’s Annual Report for 2016. This marks the third Annual Report in my term as Minister for this Department, and I continue to be impressed by the variety of the Department’s activities which ensure that every year offers a different challenge. The facts and figures in this report demonstrate the breadth of these challenges and the successes that have been achieved.

After a period of heightened unemployment it is heartening to be able to look back on a year where the Island benefited from a more stable external environment and felt the impact of local measures taken to promote growth. Jersey saw a record number of people in employment in 2016 and we ended the year on a high, with the number of people actively seeking work at its lowest level for six years. Another positive result of the improved economic position combined with well-targeted benefits was a steady reduction in the number of people needing Income Support.

The Social Security Fund was independently reviewed by the UK Government Actuary in 2016, with the results confirming that the ring-fenced fund used to meet the cost of pensions is in a strong position, although changes will be needed in the future to meet the challenges of an ageing population. The fact that we’re living longer prompted us to launch the first major review of the Social Security scheme since the last one 20 years ago. The first element - *Living Longer: Thinking Ahead* - was published in October and I’d like to thank the 1,300 local people who responded to the consultation – your views are vital and will make a real difference to the development and sustainability of the Social Security scheme over the next 30 years.

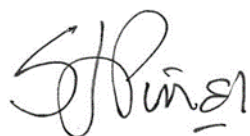
The topic of age was also tackled in other areas with the extension of discrimination legislation in September 2016 to include protection for Islanders against discrimination based on age. This topic will be increasingly important over the next few years; we will need to make more changes to working practices and legislation to accommodate people working and living longer.

In line with the Departmental aim to provide well-targeted benefits, in 2016 we agreed and launched a means-tested Christmas Bonus which ensures that low income pensioners and other vulnerable groups are guaranteed a one off bonus in December each year. Alongside the Christmas Bonus, the new Pension Plus scheme was developed in 2016 for introduction in January 2017. This scheme is based on the previous 65+ Health Scheme but has been extended to provide improved access to optical, dental and chiropody benefits for lower income pensioners to help them stay healthy and maintain their independence.

Looking forward, 2017 will be another busy year. We’re continuing the Social Security Review and starting work on disability discrimination, with the aim of introducing regulations in 2018. This legislation will be developed in parallel to the island wide Disability Strategy. We’re going to look at the benefits, the assessment tools and the services that support those with illness and injury and help them back into work whenever possible. It is vital that we develop our policies and services to embody modern practices, to reflect current attitudes and needs.

We also intend to strengthen our commitment to reducing fraud, as well as improving our customer services and communications. It's good to be able to report that so many ideas for improvement in 2016 came from our customer-facing staff based on their interactions with clients. Many of these ideas are included in the major investment we're making this year to help our Income Support customers towards financial independence.

So although it's my privilege as Minister to introduce this Annual Report, the successes set out in these pages are very much a team effort and I'd like to thank my Assistant Minister, Deputy Graham Truscott, and Chief Officer, Ian Burns, and the staff across the Department. This strong set of facts and figures for 2016 is due to their commitment, dedication and expertise. I look forward to continuing our work in 2017.

A handwritten signature in black ink, appearing to read 'S. Pinel', with a horizontal line under the name.

Deputy Susie Pinel

Social Security – Our strategic aims

- ❖ to help people to achieve and maintain financial independence;
- ❖ to provide well-targeted social benefits and support to those unable to fully support themselves;
- ❖ To deliver excellent customer services.

In 2016, we were responsible for:-

- A compulsory, contributory Social Security insurance scheme that receives contributions from employers, employees and general tax revenues. This scheme is most closely associated with the payment of pensions, but it also provides contributors with many benefits throughout life by offering support from Maternity Allowances through to Death Grants.
- A compulsory, contributory Health Insurance Scheme that receives contributions from employers and employees. This scheme subsidises GP consultation fees and pays for prescriptions issued by GPs and dentists.
- A compulsory, contributory Long-Term Care scheme that receives contributions from individuals and general tax revenues. The scheme provides a range of benefits for adults with long-term care needs.
- Non-contributory means-tested benefits including Income Support. These are funded from general tax revenues and provide targeted support for lower income households.
- Back to Work services which help people into work and support adults with barriers to employment to obtain and maintain paid work. The Department funds the Jersey Employment Trust (JET) to provide specialist employment advice, training and support for those with a disability or long-term health condition.
- Employment legislation, which sets out minimum standards for good employment relations and protection in the workplace. The Department funds the Jersey Advisory and Conciliation Service (JACS) to provide advice, training and conciliation.
- Health and Safety legislation providing a legal framework which sets out the duties of employers and employees to observe health, safety and welfare at work, as well as the Health and Safety Inspectorate which provides proactive advice to employers and undertakes investigations when things go wrong.
- Discrimination legislation that ensures people are not treated unfairly due to their race, age, sex, sexual orientation, gender reassignment, pregnancy or maternity.
- The maintenance of the Names and Addresses Register and the registration of individuals and businesses under the Control of Housing and Work Law.

Executive summary

The 2016 Social Security Annual Report consolidates another successful year for the Department. 2016 was very much a “business as usual” year for Social Security, although that description encompasses a substantial and diverse amount of work on behalf of the people of Jersey. This report is, as always, a testament to the range of activities the Department undertakes, and to our success in completing them. Alongside those daily activities, 2016 saw us lay the groundwork for some important projects that will be continue in 2017 and through the years ahead.

Social Security plays a unique role in administering both services that are essential to the daily needs of the Island and those that are needed to plan for our future. In particular, 2016 saw the launch of a major project to consult on and set the future direction of the contributory Social Security system.

The breadth of the benefits provided by the Department is clearly demonstrated in Table 1.

Benefits Administered by the Department	2016 spend £ million	Supporting
Old Age Pensions	172.9	30,880 pensioners
Income Support	72.0	5,951 households
Long-Term Care	42.3	1,173 claimants
Long-term Incapacity Allowance & Invalidity Benefit	22.4	4,654 claimants
Pharmaceutical Benefit (<i>cost of drugs and dispensing</i>)	20.2	2.0 million items prescribed
Short Term Incapacity Allowance	13.4	497,749 days paid
Medical Benefits and Jersey Quality Improvement Framework (<i>GP services</i>)	9.7	358,914 consultations
Survivor's Benefits	4.5	770 claimants
Maternity Benefits	3.3	1,056 parents
Home Carer's Allowance	1.9	180 carers
Christmas Bonus	0.4	4,591 claimants
Death Grant	0.6	806 grants
Food Costs Bonus	0.2	1,164 households
65+ Health Scheme	0.3	4,237 claims
Gluten Free vouchers	0.4	641 claimants
TV Licence Benefit	0.3	1,902 claimants
Other Benefits (<i>Less than £250,000</i>)	0.5	
Total	365.2	

Table 1: Summary of 2016 spend on benefits administered by the Department.

Keeping in touch with Customers

A key aim of the Department is to provide good customer services and in 2016 we looked at how we provide information related to the benefits and services we offer. We wanted to make it easier for people to do business with us, whether online, by post, over the telephone or in person. To achieve that we have continued to invest in customer service and training and in improving our application forms, letters and leaflets. As a result, 2016 again saw staff from Social Security recognised in the Jersey's Customer Services Awards with all the finalists and the

winner in the public sector category coming from the Department. This is a welcome public endorsement of the consistent efforts being made at all levels of the Department to improve the experience of our customers.

As part of this work, in 2016 we began a project to review the standard letters that the Social Security Department produces. This is a major undertaking because the range of work we do means that the Department uses many different standard letters. Drawing on techniques pioneered by the Behavioural Insights Team set up by the UK government, we have redesigned the letters that people receive as a result of missing a payment of contributions, as this was shown to be one of the largest drivers of unnecessary calls to the Department and a reason that people weren't always happy with our service.

Alongside traditional letters, we've trialled a number of e-Gov initiatives, including a successful project that allowed people on Income Support to notify us online of changes to their claims. These can now be processed more quickly and people no longer need to visit the Department to tell us about minor changes.

Expanding our customer services

During 2016, we launched a new Income Support event aimed at community organisations and colleagues elsewhere in the States that explains the key concepts of Jersey's benefit for low-income households. Instead of a single lengthy presentation, we designed an event that allowed for round-table discussions, hosted by expert customer-facing staff. The feedback has been extremely positive, so much so that a second session was held to meet the demand from stakeholders and colleagues who were unable to attend the first session. A result of this has been greatly improved contact with staff from a variety of the other agencies with whom we share customers, and we have plans to extend this format to other areas of our business.

After several years of incorporating LEAN methodology into our daily operations we've seen tangible benefits and a change in culture. This work continued in 2016 with completed projects including a reduction in the waiting time for new income support customers to have their applications reviewed, as well as a quicker turnaround for registration cards issued under the Control of Housing and Work Law. LEAN has also helped back office functions, reducing the staff time required to process medical certificates and cutting the processing time for monthly financial reporting. Staff throughout the organisation have embraced the idea that the public sector should always be looking for improving customer service and reducing unnecessary administration. The results have not just been better customer service, financial savings and fewer errors, but a freeing up of staff capacity to allow extra services to be developed and provided. In a climate where we've been asked by the Council of Ministers to control expenditure on benefits, LEAN techniques have helped the Department to control spending on staff costs and administration.

Reducing unemployment

Addressing unemployment in the Island has been a top priority of the Council of Ministers since 2011. This will remain a focus for us, even as Jersey's economy continues to improve. States' investment in our Back to Work service has meant that in 2016 we were proud to report the lowest level of people registered as Actively Seeking work in six years – 1,280 individuals. This was accomplished even though we expanded our support to bring larger numbers of Income Support claimants into our employment services, primarily customers who've been out of work and claiming Long Term Incapacity benefit, and parents of children at nursery age. We also recognised that it was essential to invest in tailored services for younger unemployed people, and success in this area means that the number of jobseekers under the age of 25 was reduced to just 245 from a peak of 590 in January 2013.

In 2016, we expanded the "Foundations" programme, designed for those customers with specific barriers to employment. It gives them practical, paid experience of employment, offering financial and social benefits to a

group of customers who have sometimes been the hardest for us to help. We've also been able to further develop our relationships with employers to ensure that those customers who have become long term unemployed can be given a chance to prove themselves. This has been achieved through the Employment Incentive, where employers receive financial support to cover six months' salary, as well as the development of paid training opportunities in areas such as construction and hospitality, which have often necessitated off-Island recruitment.

Combatting fraud

Benefit fraud only represents a small proportion of the Department's overall costs, but it's a priority area where we'll continue to pursue improvements and to prosecute offenders. People who attempt to defraud the Department create costs for the taxpayer and make life more difficult for the overwhelming majority of genuine benefit claimants, and so we focus on uncovering fraud and discouraging bad behaviour before it starts. Much of the work of our dedicated fraud team goes on behind the scenes, with interventions that address overpayments and recover money before expensive court cases are needed, but the Department will always aim to bring a prosecution when a significant amount of money is involved. As a last resort, serious offences can result in a custodial sentence.

Health and Safety

The Social Security Department also includes a dedicated Health & Safety Inspectorate. Although this team has the remit to safeguard many different working activities in Jersey, much of its work inevitably concerns oversight of safety in the construction industry, one of the highest risk industries in the Island. Therefore it was a major achievement in 2016 to introduce the Management in Construction (Jersey) Regulations 2016, which came into force on 1 October 2016. These replaced the Construction (Safety Provisions) (Jersey) Regulations 1970. This was the most significant change in H&S legislation since the Health and Safety at Work (Jersey) Law 1989 was introduced, and was the culmination of many years of engagement with the construction industry. Due to the detailed consultation process leading up to the new regulations, this major law change was achieved smoothly with the overwhelming support of local industry.

Ageing population

Planning for an increased population of older people has been a key focus throughout the Department in 2016. The next stage of discrimination legislation was successfully introduced, providing protection against discrimination on the grounds of age. This included a phased introduction of rights in respect of employees' retirement age, which will be fully effective from September 2018.

The Department is committed to providing well-targeted benefits to key groups and 2016 saw the successful introduction of a targeted Christmas Bonus payable to lower income pensioners and adults and children with a disability living in low income households. Further support for pensioners was developed with the revamping of the 65+ Health Scheme. With extra funding allocated during the Medium Term Financial Plan, a new Pension Plus scheme was designed, with the aim of making health services more accessible to lower income pensioners by removing the need for claimants to pay the full cost of the service in advance and increasing the value of benefits that could be claimed. With States approval for the new scheme obtained during the year, this was introduced in January 2017.

By far the largest area of benefit spend within the department is the old age pension. In 2016, the cost of old age pensions rose to nearly £173 million. The number of pensioners is increasing steadily each year, with numbers up

10% over the last four years. Whilst the Social Security Fund is in a strong position at present, it will come under increasing pressure as pension costs continue to rise in the coming years. To address these issues, a major review of the Social Security scheme was launched in 2016 with a public consultation on the general subject of income in retirement and the specific issue of adjusting the balance between social security contributions and pension payments. The consultation and a report on the responses is [available online](#) and this will form the basis of further work over the next few years.

Planning for the future

The net asset value of all four ring-fenced funds at the end of 2016 was just over £1.75 billion, split across four main funds as indicated in Table 2. This build-up of reserves is a sensible approach to the provision of future pensions and benefits, particularly when considering the demographic changes that are on course to affect all economies in the developed world. Simply put, people are drawing pensions for longer as lifespans increase, whilst birth rates remain static, reducing the ratio of workers to pensioners and therefore adding to the pressure on the pension fund. Jersey is in a robust position that few other jurisdictions can match but, nevertheless, it is inevitable that these trends must be factored into our long-term planning.

A high level summary of the 2016 results for the four funds is shown in Table 2 below:

	Social Security Fund	Social Security (Reserve) Fund	Health Insurance Fund	Long-Term Care Fund
	£ million	£ million	£ million	£ million
Income	240.1	253.7	42.8	52.4
Expenditure	225.4	-	32.2	43.6
Surplus / (Deficit)	13.7	253.7	10.7	8.8
Transfer to Social Security (Reserve) Fund ¹	(30.0)	30.0		
Net Assets at 31 December 2016	72.2	1,572.0	86.3	20.0

Table 2: Fund results for 2016.

¹ The Social Security (Reserve) Fund is used to invest surpluses from the Social Security Fund for the future provision of pension benefits. A £30m transfer was made in 2016.

And finally ...

The 2016 Annual Report is likely to be the last in this current format. Over a number of years the Department has consistently strengthened the way it records and reports information. This has helped to improve services and create efficiencies in our operational activities, and has given us the data to publish this detailed review document.

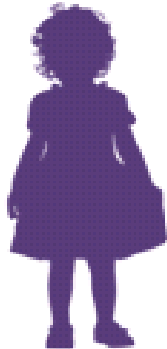
The 2017 Annual Report will be shorter as we're aiming to start publishing information on the open data website more frequently as part of the States' "Open Data" initiative. This will give the public better access to our data and people will be able to track trends and analyse publically-available data. The Department works on behalf of the whole community and it's important that everyone has the chance to read about what Social Security is doing for them. We will start with contribution and benefit data later in 2017, and then build on this in the future in response to public interest and demand.

Who does Social Security Support?

Babies



Children



Working Age



Income Support Child Component supports low income families with the living costs of their children

Income Support Childcare Component supports working parents with childcare costs of 0 to 11 year olds

Maternity and Adoption Grants provide a lump sum to help with the general costs of having a baby

Maternity Allowance is a weekly payment to help mothers while they take time off work to have their baby

Home Responsibility Protection Credits protect pension records for people who stay at home to care for a child

Medical and Pharmaceutical Benefits subsidise the cost of visiting a GP and any medicines prescribed

Income Support Child Component supports low income families with the living costs of their children

Income Support Childcare Component supports working parents with childcare costs of 0 to 11 year olds

Dental Fitness Scheme helps toward the cost of dental treatment for 11-21 year olds

Child Personal Care Benefit supports parents of children who meet the requirements for the highest levels of impairment award

Student Credits protect pension records while students are in full time education

Medical and Pharmaceutical Benefits subsidise the cost of visiting a GP and any medicines prescribed

Income Support is an income related benefit that provides support for those looking for work and those in work towards the cost of living.

Insolvency Benefit provides financial assistance to employees whose employers become insolvent

Back to Work teams provide support, coaching and training to help unemployed people back into work

Health and Safety Inspectorate ensures employers provide safe working environments

Jersey Advisory and Conciliation Service provides advice to employers and employees

Short Term Incapacity Allowance is a daily benefit which provides income when a worker is unable to work due to sickness

Survivor's Benefits support a spouse or civil partner if their partner dies

Medical and Pharmaceutical Benefits subsidise the cost of visiting a GP and any medicines prescribed

Key:

Tax funded Benefit/Service

Long-Term Care Benefit

Contributory Benefit/Credit

Health Insurance Benefits

Illness and Disability



Income Support Medical Components provide additional assistance to lower-income households that include someone who has a long term medical condition

Housing Adaptation Grants help with the cost of adaptations to the home of those with permanent disabilities

Jersey Employment Trust and Back to Work help people with disabilities prepare for, find and maintain employment

Long-Term Care helps fund the care fees for people with care needs

Long-Term Incapacity Allowance and Invalidity Benefit support those with a long term illness or disability; either physical or mental, both in work and those unable to work

Home Carer's Allowance supports carers who give up work to look after someone with high personal care needs

Medical and Pharmaceutical Benefits subsidise the cost of visiting a GP and any medicines prescribed

Gluten-Free Vouchers help individuals who need a gluten-free diet

Pensioners



Income Support supports lower income pensioner households

Food Costs* and Cold Weather Bonuses provide help with the cost of food items and heating the home for pensioners who don't pay tax

Christmas Bonus* is a one off payment made at Christmas to pensioners who don't pay tax

TV Licence Benefit pays for the TV licence for over 75's who don't pay tax

65+ Health Scheme subsidises dental, optical and chiropody costs for pensioners who don't pay tax

Long-Term Care helps fund the care fees for people with care needs

Old Age Pension helps to cover basic needs in old age and is based on contributions paid throughout the working life

Death Grants help with funeral expenses

Medical and Pharmaceutical Benefits subsidise the cost of visiting a GP and any medicines prescribed

*These benefits are also available to some working age families

Social Security Overview

The body of this report describes the activities of the Social Security Department:

- Collection of contributions from individuals/employers.
- Provision of benefits and services.

It is divided into five sections:

- 1) **Fund Income Sources**, which details the income sources to the funds administered by the Department.
- 2) **Social Security Fund**, which details the benefits administered under the Social Security Law.
- 3) **Health Insurance Fund**, which details the benefits administered under the Health Insurance Law.
- 4) **Long-Term Care Fund**, which details the benefits administered under the Long-Term Care Law.
- 5) **Tax Funded Services and Benefits**, which details the services provided and benefits administered through tax funded money, including Income Support and the Back to Work programme.

The figure opposite shows the Social Security revenue sources and demonstrates the financial flow through the funds into the benefits and services. For simplicity it does not show all the financial information, such as investment income, depreciation or administration. This detail is provided in the [States of Jersey Financial Report and Accounts 2016](#) and associated Annex to the Financial Report and Accounts 2016.

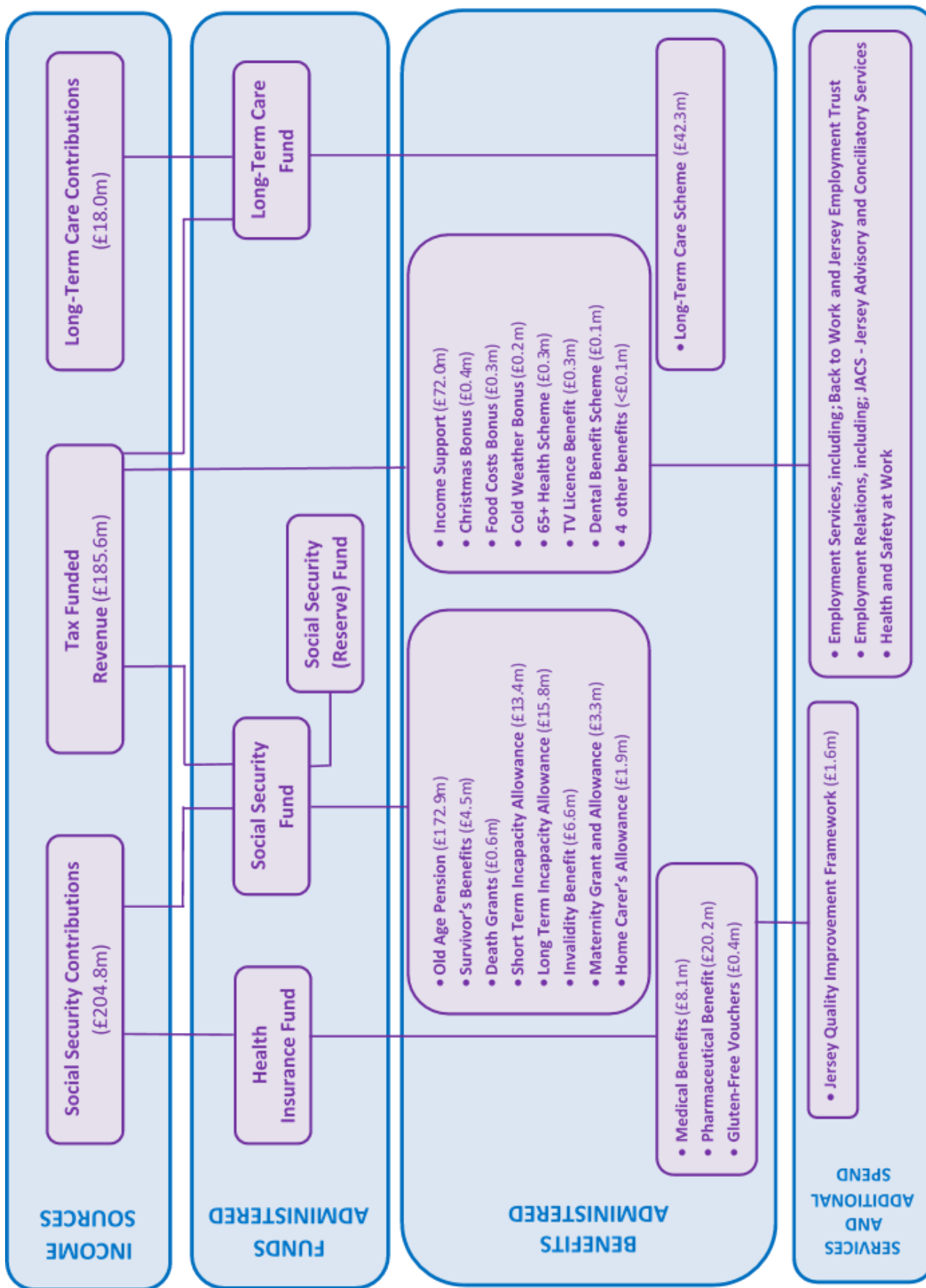


Figure 1: Flow chart demonstrating the Social Security Department income sources, funds, benefits and services 2016, excluding administration and other costs.

Section 2 – Fund Income

The Funds administered by the Social Security Department have three sources of income.

- 1) Contributions collected from individuals and employers
- 2) Grants from the States funded through taxation
- 3) Investment income

Social Security and Health Insurance Contributions

Contributions from working age adults are due on earnings up to pre-defined earnings ceilings:

- **A contribution rate of 12.5% is payable on all earnings up to the Standard Earnings Limit (SEL) of £49,120 per year.**
For Class 1 contributors (employed) the 12.5% liability is split between the employer (6.5%) and the employee (6.0%). Class 2 contributors (self-employed and others not in paid employment) are liable to pay the full 12.5%.
- **Since January 2012 a contribution rate of 2% is payable on earnings between the SEL and the Upper Earning Limit (UEL) of £162,504 per year.**
Employers and Class 2 individuals are liable to pay the 2% contribution.

In some situations employees are not required to pay their 6% liability, for example people who are in receipt of an Old Age Pension, people receiving Survivor's Allowance (in the first year of bereavement) and some women married before April 2001.

Income Received from Contributors

Table 3 provides an overview of the contributions received and the number of contributors:

	2012	2013	2014	2015	2016
<i>Class 1 contributions paid by employees below SEL (£000)</i>	78,841	78,105	80,286	85,782	87,505
<i>Class 1 contributions paid by employers below SEL (£000)</i>	85,412	84,614	86,977	92,931	94,797
Total of Class 1 contributions below SEL (£000)	164,253	162,719	167,263	178,713	182,302
Total of Class 1 contributions above SEL (£000)	5,121	5,163	5,323	5,462	5,427
Total of Class 2 contributions below SEL (£000)	15,544	14,971	17,007	14,987	15,328
Total of Class 2 contributions above SEL (£000)	1,974	2,136	2,159	1,627	1,662
Total Value of contributions (£000)	186,893	184,988	191,752	200,789	204,719
Average No of Class 1 contributors during year	47,620	47,091	47,614	48,666	49,316
Average No of Class 2 contributors during year	3,783	3,751	3,783	3,860	3,995
Average Total No of contributors during year	51,403	50,842	51,397	52,526	53,311
Average Class 1 contribution per annum (£)	3,557	3,565	3,625	3,784	3,807
Average Class 2 contribution per annum (£)	4,631	4,561	5,066	4,304	4,253
Average Total contributions per annum (£)	3,636	3,638	3,731	3,823	3,840

Table 3: Contributions and contributors, 2012 to 2016.

Table 3 and Figure 2 show that the number of contributors increased by 1.3% on the previous year and the monetary value of contributions increased by 2% in 2016, compared to 2015. There were increases in class 1 contributions below the SEL and in class 2 contributions above and below the SEL and a decrease in class 1 above the SEL. The largest monetary increase was an £3.6m (2%) increase in Class 1 contributions below SEL.

Between 2012 and 2016 the value of contributions up to the SEL has risen by 10% compared to a 9% increase in average earnings over the same period, a real term increase of 1%.

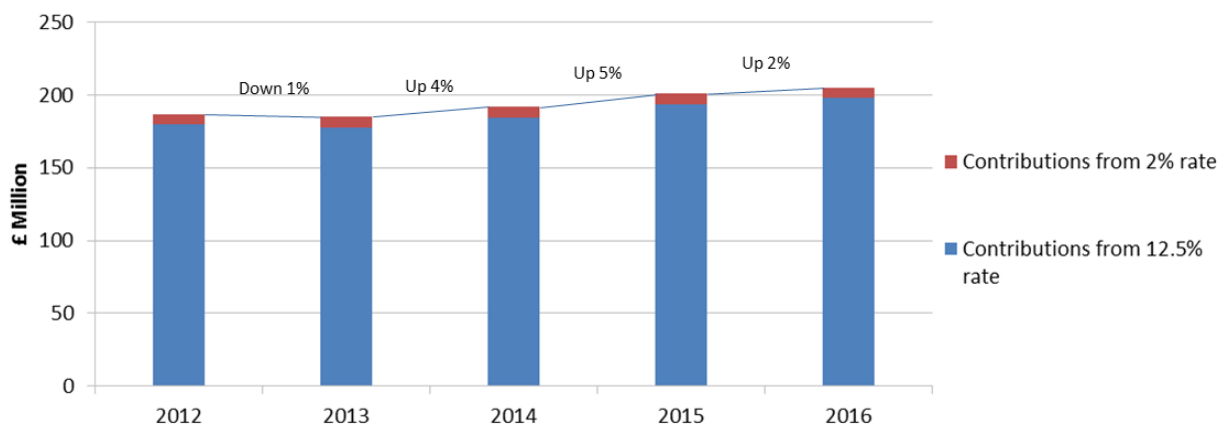


Figure 2: Total contributions and year on year change, 2012 to 2016.

Level of Contributions

In 2016, on average 35% of Class 2 contributors paid above the Standard Earnings Limit each month, with 12% paying at the maximum Upper Earning Limit. By contrast, on average, 21% of Class 1 contributors in 2016 were paid above the Standard Earning Limit, with only 1% paid at the maximum monthly contribution.

Figure 3 shows that proportionately more Class 1 contributors paid at the Standard Earning Limit in March and December, the months typically associated with bonuses.

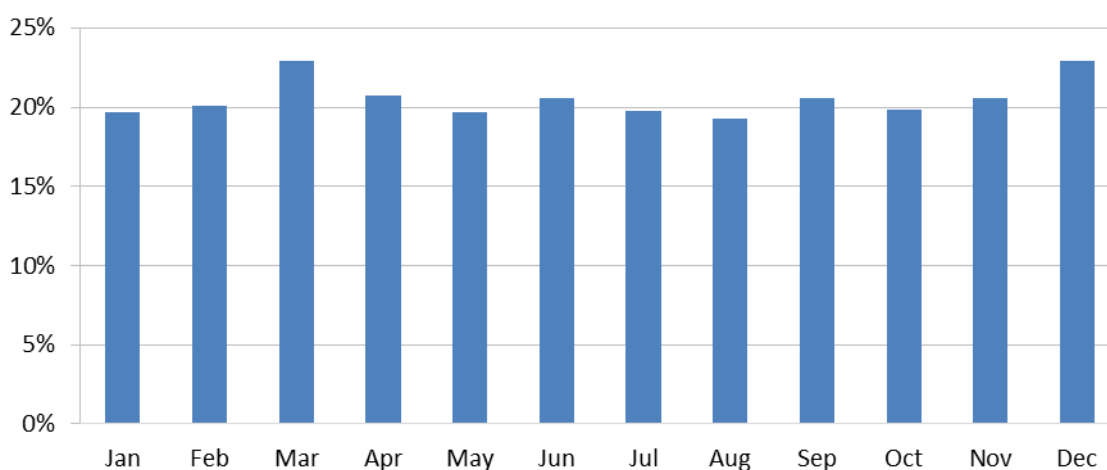


Figure 3: Class 1 contributors at the Standard Earnings Limit by month in 2016.

Number of Contributors

Contributions are recorded monthly and the number of Class 1 contributors shows a variation in line with the seasonal activities within the Jersey economy, with 5.2% more Class 1 contributors in July than February. Across the year there was a monthly average of 49,316, an increase of 650 Class 1 contributors (1.3%) from 2015, with the increase being driven by the second half of 2016.

For the second consecutive year, there has been an increase in the monthly average number of Class 2 contributors following a period of steady decline. This upward trend saw a small increase from a monthly average of 3,860 in 2015 to 3,995 Class 2 contributors in 2016.

Allocation of Contribution Income

Class 1 and Class 2 contributions are allocated to the Health Insurance Fund and the Social Security Fund according to fixed percentages.

Fund	Employer Class 1 (below SEL)	Employer Class 1 (above SEL)	Employee Class 1 (below SEL)	Class 2 (below SEL)	Class 2 (above SEL)
Health Insurance Fund	1.2%		0.8%	2.0%	
Social Security Fund	5.3%	2.0%	5.2%	10.5%	2.0%
Total	6.5%	2.0%	6.0%	12.5%	2.0%

Table 4: Percentage allocation of Class 1 and 2 contributions to the Health Insurance Fund and Social Security Fund.

Contribution Credits

In some circumstances contribution credits are available to protect people's contribution record and their entitlement to certain Social Security benefits. As well as protecting records during periods in which a contributory benefit is being claimed, credits are also available to:

- People caring for a child at home (*1,221 people as at 31 December 2016*).
- People over 18 in full-time education (*766 people as at 31 December 2016*).
- People who have been made compulsorily redundant (*27 people as at 31 December 2016*).

The most common source of contribution credits is for those caring for a child at home. This is known as Home Responsibility Protection (HRP) and is available for an adult who is not working in order to look after a child under school age, with a maximum of 10 years of credits available for any one person.

Long-Term Care contributions

In 2016, the maximum Long-Term Care contribution rate was increased from 0.5% to 1.0%. The amount of contribution is based on an individual's total income taking into account their tax allowances and reliefs and is only chargeable up to the upper earnings limit (UEL). £18m of income was raised through Long-Term Care contributions in 2016, an increase of £9.6m.

States Grant to the Social Security Fund

Class 1 and Class 2 contributors with earnings below the Standard Earning Limit in a given month, but above the Lower Earnings Limit of £864 per month, normally receive a “top-up” supplement to bring their contributions up to the Standard Earning Limit. This is called “supplementation” and protects pensions and benefit entitlement for lower and middle income earners,

The States provides an annual grant to the Social Security Fund. Up to 2010, the value of the States Grant was based on the exact cost of supplementation for the year in question. In 2011 a new method of calculating the value of the States Grant was established. This introduced certainty to the level of States contribution by setting the States Grant for 2011, and basing 2012 and future years on a formula set out in the law.

As part of the Fiscal Strategy Review, in 2011 the States agreed to introduce a 2% contribution rate for employers and Class 2 contributors between the Standard Earnings Limit and the Upper Earnings Limit, with the additional contribution income collected used to reduce the level of the States Grant by covering some of the cost of supplementation. This led to the value of the States Grant for 2012 and 2013 being at a relatively lower level than previous years due to the extra contributions raised through the introduction of the new 2% rate. In 2016 the value of the States Grant was maintained at its previous value of £65.3m. This was agreed as part of the Medium Term Financial Plan. The total value of the States Grant plus contributions above the Standard Earning Limit was £72.4m, compared to the actual cost of supplementation of £79.5m.

Year	2012 £000	2013 £000	2014 £000	2015 £000	2016 £000
Cost of supplementation	68,206	69,239	72,123	77,232	79,548
Contributions above Standard Earning Limit	7,095	7,299	7,482	7,089	7,089
States Grant value	61,150	62,200	63,700	65,300	65,300
Total contributions received (Social Security Fund)	157,977	156,415	162,125	169,659	173,014
Combined value of States Grant and contributions	219,127	218,615	225,825	234,959	238,314

Table 5: States Grant in respect of the cost of supplementation, 2012 to 2016.

States Grant to the Long-Term Care Fund

The States also pays an annual grant to the Long-Term Care Fund. In 2016, the States Grant to the Long-Term Care Fund amounted to £34.3m, comprising of a £6.1m transfer from 2015 Social Security underspends and a tax funded grant of £28.2m. This represents a £6.3m increase on 2015. The annual grant was set in 2016 based on the previous cost of supporting long-term care costs borne by the Social Security Department and the Health and Social Services Department. The value of this grant will rise in following years in line with the annual increase in RPI.

Fund Investments and Performance

Details of the investments and performance of the Social Security (Reserve) and Health Insurance Funds, along with details of the financial statements of the department can be found in the [States of Jersey Financial Report and Accounts 2016](#) and associated Annex to the Financial Report and Accounts 2016.

Section 3 – Social Security Fund Benefits (SSF)

The Social Security Fund pays for benefits to contributors who have made the required contributions and satisfy other specific conditions. Benefits mainly support claimants at times when they are less likely to be able to support themselves through employment, including maternity, sickness and old age. In 2016, the amounts paid across the full range of benefits available through the Social Security Fund are as follows:

Social Security Fund Benefit	2015 £000	2016 £000
Old age pensions	166,746	172,933
Short Term Incapacity Allowance	12,315	13,402
Long Term Incapacity Allowance	15,515	15,755
Invalidity Benefit	7,289	6,631
Survivor's benefits	4,550	4,475
Maternity benefits	2,958	3,324
Home Carer's Allowance	1,872	1,886
Insolvency Benefit	(26)	106
Death Grant	522	582
Total benefit expenditure	211,741	219,094

Table 6: Social Security Fund benefit expenditure 2015 and 2016.

SSF – Old Age Pensions (OAP)

Old age pensions can be claimed by anyone over pension age who has worked in Jersey and has paid Social Security contributions for at least 4½ years.² Pensions can be claimed by anyone who meets the contribution criteria, including people who have since left Jersey.

The value of the pension depends on the number of years of contributions with the maximum, full rate of pension being paid to those with a contribution record of 45 years or more.

Historically the old age pension was increased once a year in line with the growth in average earnings. In the past earnings have increased at a greater rate than inflation and thus the value of the old age pension grew in real terms. More recently however, and on a number of occasions, inflation has exceeded the increase in earnings and thereby the value of pensions has decreased in real terms. In 2013 a new uprating method was introduced to safeguard the value of the pension. This new methodology increases the state old age pension with reference to both inflation, measured through the Retail Prices Index for Pensioners, and average earnings, measured by the Index of Average Earnings. The new method of uprating pensions ensures that pensions increase at least in line with inflation; at the same time, in the longer term, increases will track the growth of average earnings.

In October 2016 the annual uprate was applied using the new methodology, with the standard rate of pension increasing by 2.1% from £199.99 to £204.19 per week. For couples married before April 2001 a married pension is available based on the contribution record of the husband and the full pension is paid at 166% of the single rate (£338.96 for 100% pension).

² A pro-rata pension is also payable where there is an aggregate of 4½ years in the case of nationals of countries with whom Jersey has a reciprocal agreement. <http://www.gov.je>

The new methodology in uprating only applies to old age pensions. All other contributory benefits within Social Security legislation that refer to the standard rate benefit continue to be uprated by the index of average earnings. In October 2016 this led to an increase in the standard benefit rate (excluding pensions) from £199.99 to £204.19.

The current pension age is 65, with an option to take a reduced rate pension up to two years early. At present some women continue to have a pension age of 60, if they were registered for Social Security purposes before 1975. In 2014 the States passed legislation to increase the pension age in Jersey from 2020, with the pension age rising by two months per year, increasing the age from 65 to 67 by 2031.

Just over three-quarters (£172.9 million) of Social Security benefit expenditure is in respect of old age pensions. This cost is growing year on year as the number of pensioners increases. At the end of 2016 there were 30,880 pensions in payment. There has been a 10% increase in the number of pensions paid between 2012 and 2016 and an 9% increase in the rate of the pension leading to an overall increase of 19% in the total cost of pensions over this time.

Year	2012	2013	2014	2015	2016
No of Old Age Pensions in payment at year end	28,130	29,052	29,582	30,122	30,880
Value of Old Age Pensions Paid £000's	146,139	154,229	160,464	166,746	172,933
Weekly full (100%) Old Age Pension rate at year end £	£187.25	£193.48	£197.40	£199.99	£204.19

Table 7: Pension comparisons, 2012 to 2016.

The number of pensions in payment rose by just under 3% (758) during 2016, which is a slightly higher rate of increase to the previous two years. This increase is shown in Figure 4.

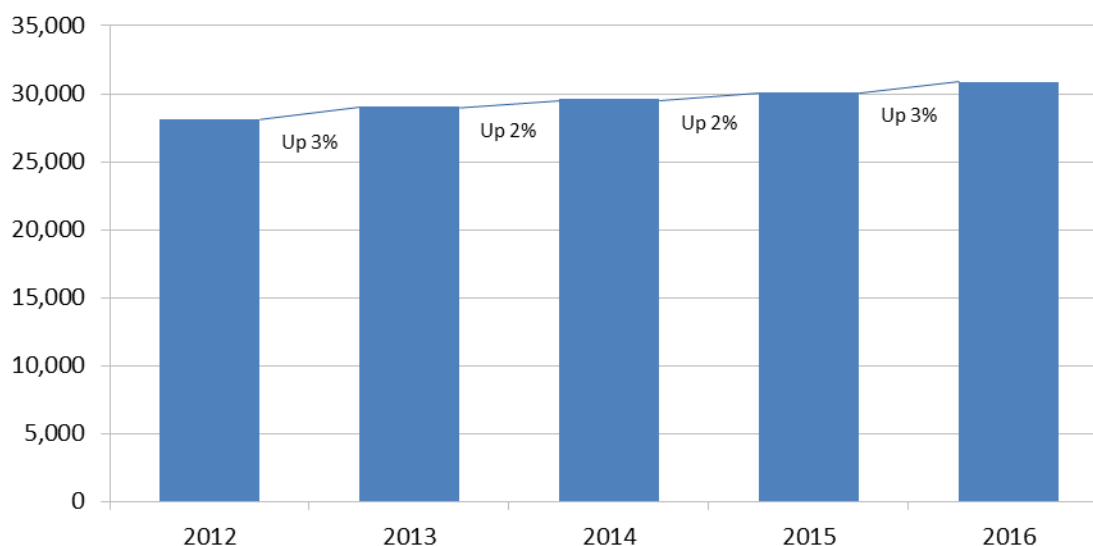


Figure 4: Number of Old Age Pensions in payment at year end, 2012 to 2016.

Demographics of Old Age Pensioners

The female to male ratio slowly increases with age, reflecting the fact that, on average, women live longer than men. Of the 225 pensioners aged 95 or over, 181 (80%) are female.

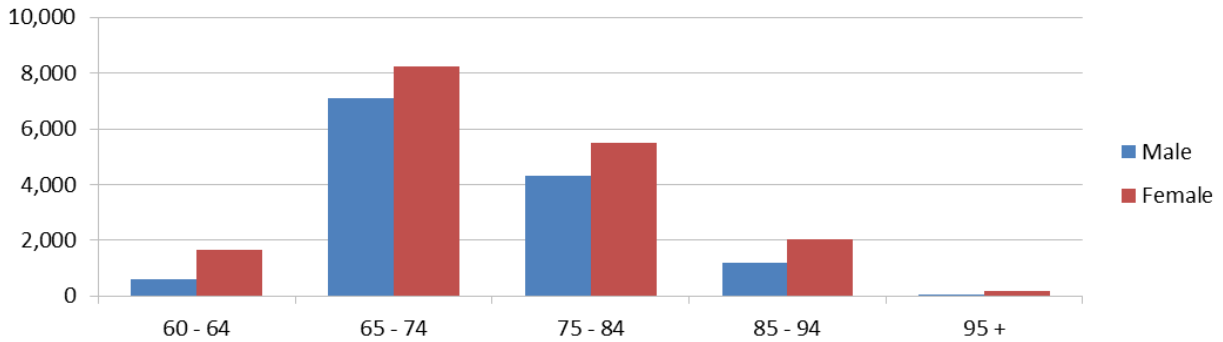


Figure 5: Number of pensioners by age bracket as at 31 December 2016.

Old Age Pension Payments

At the end of 2016 there were 18,220 people receiving their pensions in Jersey, and 12,660 receiving their pensions outside Jersey.

Of the 12,660 pensions paid outside Jersey, 6,417 are paid in the UK and other Channel Islands, 4,836 are paid in the rest of Europe and 1,407 paid across the rest of the world.

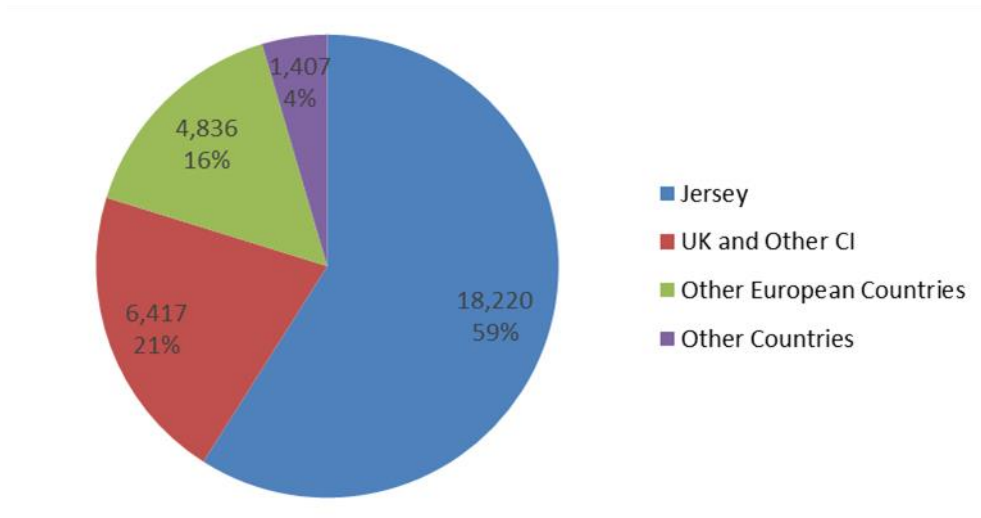


Figure 6: Distribution of where pensions are paid as at 31 December 2016.

The pensioners living in Jersey have typically paid more Social Security contributions having lived and worked for more years in Jersey, and therefore receive a larger pension. The lower levels of pensions paid abroad reflect Jersey's history of high levels of migrant labour where non Jersey born nationals have worked in Jersey for a relatively short period before leaving the island.

86% of Jersey residents receive a pension of over 50% of the full pension compared to only 16% of non-Jersey residents.

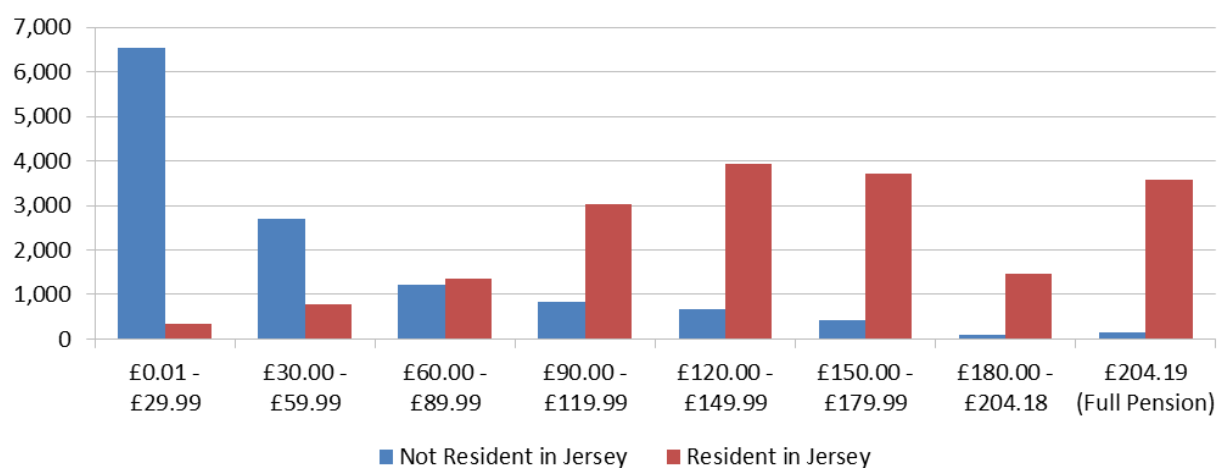


Figure 7: Distribution of weekly pension rate, Jersey resident and non-resident, as at 31 December 2016.

The higher average rate of pensions paid to residents in Jersey means that, although 41% of all pensioners are not resident in Jersey, they only received 18% (£32 million) of the total value of pension payments.

Resident	Pension Value £000	Pension Value %	No. of Pensions as at 31 December 2016	% of Pensions
Jersey	140,768	81%	18,220	59%
UK and other CI	16,316	9%	6,417	21%
Rest of world	15,849	9%	6,243	20%
Total	172,933		30,880	

Table 8: Total value and number of pensions 2016.

SSF – Survivor’s Benefits and Death Grants

Two types of survivor’s benefits are paid: Survivor’s Allowance and Survivor’s Pension. These benefits are paid on a percentage basis to survivors based on the contribution record of their deceased spouse or civil partner and are mainly paid to survivors while they are of working age. Survivor’s Allowance is paid to a survivor for the first 52 weeks following bereavement and at 20% above the standard rate of benefit. After the first 52 weeks, Survivor’s Allowance is replaced by Survivor’s Pension which is paid at the standard rate of benefit. Survivor’s benefits are not paid if the survivor remarries, co-habits or enters another civil partnership and they cease when the survivor reaches pension age. As of 1 January 2013 the eligibility for Survivor’s Pension changed and since then the benefit is only payable to people with dependent children. People already in receipt of Survivor’s Pension or Allowance and people born before 1 January 1957 are not affected by this change.

Type of Benefit	No. of Claimants	Average Weekly Claim Rate £
Survivor’s Allowance	68	154.39
Survivor’s Pension	702	104.73
Total	770	109.11

Table 9: Number of claimants of survivor’s benefits and average weekly claim rates as at 31 December 2016.

Survivor’s benefits are paid worldwide. Although 54% of the total number of survivor’s benefits are paid in Jersey, 70% of the total value of survivor’s benefit is paid in Jersey, as shown in Figure 8 and Figure 9. The majority of survivor’s benefits are paid to women (86%).

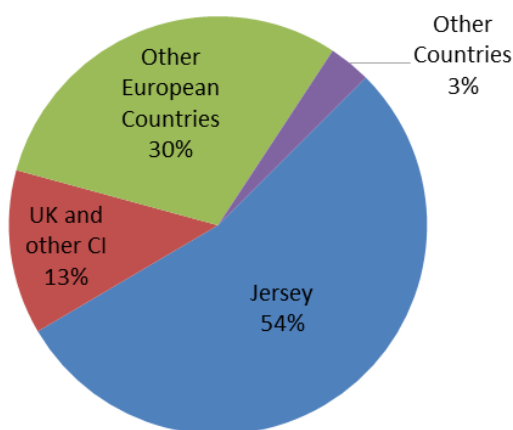


Figure 8: Survivor’s benefits claimant numbers by location in payment as at 31 December 2016.

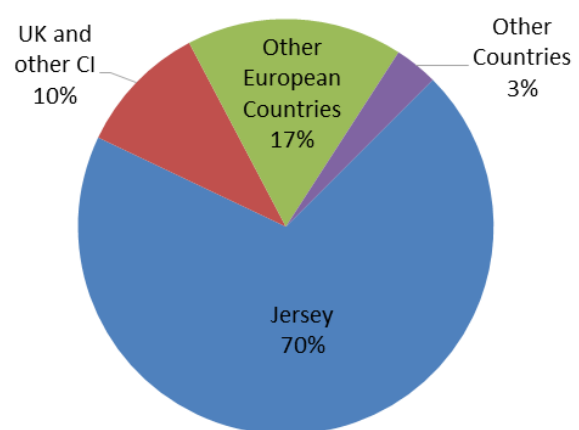


Figure 9: Survivor’s benefit value by location in 2016.

A contributory Death Grant is available in respect of most deaths in Jersey. The value of the grant increased from £799.96 to £816.76 in October 2016. Grants are also paid in respect of individuals living outside Jersey at the time of their death, if they were receiving a full-rate benefit, such as a 100% old age pension rate, immediately prior to the date of death or their departure from Jersey was less than six months prior to the date of death.

In the small number of cases where a Death Grant is not payable under the contributory system, a non-contributory grant can be provided using a tax-funded budget.

	2012	2013	2014	2015	2016
Total Value of Death Grants £000	482	483	460	522	582
Individual Death Grant Value as at 31 December £	749.00	765.52	785.68	799.96	816.76

Table 10: Total value of Death Grants paid and value of an individual Death Grant, 2012 to 2016.

SSF – Short Term Incapacity Allowance (STIA)

Short Term Incapacity Allowance (STIA) is usually authorised by GPs and paid to working age claimants who satisfy the necessary contribution conditions for periods of incapacity lasting between 2 and 364 days.³ Most STIA claims are paid at the standard rate of benefit. This was £199.99 per week at the beginning of 2016, rising to £204.19 per week from 1 October 2016.

	2012	2013	2014	2015	2016
Cost of STIA Claims £000	13,650	12,938	12,413	12,315	13,402
No. of STIA Claims Paid	27,260	25,703	24,743	25,514	26,521
No. of Days Paid	543,149	509,714	476,243	469,318	497,749
Average Length of Claim	19.9	19.8	19.2	18.4	18.8

Table 11: Annual STIA claims paid, 2012 to 2016

Table 11 details the number of claims paid and the total number of days covered by STIA claims over the past five years.

Figure 10 shows the trends in the total number of STIA claims and the average (mean) length of claim. It highlights that following a steady decreasing trend in their average length, claims have on average started to increase in length in 2016, the number of STIA claims has continued to increase compared with 2015, following a decrease over the previous two years.

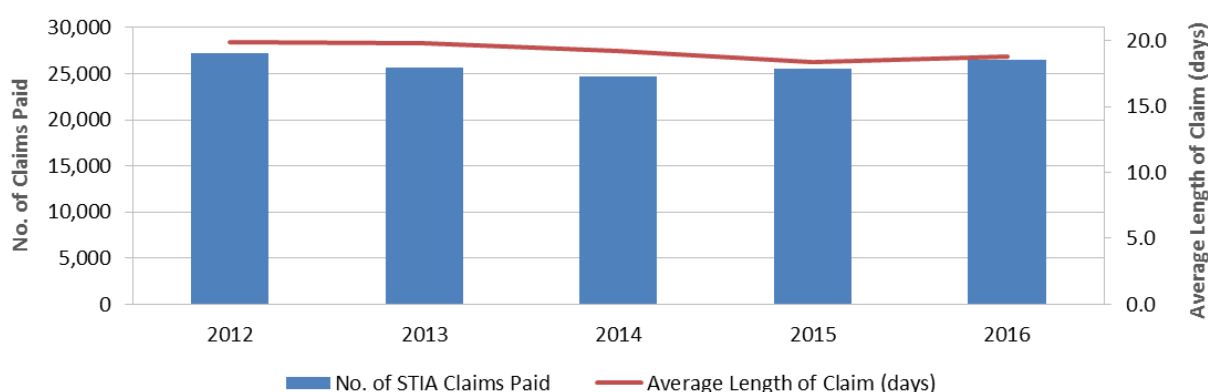


Figure 10: Annual number and average length (in days) of STIA claims, 2012 to 2016.

STIA covers a wide range of short-term illnesses and injuries. 28% of all claims during the year related to infectious illnesses, an increase from 27% in 2015. These claims lasted an average of 7.8 days. By contrast, depression,

³ Benefit is paid for all seven days in a week, and not just for working days.

stress and anxiety accounted for 9% of the claims but 19% of the number of days, with an average duration of over five weeks per claim. Table 12 details some of the most common reasons for STIA claims in 2016:

2016 STIA Reason for Claim	% of all 2016 Claims Paid	No. Of Claims Paid	No. Of Days Paid	Average Claim Length (Days)
Infections	28%	7,418	57,844	7.8
Hospital treatment	16%	4,134	97,747	23.6
Depression, stress and anxiety	9%	2,478	96,115	38.8
Back/neck pain/injury	9%	2,415	44,225	18.3

Table 12: Most common reasons for claiming STIA in 2016.

Some individuals have a long-term health condition that lasts for more than a year. These claimants can apply for Long Term Incapacity Allowance (LTIA). Whereas a claimant cannot claim STIA and work, LTIA claimants can return to work or stay in work and continue to claim the benefit.

SSF – Long Term Incapacity Allowance (LTIA) and Invalidity Benefit (INV)

These benefits are paid to working age people who satisfy the necessary contribution conditions and who have a long-term loss of faculty.⁴

LTIA compensates people for their loss of faculty, regardless of whether it is as a result of an illness or injury. Unlike STIA, it is based on a Social Security medical assessment not a doctor's certificate and has different criteria to STIA. It is assessed as a percentage of the standard rate of benefit based on their loss of faculty and is an in work benefit. The maximum value of the benefit (100%) is set at the standard rate of benefit. In October 2016 the rate rose from £199.99 per week to £204.19 per week.

A minority of claimants will be assessed at 100% for a major loss of faculty. Most claimants are assessed at a lower percentage, in 5% bands.

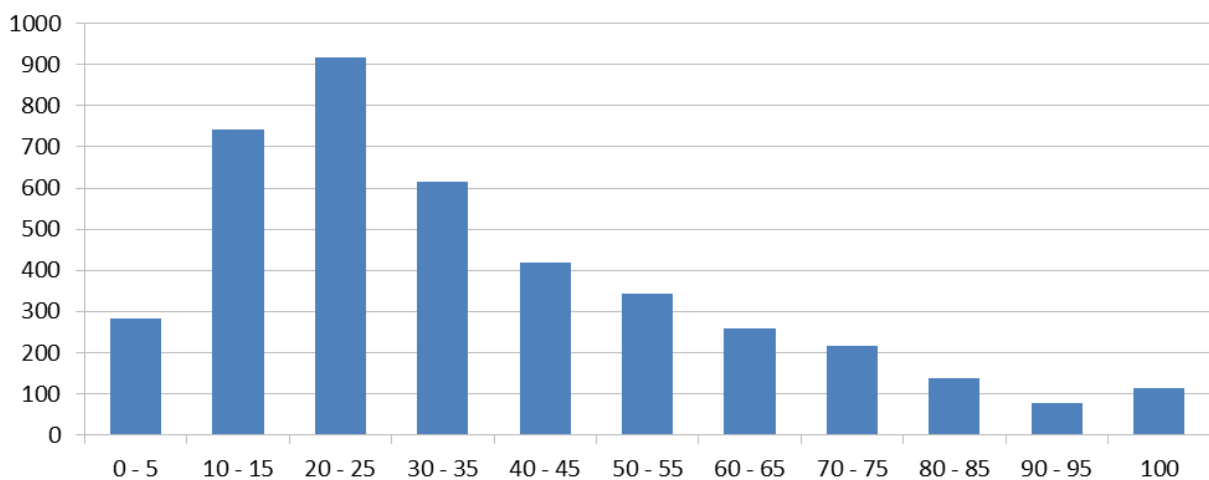


Figure 11: Number of LTIA claims in payment by rate % as at 31 December 2016.

⁴ The extent of incapacity is assessed by reference to the loss of faculty arising from a disease or injury.

The average percentage rate of assessment for LTIA claims in payment in 2015 is 36% and this percentage has remained more or less constant over the last five years.

As with STIA, LTIA covers a wide range of illnesses and injuries. Depression is by far the most common condition, accounting for 17% of all claims. Back pain and back injuries combined accounted for 12% of all claims. Table 13 identifies the most common conditions in 2016.

LTIA Condition	No. of claims	% of all claims	Average % Degree of Incapacity
Depression	608	17%	36%
Pain - Back	312	9%	32%
Accident/Injury (Other)	133	4%	39%
Anxiety	131	4%	35%
Injury – Back	124	3%	38%
Carcinoma	112	3%	55%
Stress	108	3%	28%

Table 13: Most common LTIA conditions at 31 December 2016.

LTIA was introduced in October 2004 to replace Invalidity Benefit and Disablement Benefit. Invalidity Benefit was payable as a result of a permanent illness and did not allow claimants to undertake work whilst claiming. Disablement Benefit was payable as a compensation for a permanent disability as a result of an accident, and allowed claimants to undertake work whilst claiming.

Figure 12 shows an ongoing decrease in the number of Invalidity Benefit claims as all new claimants now receive LTIA. Combined, the number of people receiving LTIA and Invalidity Benefit has been relatively stable over recent years with a 2.8% increase over the four year period 2012 to 2016.

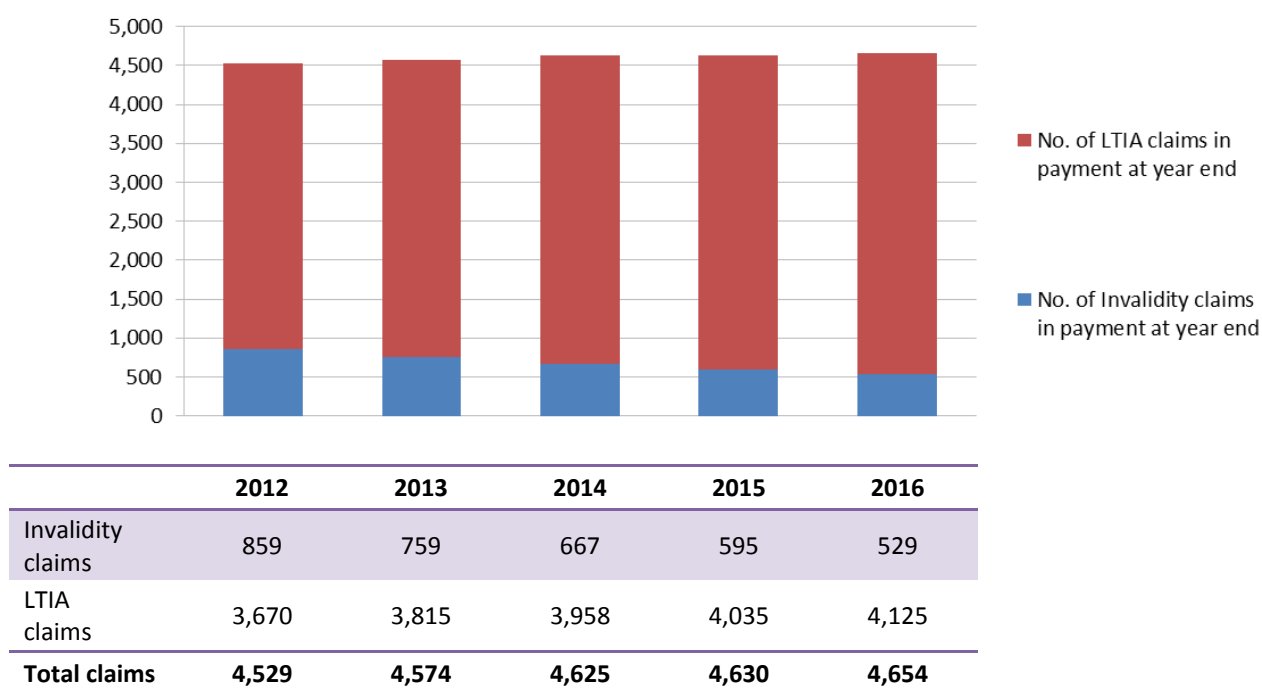


Figure 12: Number of Invalidity and LTIA claims at 31 December, 2012 to 2016.

SSF – Maternity and Adoption Benefits

A Maternity Grant (or Adoptive Parent Grant) is paid to help with the initial general costs of having a baby. The Grant is available as a lump sum to either the father or mother who satisfies the contribution conditions. The value in 2016 was £599.97, rising to £612.57 from 1 October 2016. Multiple grants are provided in the case of multiple births. The great majority of parents having a baby in 2016 received a Maternity Grant from the Department. 1,008 births were recorded in 2016 with 931 maternity grants being paid by the Department in 2016. Figure 13 shows the nationality of those in receipt of Maternity Grants in 2016:

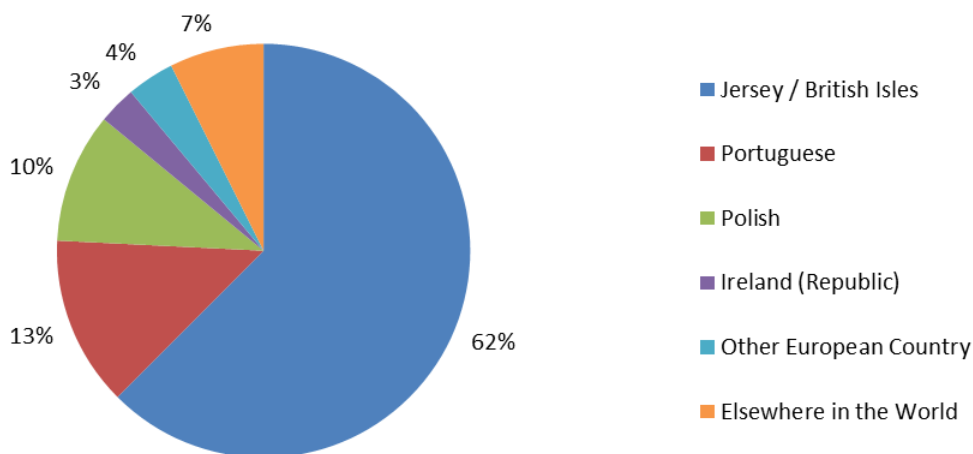


Figure 13: Maternity Grants by nationality.

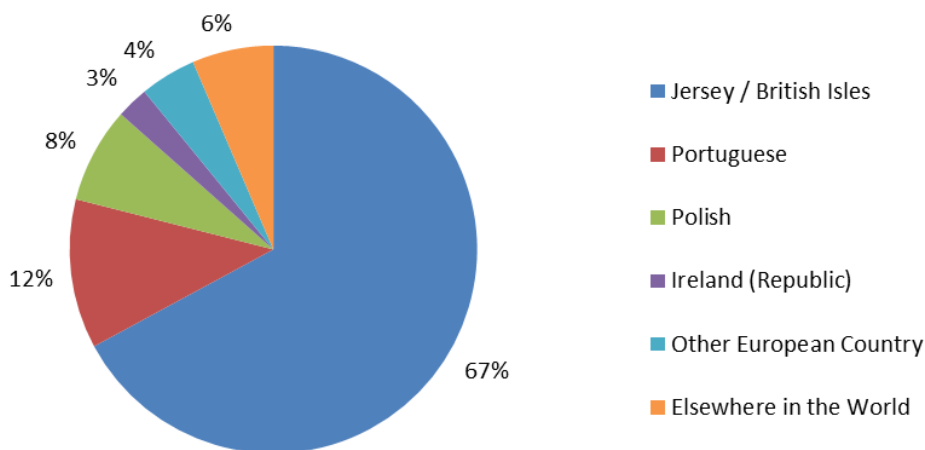


Figure 14: Nationality of age 18-50 female population registered with the Social Security Department.

Just under two-thirds of parents receiving Maternity Grants have British nationality, with the remainder largely reflecting the nationalities of the local female population aged 18-50. The average age of a woman in receipt of Maternity Benefit in 2016 was 32. Grants were paid in respect of 20 cases of twins born in 2016 and one case of triplets.

A weekly Maternity Allowance can also be payable to the mother. This can be paid for up to 18 weeks, at the same rate as STIA, but based on only the mother's contribution record before she became pregnant.

Indicator	2012	2013	2014	2015	2016
No. of Maternity Allowance claims starting in the year	982	894	834	876	898
No. of Maternity Grant claims paid in the year	1,011	970	837	1,020	931
No of Births Recorded	1,123	1,017	985	997	1,008

Table 14: Maternity indicators, 2012 to 2016.

SSF – Home Carer’s Allowance (HCA)

At the beginning of 2013, the Home Carer’s Allowance replaced the Invalid Care Allowance tax funded benefit. The new benefit is similar to the old Invalid Care Allowance, and is in place to help people who give up employment to take on a caring commitment for a person who needs a high level of personal care.

To qualify for Home Carer’s Allowance claimants should be of working age, spend at least 35 hours each week caring and have earnings of no more than £149.54 per week. These requirements were also in place for the old benefit.

In the past people with an annual household income of £62,382 (2012 cap) or over could not claim Invalid Care Allowance. Now the household income cap has been removed. There is, however, a requirement for the carer to have a Social Security contribution record. The new benefit also requires that the “cared for” person has lived in Jersey for at least one year.

In 2016 there were 180 claimants, of which the majority were female, at a total cost of just under £1.9 million.

Gender	Claimants	Average age
Female	142	50
Male	38	56
Total	180	52

Table 15: Number of Home Carer’s Allowance claimants as at 31 December 2016 by gender and average age.

SSF – Insolvency Benefit

Insolvency Benefit was introduced on 1 December 2012 and provides financial assistance to employees who are made redundant due to the insolvency of their employer. This benefit replaced the temporary, tax funded, insolvency scheme originally introduced in 2009. The amount of benefit is calculated based on amounts owed to employees by the former employer in respect of the following four components:

1. Unpaid wages relating to the 12 months prior to employment ending.
2. Holiday pay relating to the 12 months prior to employment ending.
3. Statutory redundancy pay (one week’s capped pay for each year of service, subject to a minimum of two years’ service).
4. Pay in lieu of notice on termination of employment (up to 12 weeks’ pay).

The maximum amount of Insolvency Benefit is capped at £10,000 and the Social Security Fund will meet the person’s liability for Social Security contributions and income tax (ITIS) on those sums.

During 2016, there were 37 new claims from the former employees of six insolvent employers which resulted in payments of £106,000.

Section 4 – Health Insurance Fund Benefits (HIF)

The Health Insurance Fund provides benefits to local residents in respect of specific primary care costs. The full range of benefits and the cost of these benefits for 2016 are as follows:

Health Insurance Fund	2015 £000	2016 £000
Medical Benefit – GP consultations	7,298	7,195
Medical Benefit – pathology benefit	924	941
Jersey Quality Improvement Framework (JQIF)	1,583	1,587
Pharmaceutical Benefit - drug costs	13,478	13,375
Pharmaceutical Benefit - dispensing fees	6,688	6,815
Gluten-free Vouchers	329	393
Total benefit expenditure	30,300	30,307

Table 16: Health Insurance Fund benefit expenditure for 2015 and 2016.

HIF – Medical Benefits (GP Consultations)

A standard benefit is paid in respect of each GP consultation covered by the Health Insurance Fund. Throughout 2016 the value of the benefit was set at £20.28. The separate benefit, paid at the same rate, previously available in respect of the cost of a letter of referral written by a GP to a hospital consultant or other specialist, was withdrawn in line with the introduction of the JQIF contract payments.

	2012	2013	2014	2015	2016
No of GP consultations	363,601	351,099	349,102	355,497	358,914
Value of Medical Benefit as at 31 December £	20.28	20.28	20.28	20.28	20.28

Table 17: Volumes and costs of GP visits and consultations, 2012 to 2016.

HIF – Jersey Quality Improvement Framework (JQIF)

The Jersey Quality Improvement Framework (JQIF) was introduced in 2015 as an additional income stream for GP practices based on a standard contract aimed at encouraging high quality outcomes for patients. All GP surgeries participated and in 2016, the contract contained 36 clinical and organisational measures describing the standards and activities which GP surgeries should achieve. These included, for example, the creation of a register of patients with diabetes and measures regarding specific interventions for this condition. Payments were made to GP practices according to their level of activity against each measure totalling £1.6 million.

HIF – Pathology Laboratory Benefit

In January 2010 the Health and Social Services Department introduced a charge for analysing blood samples provided by GPs. A new benefit was set up within the Social Security Department, funded through the Health Insurance Fund, to ensure that this cost was not passed on to the patient. The benefit covers blood samples taken

for haematology testing and for clinical chemistry testing and was introduced at a standard rate of £10 before being increased to £10.35 in June 2012, and has remained at that rate since.

	2012	2013	2014	2015	2016
No. of Pathology Laboratory benefit claims paid during year	84,562	88,763	86,250	89,308	90,929
Cost of Pathology Laboratory benefit claims paid during year £000 ⁵	860	919	893	924	941
Value of Pathology Laboratory benefit on 31 December £	10.35	10.35	10.35	10.35	10.35

Table 18: Number and cost of Pathology Laboratory benefit claims, 2012 to 2016.

HIF – Pharmaceutical Benefit

Pharmaceutical benefit covers the full cost of prescription drugs prescribed by GPs and includes a dispensing fee paid to community pharmacists, in respect of each item dispensed. The Minister for Social Security is responsible for maintaining the list of drugs that are available on prescription from GPs.

	2012	2013	2014	2015	2016
Total No. of items prescribed during year	1,784,798	1,846,713	1,871,770	1,936,690	1,983,296
Average cost of a prescribed item £	6.58	6.44	6.65	6.96	6.74
Total cost of prescribed items £000	11,742	11,901	12,449	13,478	13,375
Pharmacy dispensing fees £000	5,656	6,220	6,413	6,688	6,815
Total Cost £000	17,398	18,121	18,862	20,166	20,191

Table 19: Costs of Pharmaceutical Benefit, 2012 to 2016.

In 2016 there were almost 2 million prescriptions dispensed with a total drug cost of £13.4 million.

Since 2012 there has been an 11% increase in the number of items prescribed, which is highlighted in Figure 15.

⁵ Pathology Laboratory benefit costs have been restated for years prior to 2015.

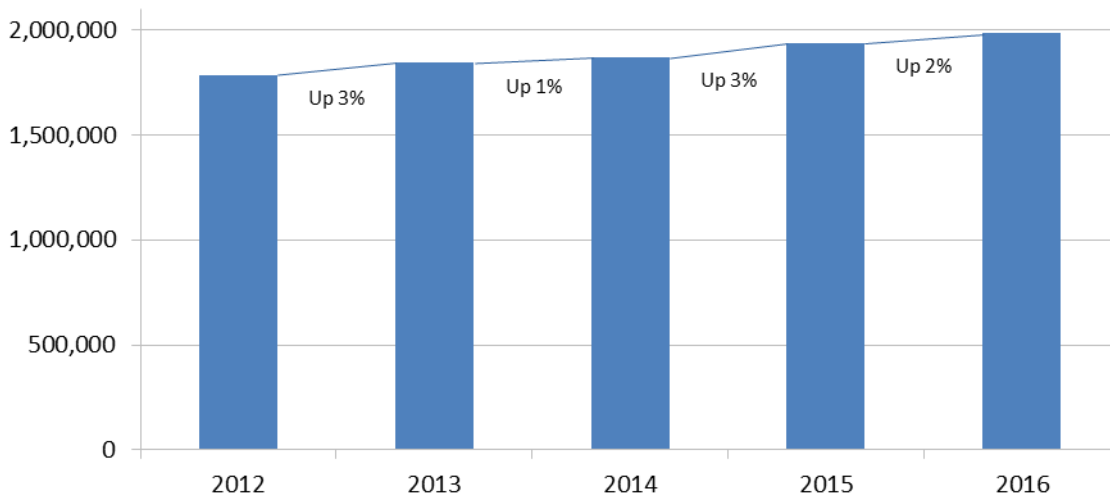


Figure 15: Annual pharmaceutical items prescribed, 2012 to 2016.

Types of Drugs Prescribed

In 2016, a total of 1,983,296 prescription items were dispensed in the community in Jersey, with a total net cost of £13.4 million. The number of items increased by about 2% (46,606 items) on the previous year, but with a fall of 0.8% (£103,000) in the total net cost. The continued growth in prescription numbers is to be expected given the ageing population and a greater emphasis on using medicines to prevent serious illness. However, this has not been accompanied, as in the past, by continued growth in expenditure. The cost of medicines fell across a number of disease areas, largely due to falling prices and a robust policy for using lower cost, generic medicines, where available.

Around one in three prescriptions dispensed in the community in Jersey in 2016 was for a medicine to treat heart (cardiovascular) disease (Figure 16). This group of medicines covers a wide range of conditions, including cholesterol lowering medicines, treatments for high blood pressure, and anticoagulants that thin the blood.

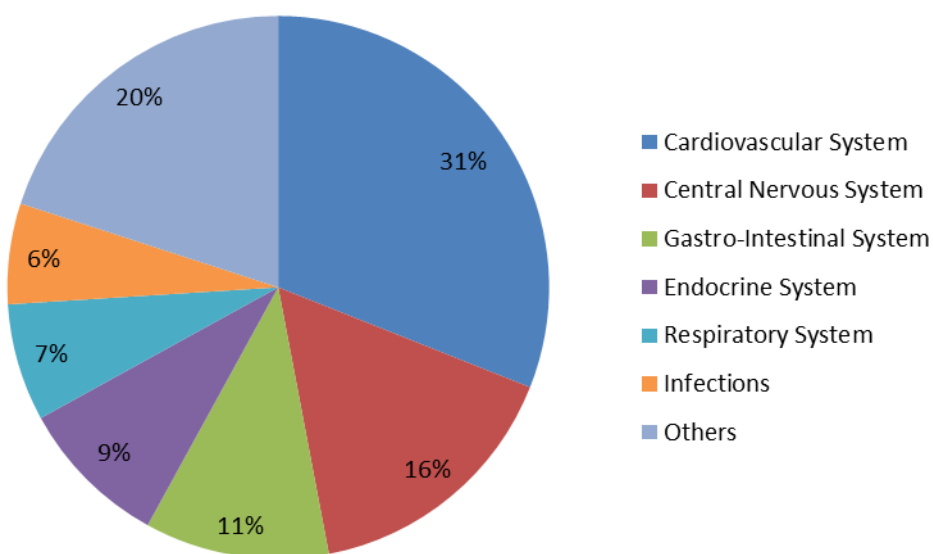


Figure 16: Volume of items prescribed by medicine category in 2016.

The total number of medicines dispensed increased by around 2% on the previous year. Since many medicines are taken to prevent illness and so need to be taken life-long, the number of people taking these medicines grows each year but growth in prescription numbers across many disease areas slowed down in 2016. Disappointingly, there has been a small increase in the use of antibiotics in 2016 compared with the previous year, despite Island-wide initiatives to highlight the risks of overuse of antibiotics.

Drug type	Number of items prescribed	Change from 2015
Drugs to treat high blood pressure and heart failure (ACE inhibitors)	153,883	+1%
Statins and other drugs to reduce cholesterol	143,164	+1%
Acid reducing medicines to treat stomach ulcers and acid reflux	140,811	+1%
Pain killers	101,747	0%
Antidepressant medicines	98,347	+4%
Antibiotics	93,354	+3%

Table 20: Top 6 drug type by number of items prescribed in 2016.

Figure 17 highlights that, as in previous years, medicines which act on the nervous system account for the largest proportion of medicine costs. This category covers a wide range of medicines, including painkillers, treatments for dementia and depression, and sleeping tablets.

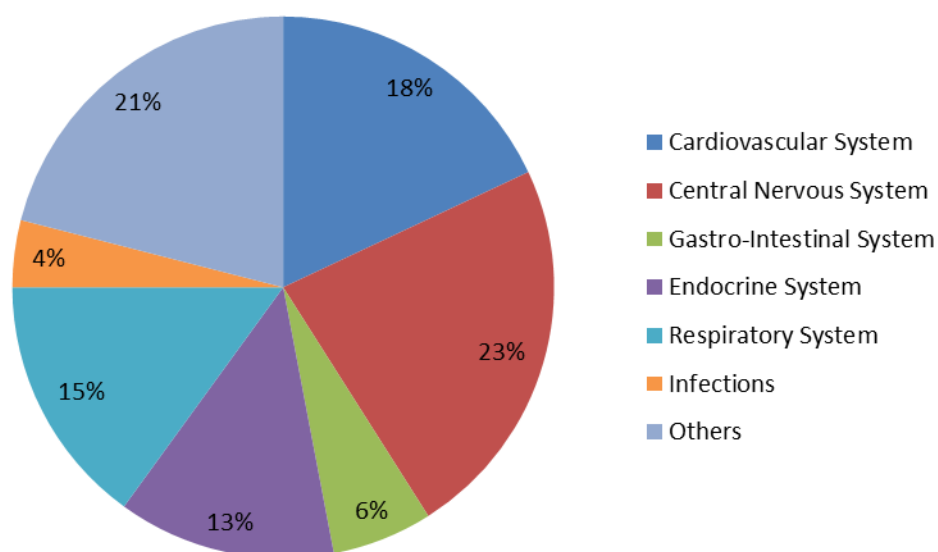


Figure 17: Cost of items prescribed by medicine category in 2016.

HIF – Gluten-free Scheme

Individuals who require a gluten-free diet can receive vouchers towards the cost of purchasing gluten-free products. The current value of the vouchers is £14 per beneficiary per week.

	2012	2013	2014	2015	2016
Number of gluten-free claimants	373	423	481	572	641
Cost of Gluten-free Vouchers £	221,831	256,615	278,516	328,967	392,647
Average cost per claimant £	595	607	579	575	613

Table 21: Gluten-free claimants and costs, 2012 to 2016, as at 31 December.

Section 5 – Long-Term Care Fund Benefits (LTCF)

A new Long-Term Care Fund was set up at the end of 2013. This ring-fenced fund is designed to collect Long-Term Care contributions from tax payers and makes benefit payments to adults who have long term care needs.

Initial funding was provided by the States to allow benefits to be paid from 1 July 2014 whilst collection of Long-Term Care contributions started at the beginning of 2015. The Long-Term Care scheme continues to be funded by an annual States grant and the collection of Long-Term Care contributions, which in 2016 increased from 0.5% to 1% of taxable income up to the Upper Earnings Limit. In total, £42.3m was paid out in Long-Term Care benefit in 2016, which was an increase of £6.3m compared to 2015.

Long-Term Care benefit

One of the key features of the Long-Term Care scheme is to protect households from the uncertainty associated with the risk of incurring catastrophic care costs. To this end, the Long-Term Care benefit (a universal non-means-tested benefit) is payable once care costs reach a certain level – regardless of a household’s income and assets.

Long-Term Care benefit helps all households with their care costs once they have reached the standard care costs cap (£53,060 at the end of 2016). The benefit is paid at 4 levels, depending on the type and level of care needed. The weekly rates as at 31 December 2016 were set at:

Level of standard care	Weekly cost for standard care in a care home
1	359.52
2	548.80
3	793.31
4	997.50

Table 22: Long-Term Care standard care costs.

The Long-Term Care benefit is also available to people receiving care in their own home. In this case, the benefit rate reflects the actual cost of care up to the standard care cost in a care home.

The universal Long-Term Care benefit does not cover the living costs of being in a care home. Support for care costs up to the standard care costs cap of £53,060 and living costs in a care home are provided through two other aspects of the Long-Term Care scheme – Long-Term Care support and Long-Term Care property loans.

Long-Term Care support

Long-Term Care support (means-tested financial support) is available to households to help meet care costs and living costs in a care home, depending on the income and assets of the household.

Long-Term Care support is available to households whose income is not enough to meet these costs and whose total assets are below £419,000. Long-Term Care support helps towards standard care fees and the costs of living in a care home (£318.43 for board and lodging plus £34.72 personal allowance per week in 2016). People receiving care at home can claim Long-Term Care support to help cover their care costs, if necessary, alongside an income support claim which helps with basic living costs.

Long-Term Care property loans

Another important driver for the introduction of the Long-Term Care scheme was to improve financial support for homeowners facing high care bills. Depending on income and assets, property loans are available to help cover care costs and living expenses. Loans are interest bearing at a rate of 0.5% above the Bank of England base rate which was 0.5% until the 4 August 2016, when it decreased to 0.25%.

Demographics

As at 31 December 2016, 1,173 individuals were being supported through the Long-Term Care scheme. Figure 18 below demonstrates the demographic profile of those within the scheme; showing that overall there are almost twice as many women on the scheme as there are men, and that this proportion grows with older age.

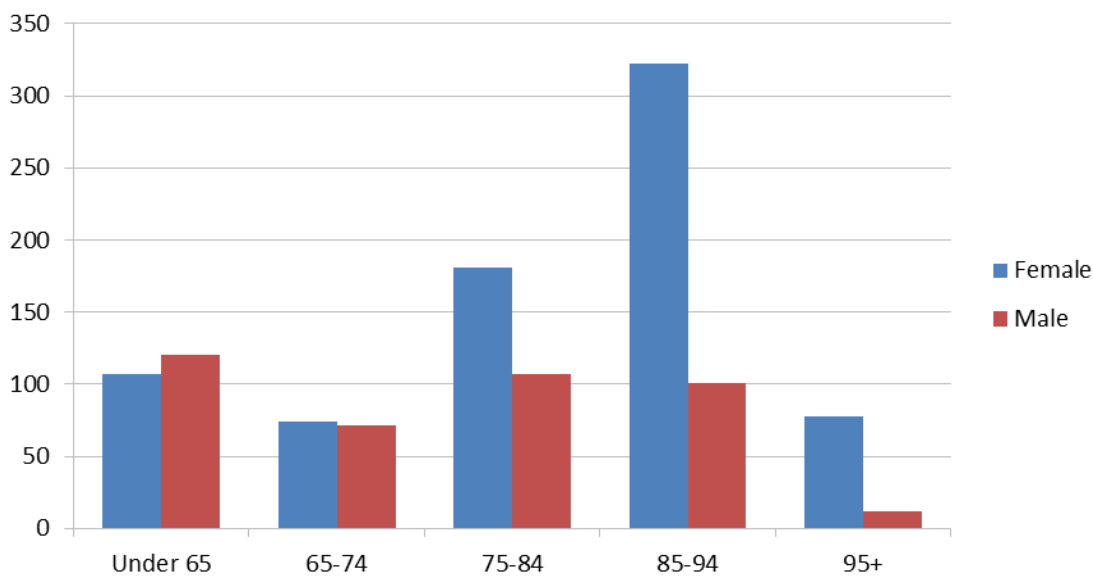


Figure 18: Long-Term Care claimants 31 December 2016.

Section 6 – Tax Funded Services and Benefits

The Department delivers a range of tax-funded, rather than contributory, benefits that are funded directly by the States of Jersey, shown in Table 23.

	2015 £000	2016 £000	
Benefits	Income Support: Weekly Benefit	73,024	70,469
	Income Support: Residential & Nursing Care Fees	(135)	(10)
	Income Support: Transition (Protected) Payments	344	221
	Income Support: Special Payments	1,196	741
	Income Support: Cold Weather Payments	398	562
	<i>Income Support: Total</i>	<i>74,827</i>	<i>71,983</i>
	Christmas Bonus	1,574	396
	Food Cost Bonus	302	260
	Cold Weather Bonus	218	227
	Jersey 65+ Health Scheme	252	275
	TV Licence Benefit	295	275
	Other Benefits (under £100,000 each)	175	142
	States Grant	States Contribution to Social Security Fund	65,300
States Contribution to Long-Term Care Fund		19,502	34,321
Total Benefits & Grants	162,446	173,179	

Table 23: Tax-funded benefit expenditure (excluding administration) for 2015 and 2016.

Tax Funded Services – Back to Work

Introduction

In late 2011, existing employment support teams were brought together to form the Back to Work programme. It was established to strengthen the government's response to rising unemployment and complements our benefits system, which is designed to make work pay, and is a key part of the government's strategy of getting people back to work.

The aim of the Back to Work programme is to support people who are actively seeking work, and to help them back into paid employment.

Over the course of 2016, Back to Work has continued to enhance its existing provision in order to provide a swift and flexible response to the needs of both jobseekers and employers. Its role is to:

- Co-ordinate the work of all government employment schemes.
- Develop targeted schemes to support locally qualified jobseekers.
- Build a partnership with employers to provide sustainable job opportunities for locally qualified Islanders.

Teams and Initiatives

The aim of every team and initiative within the Back to Work programme is to get unemployed Islanders working, keep people in work and create new employment opportunities linked to sustainable economic growth. Employers benefit from an increase in support and financial incentives, and jobseekers have access to training and support to improve their confidence, skills and motivation to move into the workplace.

In 2016 Back to Work continued to expand its services to demographics who hadn't previously benefited from targeted support, specifically adults with lower awards of Long Term Incapacity Benefit (LTIA).

Including these groups resulted in an increase in the Actively Seeking Work (ASW) figures, adding an extra 104 people to the ASW figures during 2016. Back to Work also continued to offer its services to parents of nursery school children, bringing in an additional 129 people. Even with these extra groups included, there was an overall decrease in ASW numbers, ending the year at 1,280: the lowest recorded unemployment figures since December 2010.

Back to Work customers have the support of an Employment Advisor, and can also access training and other work placements to support them into suitable employment and move them towards financial independence.

The number of young people aged 16-24 who were registered as jobseekers fell from 270 to 245 during the year. This represented a great success for targeted Back to Work initiatives for this group, who are especially vulnerable at the start of their working lives.⁶

Back to Work customers can access support from the following specialist teams:

- Advance to Work
- Advance Plus
- Ready for Work
- Work Zone
- Work Right
- Foundations scheme
- Occupational Support Unit (for those jobseekers currently unable to look for work due to serious personal circumstances)

In addition to these teams, Back to Work also includes:

- Back to Work Recruitment – (previously Employer Engagement Team) which provides employers with a tailored recruitment service and financial incentives to encourage them to employ unemployed islanders.

Advance to Work

Advance to Work helps young people who are looking for work make the transition between education and employment. It provides a programme of general and vocational training, personal advisor support and work experience with local employers. Advance to Work's target age group is 16 to 24.

⁶ The number of 16-24 year olds registered as ASW on 31 December 2015 was 270. This was incorrectly reported as 150 in the 2015 Annual Report.

Advance Plus

Advance Plus runs industry-specific schemes for motivated jobseekers aged 20 and over who are registered as actively seeking work. The scheme combines intensive training, a five-week unpaid work placement and advisor support to improve a jobseeker's opportunities for work.

Ready for Work

Ready for Work is the first point of contact for anybody registering as actively seeking work, and provides a referral service across Back to Work should a jobseeker require additional support. The Ready for Work service provides a range of jobseeking support as well as facilities to support jobseekers to find employment.

Work Zone

The Work Zone team of Employment Advisors provide one to one support for work-ready clients through intensive job-seeking activities and training as well as supporting clients already working part time to find more work.

Work Right

The Work Right team offers support and advice about job-seeking to people who are long-term unemployed or have barriers to employment. The team aims to bring its clients closer to finding suitable employment through training and individualised action plans.

Foundations

The Foundations scheme was introduced in 2014. It is designed to support jobseekers who are furthest from employment by bringing them closer to, and back into, employment through providing real work experience. This includes working on manual community benefit projects on various sites across Jersey. The work undertaken benefits the community and would not otherwise have been undertaken, examples include: improvements to National Trust land, the Railway Walk and to the premises of community-based services including Highlands College and Le Squez Youth Club. 2016 also saw Foundations expand its scanning project for jobseekers more suited to office based work.

Foundations provides workers with:

- Experience of work, to improve their general employability in areas such as attendance, positive attitude, teamwork and motivation to work.
- Construction-based skills that include painting and decoration, external maintenance works, and site maintenance.
- Office based skills that include computer and scanning machinery usage and experience with a range of IT packages and skills such as attention to detail.

Occupational Support Unit

The purpose of the Occupational Support Unit (OSU) is to support clients who are unable to engage with the other Back to Work employment provision, and may be deemed either currently or permanently to have significant barriers to employment for one or more reasons. The advisors on this team will support their clients through referrals to relevant supporting agencies, such as Drug & Alcohol or Mental Health Services, and work in partnership with Probation or other services where required.

Financial Incentives

A number of financial incentives are available to employers to support the long-term employed back into employment. These incentives are managed through Back to Work Recruitment.

- The Employment Incentive offers employers wage reimbursement for the first six months of employment, that is £6,755 (at minimum wage for up to 35 hours per week) for permanent contracts of employment for under 25s who have been registered as ASW for six months or more and jobseekers 25 years old and over who have been registered as ASW for 12 months or more.
- The Hospitality Paid Training initiative provides a financial incentive to hospitality employers who recruit and train candidates with no experience in the industry, with their salaries being paid for the training period for up to eight weeks.
- The Construction Paid Training initiative funds the wages and Social Security contributions for up to 12 weeks at minimum wage (up to a value of £3,563) for jobseekers with no experience in this industry.
- The JobsFest Employer Incentive enabled employers in all sectors to recruit an eligible jobseeker fully funded by Back to Work (wages for up to 35 hours per week and Social Security contributions) for the eight week period 5th October to 29th November. The JobsFest initiative ties in with a typically quiet period of recruitment and was available to registered jobseekers who did not work during 2016. This gives employers the opportunity to employ a candidate with no financial commitment in the hope that they may then be in a position to offer them a longer-term contract after the incentivised period.
- The Community Jobs Fund provides up to six months' wages for young or long-term jobseekers employed by a charity or organisation that can provide a role offering a clear, additional benefit to the community.

Actively Seeking Work: Statistics

We gather and maintain data on all individuals who are actively seeking work. This data is reported to the Statistics Unit on a monthly basis and is used to produce and publish an independent analysis.

This is illustrated in Figure 19 which shows the number of individuals who were actively seeking work from 2012 to 2016, with 1,280 people ASW in December 2016 compared to 1,390 in December 2015. In December 2016 more than a quarter of those registered as actively seeking work were working part-time, but were required to find more hours under their Income Support requirements.

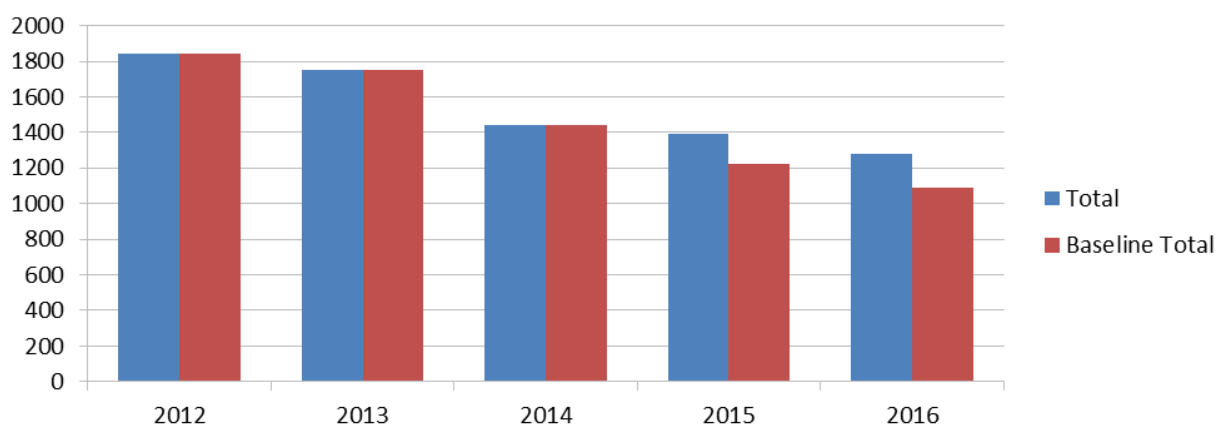


Figure 19: Number of individuals actively seeking work at 31 Dec, 2012 to 2016, including an estimate of the baseline total without additional ASW groups.

As previously noted, changes in ASW reporting throughout 2015 and 2016 resulted in increases to the numbers of people recorded as ASW. These had the effect of including certain Income Support groups in the ASW figures for the first time. Despite this, Back to Work was still able to report a positive trend of decreasing numbers of people looking for work, particularly through the additional support services offered to these groups.

The Back to Work teams and initiatives helped unemployed people into 2,036 paid jobs in 2016, compared to 1,910 in 2015 and 2,140 in 2014 when unemployment levels were higher. There is no doubt that without the investment in Back to Work the numbers of those registered as actively seeking work would have been higher.

Scheme	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Total
WorkZone	184	180	195	122	681
Work Right	133	146	152	175	606
Advance to Work	75	82	81	72	310
Advance Plus	78	53	48	36	215
Ready for Work	49	50	57	68	224
Total BTW	519	511	533	473	2,036

Table 24: Numbers of jobs started by customers of each scheme during 2016.

Actively Seeking Work: Demographics of Individuals

There were 3,735 individuals who were actively seeking work at some point during 2016. The split between males and females was approximately 50%, with the largest group being represented by males aged between 16 and 19 (303, 8% of all Islanders in this category registered as actively seeking work at some point during the year).

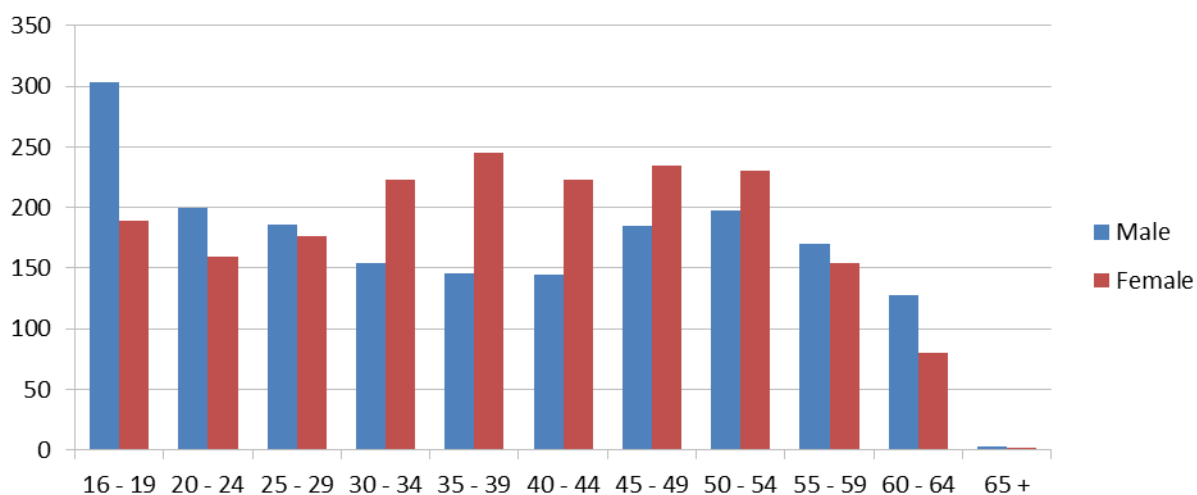


Figure 20: Gender and age bracket of individuals actively seeking work at some point in 2016.

More than three quarters of individuals registered as actively seeking work were part of an Income Support household. This proportion has remained stable since 2015, when new groups of Income Support claimants were brought into Back to Work services. Overall, the proportion of individuals who were long-term unemployed increased significantly during 2016. This is in part due to the additional groups that were introduced in 2015 some of whom will have remained actively seeking work into and throughout 2016.

	31 December 2015	31 December 2016
Total No. of individuals ASW	1,390	1,280
No. of individuals also on Income Support	1,140	1,040
% of individuals also on Income Support	82%	81%
No. of individuals long-term unemployed	200	260
% of individuals long-term unemployed	14%	21%
No. of individuals aged 16 - 24	270	240
% of individuals aged 16 - 24	19%	19%

Table 25: Numbers and proportions of the three target categories at the beginning and end of 2016.

Tax Funded Services – Jersey Employment Trust

The Jersey Employment Trust (JET) is a charitable trust whose primary role is to assist people with a disability and/or a long-term health condition to find and sustain employment. JET provides a range of employment support services, from pre-vocational education courses, work tasters in its own vocational training areas and work experience placements in other commercial settings. The trust helps people to find suitable employment opportunities and also provides on-the-job training and support.

The grant awarded to JET in 2016 was £1,977,500.

More information can be found on the JET website (<http://www.jet.co.je>).

Tax Funded Services – Jersey Advisory and Conciliation Service

The Jersey Advisory and Conciliation Service (JACS) is an employment relations service that helps employers, employees and trade unions work together for the prosperity of Jersey business and the benefit of employees. JACS also helps explain the changes in employment and discrimination law that have been enacted and those which are expected in the next few years.

The services provided by JACS seek to:

- Prevent and resolve employment disputes.
- Provide impartial information and advice to employers and employees on employment matters.
- Improve the understanding of employment relations.

The Social Security Department provides an annual grant to JACS in order to deliver its services, which in 2016 was £378,100. In addition to the main JACS services, an outreach service provides proactive and in-house assistance to small employers (typically with 10 or fewer employees) at an early stage in order to help prevent employment related problems arising in the first place, and to remove the perceived barriers to employing staff by ensuring that employers have an essential tool kit of employment documentation.

The Social Security Minister approves board members appointments.

More information can be found on the JACS website (<http://www.jacs.org.je/>)

Tax Funded Services – Health and Safety Inspectorate

The Health and Safety Inspectorate carries out a wide range of actions aimed at ensuring that people at work and others who could be affected by working activities are not exposed to risks to their health or safety.

These actions, which are prioritised to address serious health and safety issues, include:

- Investigating work-related events which have resulted in death, serious injury or ill health.
- Inspecting high risk workplaces to gain compliance with Occupational Health and Safety (OHS) legislation.
- Providing advice and guidance to enable those seeking help to meet their duties under OHS legislation.
- Taking action on complaints about working conditions and activities within our stated complaints policy.
- Enforcing OHS legislation within the Inspectorate's stated enforcement policy.
- Collating and publishing statistical information on work related accidents and ill health.
- Carrying out targeted action in specific areas to seek improvements in the understanding and management of OHS.
- Supporting industry-led initiatives to improve OHS.
- Developing the legal framework for OHS to support the improvement of the control of risks in the workplace.

The Health and Safety Inspectorate publishes a separate annual report which gives more detail on specific activities.

Tax Funded Benefits – Income Support

Introduction

With expenditure in 2016 of just under £72 million, the Income Support benefit is by far the largest tax-funded benefit that we provide. Within that total, support is provided to households and individuals in a variety of different circumstances. An analysis of the £72 million spent in 2016 is as follows:

Category	2015 £000	2016 £000
Income Support: Weekly Benefit	73,024	70,469
Income Support: Residential & Nursing Care Fees ⁷	(135)	(10)
Income Support: Transition (Protected) Payments	344	221
Income Support: Special Payments	1,196	741
Income Support: Cold Weather Payments	398	562
Total	74,827	71,983

Table 26: Categorized 2015 and 2016 Income Support benefit expenditure.

Most of the spending on Income Support is used to provide a weekly benefit to eligible local families. Funding is also available to help with one-off costs. Until the end of June 2014, Income Support also provided financial assistance to people living in care homes. From 1 July 2014 this was replaced by the new Long-Term Care scheme.

Income Support: Weekly benefit

Income Support is a household benefit. The amount paid to an individual household depends on the number of people in the household, where they live, their specific needs, and the income and capital assets of the household.

Income Support is available to households in which at least one adult meets a residence test (of at least five years residence in Jersey). Income Support claimants aged 65 and above are not subject to a work test but every adult aged under 65 must meet a work test by either being in full-time work or being included in an exempt category.

Who receives Income Support?

Income Support legislation includes specific rules as to who is included within an Income Support household. In general terms, an Income Support household comprises an adult claimant and, if applicable, their spouse, civil partner or other long-term partner and dependent children.

For Income Support purposes, children are defined as those aged below compulsory school leaving age.⁸

Young adults above compulsory school leaving age continue to be included within the household of their parents if they are under 25 and actively seeking work or in full-time education.

⁷ With the introduction of the Long-Term Care scheme there are very few individuals accessing the Income Support Residential Scheme. There continue to be adjustments to previous claims which have resulted in the overall position being negative.

⁸ Compulsory school leaving age. A child reaches compulsory school leaving age on 30 June in the academic year in which the child has their 16th birthday. The academic year runs from 1 September to 31 August. Most children will be 16 when they reach compulsory school leaving age, but those with birthdays in July or August will still be 15.

There are additional rules in respect of young people with disabilities.

An extended family living together is considered as separate Income Support households. For example, a couple with two young children sharing accommodation with the wife's parents and the husband's brother and sister-in-law are treated as three separate households:

- The couple and their two dependent children.
- The wife's parents.
- The husband's brother and his wife.

Each household must satisfy the tests for Income Support separately.

At the end of December 2016, a total of 5,951 households were receiving Income Support. These households were made up of: 7,652 adults and 3,275 children.

For this report, these household claims have been split into four groups:

1. 65 years and above (**65+**): all households that include one or more adults aged 65 or above.
2. Working age adults with no dependent children (**adult/s without children**): one or more adults all aged below 65, with no dependent children.
3. 2 or more adults with dependent children (**adults with child/ren**): 2 or more adults aged below 65 with one or more dependent children.
4. Single adult with dependent children (**single adult with child/ren**): a single adult aged below 65 with one or more dependent children.

The distribution of adults and children amongst these household groups is as follows:

Household Type	No. of Claims	Total No. of Adults	Average (mean) No. of Adults per Claim	Total No. of Children	Average (mean) No. of Children per Claim
65+	1,726	2,083	1.2	6	0.0
Adult/s without children	2,270	2,615	1.2	-	-
Adults with child/ren	918	1,917	2.1	1,667	1.8
Single adult with child/ren	1,037	1,037	1.0	1,602	1.5
Total	5,951	7,652	1.3	3,275	0.6

Table 27: Number and average number of adults and children on Income Support claims as at 31 December 2016.

Over the previous five years, the distribution of household types across all Income Support claims has remained relatively stable, with a slight decrease in the proportion of adult claims without children. This has been caused in part by changes in the Income Support rules, which now include young jobseekers under the age of 25 in their parents' household. Until 2011, all jobseekers were treated as separate households

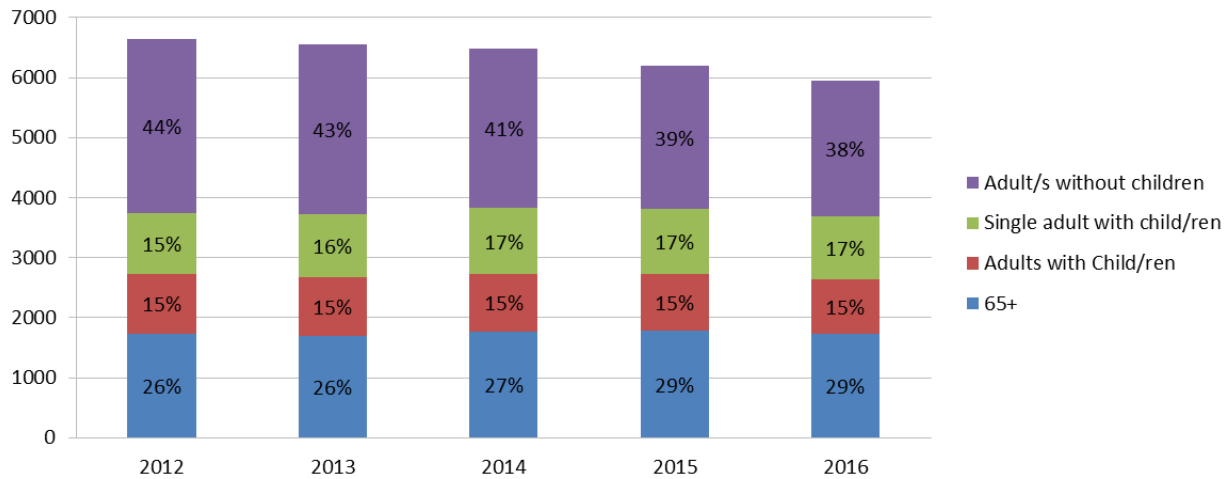


Figure 21: Distribution of income support claims by household type as at 31 December, 2012 to 2016.

Well over half of all Income Support households consist of a single adult without children: 1,975 adults aged up to 65 (33% of all claims), and 1,373 adults aged 65 and above (23% of all claims). Table 28 provides more detail:

Household Type	No. of claims that include:				Total
	1 Adult	2 Adults	3 Adults	4 or more Adults	
65+	1,373	349	4	-	1,726
Adult/s without children	1,975	250	40	5	2,270
Adults with child/ren	-	842	72	4	918
Single adult with child/ren	1,037	-	-	-	1,037
Total	4,385	1,441	116	9	5,951

Table 28: Number of claims by size and type of household as at 31 December 2016.

Table 29 details the number of children on Income Support claims, by household type:

Household Type	No. of claims that include:				Total
	1 Child	2 Children	3 Children	4 or more Children	
65+	4	1	-	-	5
Adults with child/ren	379	383	114	42	918
Single adult with child/ren	623	297	94	23	1,037
Total	1,006	208	202	65	1,960

Table 29: Number of claims that include children by size and household as at 31 December 2016.

51% of claims with children include just a single child.

There are 65 claims which include four or more children. This represents 3% of all claims including children, and 1% of all Income Support claims.

The proportion of Jersey or British people claiming Income Support matches the make-up of the Island's population, the actual numbers in some of the other groups is small.

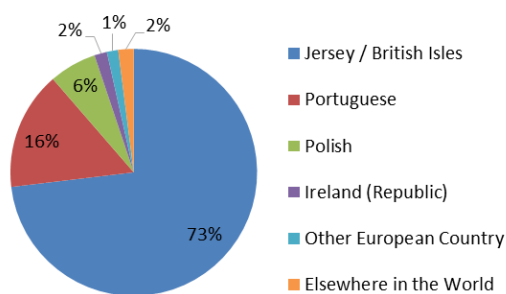


Figure 22: Nationality of working age (16-64) individuals on Income Support as at 31 December 2016.

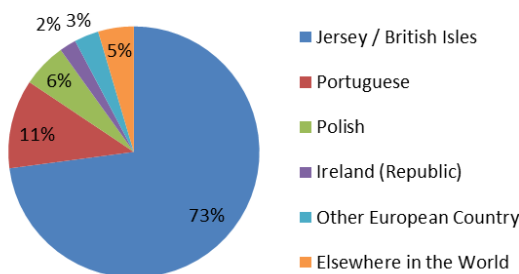


Figure 23: Nationality of working age (16-64) population registered with the Social Security Department as at 31 December 2016.

Overall Claim Rate

For the 5,951 Income Support claims in payment on 31 December 2016, the average (mean) weekly claim rate was £223, with a median value of £200 per week. The spread of Income Support weekly claim rates is shown below:

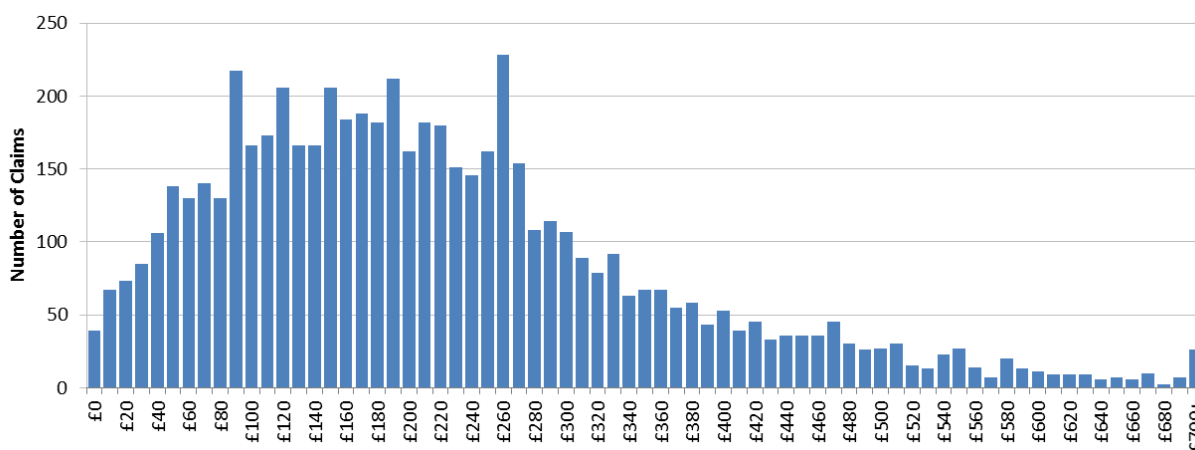


Figure 24: Weekly Income Support claim rate as at 31 December 2016 (rounded to the nearest £10).

- The spike at £250-£260 per week represents the most common rate paid to an unemployed single adult living in a one bedroom rented property.

At the end of 2016 there were 26 claims with a total weekly benefit above £700. These claims represent large households, many including a child or adult with a significant disability.

Total Household Income

Income Support tops up other household income. Many Income Support households receive income through earnings, pensions, other social security benefits, maintenance agreements and other income. 88% of Income Support households have some other form of income, with the remaining 714 (12%) of Income Support households being totally reliant on Income Support for their weekly income.

As household income from other sources increases, the Income Support benefit decreases until the family is fully self-sufficient. Depending on the source of income, a variety of incentives and allowances are provided to encourage Income Support families to support themselves as far as possible.

Table 30 indicates the average weekly income received from Income Support and from other sources for each of the household types at the end of 2016, as well as the percentages of the Income Support households that are wholly reliant on Income Support.

Household Type	Average Income Support Benefit £	Average Other Income £	Average Total Income £	Percentage of Households wholly reliant on Income Support
65+	£179	£226	£405	1%
Adult/s without children	£186	£165	£351	24%
Adults with child/ren	£272	£498	£770	3%
Single adult with child/ren	£334	£246	£581	12%
Total	£223	£248	£471	12%

Table 30: Total average (mean) weekly income based on claims as at 31 December 2016.

The previous five years have seen a significant decrease in the percentage of Income Support households that are wholly reliant the weekly benefit as their source of income. Table 31 shows that this trend can be seen across all household types.

Year	65+	Adult/s without children	Adults with child/ren	Single adult with child/ren	Total
2012	1%	34%	6%	17%	19%
2013	1%	32%	6%	17%	17%
2014	1%	29%	4%	17%	15%
2015	1%	25%	2%	14%	13%
2016	1%	24%	3%	12%	12%

Table 31: Percentage of Income Support households wholly reliant on Income Support by year and household type as at 31 December, 2013 to 2016.

Earnings

In 2016, Income Support households had total earnings of approximately £43.6 million. An earnings disregard of 23%⁹ (plus an additional 6% in respect of the cost of Social Security contributions) is allowed against the Income Support calculation, providing a real incentive for low income families to take up and remain in work. This means that only 71% of earned income is included in the Income Support calculation and customers keep 29p in every £1 they earn without it affecting their benefit.

As at 31 December 2016, the distribution of adults with earnings amongst all claims consisting entirely of working age adults was as follows:

Working Age Household Type	No. of Claims with no Adult with Earnings	No. of Claims with at least one Adult with Earnings	Total No. of Claims	% of Households with no Adult with Earned Income
Adult/s without children	1,514	756	2,270	67%
Adults with child/ren	105	813	918	11%
Single adult with child/ren	398	639	1,037	38%
Total	2,017	2,208	4,225	48%

Table 32: Working age adults with and without earnings as at 31 December 2016.

Over the previous five years from 2012 to 2016, the percentage of working age households with no adults with earned income has decreased steadily from 58% to 48%. In addition, the percentage of children in workless households has decreased at a similar rate, as shown in Table 33.

Year	% of Working Age Households with No Earned Income	% of All Children in Working Age Households with No Earned Income
2012	58%	35%
2013	55%	35%
2014	52%	32%
2015	49%	28%
2016	48%	26%

Table 33: Percentage of children in households with no earned income as at 31 December, 2012 to 2016.

⁹ The earnings disregard increased from 20% to 23% on the 7th April 2014.

Pensions

The second largest source of income for Income Support households is pensions, worth a total of about £20 million in 2016. For pensioners aged 65 and above whose claim started on or after 1st January 2016 a 23% disregard is applied to any pension income. Pensioners aged 65 and above who were part of an open Income Support claim prior to 1st January 2016 were provided with the larger amount of either a 23% disregard or a weekly allowance against pension income of £55.23 (first pensioner) and £35.77 (second pensioner), enabling the household to receive the greater amount of benefit. These amounts are exempt from the Income Support calculation. The annualised average pension income of 65+ household has increased by 2% on average each year since 2011.

Household Type	Average Annual Pension Income £	No. of Claims that include Pension Income	% of all Households with Pension Income
65+	11,102	1,705	99%
Adult/s without children	5,934	133	6%
Adults with child/ren	5,884	15	2%
Single adult with child/ren	5,603	15	1%
Total	10,648	1,868	31%

Table 34: Average annual pension income in 2016 by household type as at 31 December 2016.

Interest and Investment Income

Actual income received from capital assets is not included in the Income Support calculation. This includes bank interest, share dividends and rental income (in some circumstances). However, the value of capital assets themselves is taken into account to produce a 'deemed' income in some cases (see Capital Assets on page 53).

Maintenance Payments

Following the breakdown of a relationship, maintenance may be paid for a child or ex-partner. In particular, if parents do not live together, the "absent" parent is expected to contribute towards the maintenance of their children. As of 1st January 2016, the allowance provided against maintenance income was increased to 23% in line with other sources of income. Just over half of claims that include a single adult and dependent children receive maintenance as part of the household income.

Household Type	No. of Claims that include Maintenance Income	Annualised average of Maintenance Income per claim £	% of all Households receiving Maintenance Income
65+	10	3,120	1%
Adult/s without children	57	2,488	3%
Adults with child/ren	109	3,094	12%
Single adult with child/ren	535	2,768	52%
Total	711	2,801	12%

Table 35: Annualised average maintenance income by household type as at 31 December 2016.

Long-term Incapacity

Long-term incapacity allowance (LTIA) and invalidity benefit (INV) are contributory benefits for working age adults who have a loss of faculty. With effect from 1st January 2016, the 6% disregard for LTIA and INV income was removed. An estimate of the total annual income received by Income Support households from these two contributory benefits is £8.0 million.

Household Type	No. of Claims that include INV / LTIA Income	Annualised average of INV / LTIA Income per claim £	% of IS Households receiving INV / LTIA Income
65+	69	5,274	4%
Adult/s without children	987	6,291	43%
Adults with child/ren	164	5,390	18%
Single adult with child/ren	124	4,287	12%
Total	1,344	5,944	23%

Table 36: Annualised average INV / LTIA income by household type as at 31 December 2016.

Other Income

Income Support households receive income from a variety of other sources, including Short Term Incapacity Allowance and income from lodgers. No allowance is provided against these types of income in the Income Support calculation.

An estimate of the total annual income received by Income Support households from other income is £2.7 million.

Charitable Income and Expense Payments

Income received from a charity and expenses paid in connection with voluntary work are not included in the Income Support calculation and do not affect the value of Income Support received.

Income by Household Type

Figure 25 – Figure 28 illustrate the relative weighting of different types of income on average, including Income Support, for each household type receiving Income Support as at 31 December 2016. Each figure identifies the value of income received by the household type, e.g. 52% of the total income received by 65+ households is in the form of pension income:

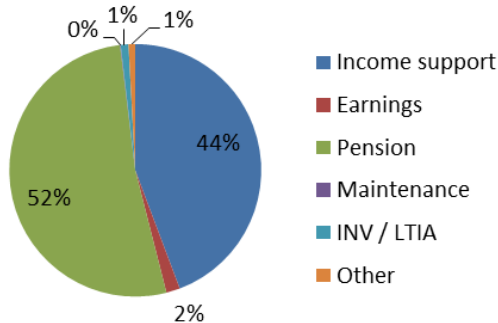


Figure 25: Type of income for 65+ Income Support households as at 31 December 2016.

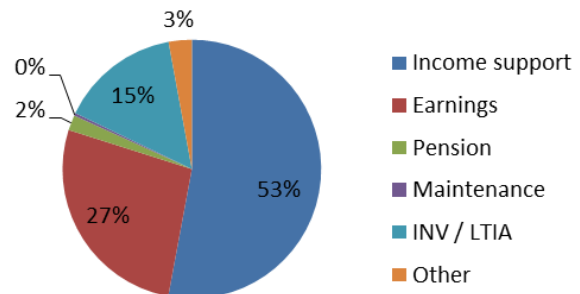


Figure 26: Type of income for 'adult/s without children' Income Support households as at 31 December 2016.

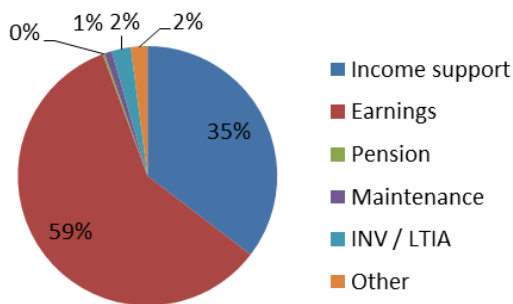


Figure 27: Type of income for 'adults with child/ren' Income Support households as at 31 December 2016.

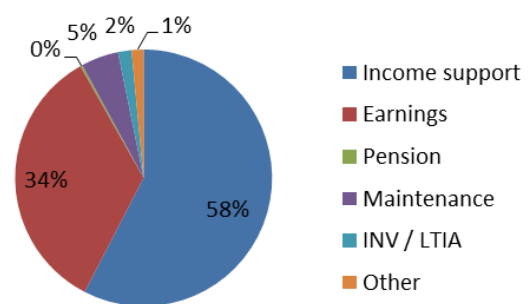


Figure 28: Type of income for 'single adult with child/ren' Income Support households as at 31 December 2016.

Households with no income other than Income Support

A minority of Income Support households do not have any other income. Typically, this could be due to unemployment, a single parent with a young child and no maintenance agreement in place, or an individual with a long-established medical condition who does not qualify for any contributory benefit.

Household Type	No. of Claims Showing no Income on 31 December 2016	% of all Claims of this type
65+	15	1%
Adult/s without children	543	24%
Adults with child/ren	28	3%
Single adult with child/ren	128	12%
Total	714	12%

Table 37: Income Support households with no other income as at 31 December 2016.

Capital Assets

If an Income Support claimant owns their own home, the value of the property is completely exempt from the Income Support calculation. Other capital assets such as deposit accounts, stocks and shares up to a certain level are exempt from Income Support calculations. These levels are shown in Table 38. Claimants with capital assets above these levels can still receive Income Support but at a lower rate. Benefit is withdrawn at the rate of £1 per week for every £250 of capital assets above the exemption limit. This is achieved by adding a 'deemed' income of this amount to the claim.

Type of Household	Capital Exemption Amount £
Single person - aged 65 or over	13,706
Single person - with personal care component	13,706
Single person - other	9,137
Couple - aged 65 or over	22,718
Couple - at least one with personal care component	22,718
Couple - other	15,145

Table 38: Capital exemption limits as at 31 December 2016.

Table 39 details the number of households that have capital assets either above or below the relevant exemption limit:

Household Type	No. of Claims with Assets below Capital Threshold	No. of Claims with Assets above Capital Threshold	Average Value of Excess Capital above Threshold £	% of all Claims of this type with Capital Assets above Threshold
65+	1,391	335	£10,859	19%
Adult/s without children	2,154	116	£8,960	5%
Adults with child/ren	883	35	£10,466	4%
Single adult with child/ren	1,004	33	£10,381	3%
Total	5,432	519	£10,377	9%

Table 39: Capital assets by household type as at 31 December 2016.

Whilst almost 20% of 65+ households have some capital savings above the exemption limit, only around 4% of other households have savings above these levels.

Components

Income Support is designed to offer financial support for different day-to-day basic living costs. The amount of Income Support that a household receives will depend on the composition of the household and their current circumstances, such as household income and savings, ages, living arrangements, and any medical condition or care needs of a member of the household. To provide support tailored to specific family circumstances, Income Support is made up of a number of separate components to cover basic living costs, accommodation, childcare, carer, medical and care costs.

Basic Components

Adult components

The value of the adult component at 31 December 2016 was £92.12 per week.

The adult component is available to each adult included on the claim who satisfies the five year residency condition. For Income Support purposes, an adult is someone aged above compulsory school leaving age. From 1 August 2012 new claimants who did not satisfy the residency condition no longer received the adult component. For existing claimants who did not satisfy the residency condition the adult component was no longer available after the end of 2012.

Young adults above compulsory school leaving age continue to be included within the household of their parents if they are:

- Under 25 and actively seeking work (jobseeker).
- Under 25 and in full-time education.

There are additional rules for young people with disabilities.

Lone parent component

As of 1 November 2015, the lone parent component is no longer available to new income support claims. For claims that were already receiving this component at that point, the value of the lone parent component decreased on 1st January 2016 from £132.51 per week to £122.43 and decreased again on 1st October 2016 to £112.35.

The lone parent component is available if there is a single adult on the claim and at least one child and these circumstances have not changed since 1 November 2015. In some circumstances the lone parent component is also paid if there is a second adult aged under 19 included on the claim. At the end of 2016 there were 135 claims in this category.¹⁰

Child component

The value of the child component at 31 December 2016 was £63.98 per week.

The child component is available for each child on the claim aged up to compulsory school leaving age.

As of 31 December 2016 there were 210 claims that included a child born in 2016.

Household component

The value of the household component at 31 December 2016 was £51.31 per week.

The household component reflects the fixed costs of a household, regardless of the number of people living together. These include some specific items such as household insurance and the cost of a TV licence, together with more general costs such as energy, household maintenance etc. It is not paid to individuals who live with another household (for example, a young unemployed adult aged 25 or above who remains living with his or her parents).

¹⁰ These claims are not included in the "single adult plus dependent children" (single adult with child/ren) category used throughout this report. If the household includes additional younger children, the claim will be identified in the 'two or more adults with dependent children (adults with child/ren)' category. Otherwise, the claims will be identified in the 'Working age adults with no dependent children (adults without children)' category.

Accommodation Components

Accommodation components are available to both tenants and owner occupiers. Since April 2014, the support provided for tenants reflects the policies approved by the States as part of the Housing Transformation programme. For private rented properties, maximum component levels are set for each size of unit and the component is only available up to this maximum level, regardless of the actual rent paid. If the rent paid is less than the maximum available, the component is set at the actual value of the rent. For social housing properties, the rent component reflects the actual rent paid in most cases. Owner occupiers have a smaller component available to assist with the cost of parish foncier (owner's) rates and building insurance. An accommodation component is not usually allocated to a claimant aged below 25. However, support is available in certain circumstances.

4% of Income Support claims were in respect of individuals living with other family members. These claimants do not receive accommodation or household components.

Table 40 shows the maximum weekly component available for each type of private dwelling as at 31 December 2016. Social housing rented property is paid according to the reasonable rent charge.

	Owner Occupier rate £	Private Tenant Maximum rate £
Hostel	N/A	100.10
Bedsit/Lodgings	6.37	131.88
One-bed flat	6.37	194.46
One-bed house	6.37	222.88
Two-bed flat	6.37	248.99
Two-bed house	9.03	283.01
Three-bed flat	9.03	267.26
Three-bed house	12.74	330.54
Four-bed flat	12.74	267.26
Four-bed house	12.74	360.29
Five or more-bed flat	12.74	267.26
Five-bed house	12.74	398.86
Six or more-bed house	12.74	398.86

Table 40: Weekly accommodation rates as at 31 December 2016.

Table 41 sets out the number of Income Support households by tenure and property type as at 31 December 2016.

	Owner Occupier	Andium Homes Rental	Housing Trust Rental	Private Rental	Other	Total
Hostel	0	0	0	0	60	60
Bedsit/Lodgings	1	188	14	332	82	617
One-bed flat	28	1,320	258	630	17	2,253
One-bed house	47	125	20	104	27	323
Two-bed flat	6	562	120	368	5	1,061
Two-bed house	22	280	54	226	3	585
3 or more-bed flat	2	29	14	19	0	64
Three-bed house	9	328	100	160	2	599
Four-bed flat	0	0	1	0	0	1
Four-bed house	4	48	9	23	0	84
5 or more-bed house	1	4	0	2	0	7
Other / None	0	0	0	4	293	297
Total	120	2,884	590	1,868	489	5,951

Table 41: Income Support claims by tenure and property types as at 31 December 2016.

At the end of 2016, over half of all Income Support households (58%) occupied an Andium Homes or Housing Trust rental property. 2% (120) of Income Support households were owner occupiers.

Medical Components

Income Support medical components are available to assist with costs as follows: personal care components (three levels) provide additional support for individuals who have difficulty undertaking basic daily activities; mobility components (two levels) provide support for those who have significant mobility problems outside the home; and clinical cost components (two levels) provide additional support for those who need a higher than average number of GP visits to monitor an ongoing medical condition. Individuals can be eligible for one or more components depending on their particular condition.

34% of claims (2,031 claims in total) had at least one medical component included as at 31 December 2015.

Table 42 shows the weekly value of these components at 31 December 2016:

Medical Components	Clinical Cost (CC1)	Clinical Cost (CC2)	Mobility Non-Earner (MOB1)	Mobility Earner (MOB2)	Personal Care (PC1)	Personal Care (PC2)	Personal Care (PC3)
Weekly value £	3.15	6.30	22.96	45.92	22.96	101.15	145.25

Table 42: Medical component weekly rate value as at 31 December 2016.

Table 43 shows the number of medical components included on claims as at 31 December 2016. Note that one claim may appear in more than one column. An overall decrease in the number of Income Support claims along with ongoing reviews of mobility and clinical cost impairment components and the movement of individuals in receipt of a personal care component into Long-Term Care have contributed to a decrease in medical components across the board.

Household Type	Clinical Cost (CC1)	Clinical Cost (CC2)	Mobility Non-Earner (MOB1)	Mobility Earner (MOB2)	Personal Care (PC1)	Personal Care (PC2)	Personal Care (PC3)
65+	386	451	485	2	210	171	119
Adult/s without children	307	355	369	16	180	139	186
Adults with child/ren	63	58	67	3	33	9	10
Single adult with child/ren	49	73	45	0	39	7	0
Total	805	937	966	21	462	326	315

Table 43: Medical components by household type as at 31 December 2016.

Carer's Component

The carer's component is available to the main carer of an individual who has a significant disability (i.e. meets the requirements for the highest level of personal care component: PC3). The carer's component can be claimed by a carer of any age, and at 31 December 2016 had a value of £46.97 per week. The cared for person does not need to be living in the same household as the carer. There were 166 Income Support claims which included a carer's component as at 31 December 2016.

Child Care Component

The child care component is available to assist with the cost of registered childcare to allow a parent to return to employment. Two hourly rates are available depending on the age of the child.

As at 31 December 2016 the rates were: up to £6.59 per hour for children under 3 and up to £5.15 per hour for children aged between 3 and 11.

At the end of 2015, there were 236 Income Support claims which included a total of 304 child care components.

Overall Cost of Components

As the value of Income Support paid to a particular household depends not only on the mix of components that it is entitled to, but also on the other income received by the household, it is not straightforward to report on the value of each component in the total expenditure for Income Support.

However, to enable an analysis of the total cost to be undertaken, a method of allocating costs within the various components has been developed. This method divides the actual Income Support benefit received by a household in proportion to the gross value of each of the components that the household is eligible for, to allocate a specific net value to each of the components.

Whereas most of the analysis provided in this report is based on a detailed analysis of the Income Support claims in payment on the last day of 2016, in order to compare the total spend in 2016 across the range of components, it is necessary to examine expenditure throughout the year. The mix of claims changes over time and the values of some components were increased during the year. The following analysis includes data taken from each month of the year to ensure that trends in the take-up of Income Support and rate changes during the year are represented, and provides approximate net values for the cost of each component group.

Household Type	Living £000	Accommodation £000	Other £000	Total £000
65+	7,282	7,089	1,707	16,077
Adult/s without children	10,294	9,509	2,448	22,252
Adults with child/ren	7,259	5,177	749	13,184
Single adult with child/ren	9,642	8,416	899	18,956
Total	34,477	30,190	5,802	70,469

Table 44: Analysis of net expenditure in 2016 by component and household type.

Throughout this section, components have been grouped as follows:

- Living: adult, child, lone parent and household components.
- Accommodation: all accommodation components (tenants and owner occupiers).
- Other: all medical components, carer, and childcare.

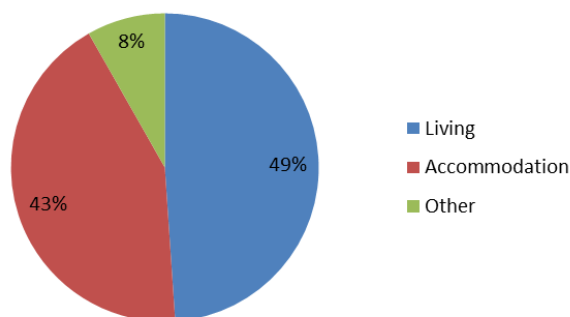


Figure 29: Distribution of 2016 net annual expenditure by component type.

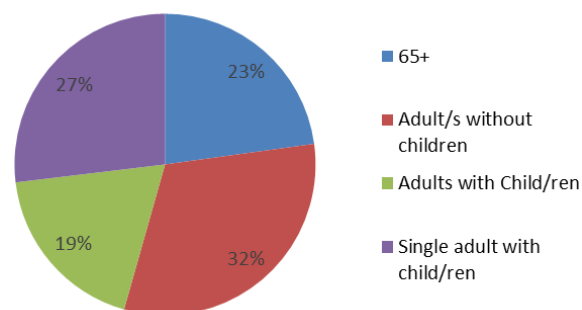


Figure 30: Distribution of 2016 net annual expenditure by household type.

More than 50% of the net expenditure on accommodation components for Income Support households related to accommodation rented out by Andium Homes. Table 44 shows that in terms of rental expenditure, the majority of pensioner Income Support households are accommodated in social housing versus rental accommodation in the private sector, however the split is much more even for households made up of multiple adults and at least one child.

£000	65+	Adult/s without children	Adults with child/ren	Single adult with child/ren	Total
Andium Homes	4,676	4,813	2,392	4,579	16,461
Other Trust Rental	859	800	673	998	3,330
Private Rental	1,312	3,354	2,076	2,779	9,520
Other	231	535	34	55	856
Owner Occupier	11	7	1	3	23
Total	7,089	9,509	5,177	8,416	30,190

Table 45: Distribution of accommodation net expenditure (£000), by household and tenure type, 2016.

Income Support: Special Payments

The weekly Income Support payments are designed to meet daily living costs. Income Support legislation also allows for larger one off costs to be met through special payment grants or loans. These cover a number of areas as shown in Table 46:

Description	No. of Payments as Grants	No. of Payments as Loans	Value £000
Essential household equipment	1	245	141
Rental deposit	1	186	248
Removal expenses	0	28	8
Medical expenses	1305	160	561
Funerals	35	0	67
Loan repayment / Adjustment			(284)
Total	1342	619	741

Table 46: Special payments in 2016.

Income Support: Cold Weather Payments

Cold weather payments are made to selected Income Support households during the winter months. Cold weather payments are calculated for the months of October to April if the temperature drops below a certain level. Payments are made in arrears, i.e. October's payment is made in the first week of November.

The cold weather payment for a month is made to any household receiving Income Support that, for the whole of the month, includes one of the following:

- someone over 65 years old,
- a child under the age of 3, or
- someone receiving personal care level 3 component.

In 2016, the following cold weather payments were made:

	Jan	Feb	Mar	Apr	...	Oct	Nov	Dec	Total 2016 Value
Value £	47.14	43.55	46.85	26.01		0.00	25.33	42.51	231.39

Table 47: Monthly cold weather payment values in 2016.

In 2016, the total value of cold weather payments was £562,000 with an average (mean) of 2,413 households receiving a payment each month.

Income Support: Ministerial Exceptional Payments

The Income Support law provides a set of rules against which benefit decisions are made. Inevitably, from time to time an unusual situation will arise that is not covered by the standard rules and, in the event of an exceptional circumstance, the Minister has the power to make payments outside of the standard Income Support rules. Payments authorised under these powers in 2016 totalled £122,000; however, some payments may run across more than one calendar year. The cost of these payments is reported within the weekly Income Support costs.

Income Support: Child Personal Care Benefit

In September 2014 the States Assembly agreed to introduce a new benefit whereby parents of children who meet the requirements for the highest levels of the impairment award can receive a payment in respect of the child, **independent of parental income**.

This came into force for children with personal care level 3 awards on 17th September 2014 and was extended to children with personal care level 2 awards on 1st January 2015.

On 31st December 2016 there were 106 children with level 3 personal care needs receiving a child personal care benefit of £145.25 per week, and 59 children with level 2 personal care needs receiving a child personal care benefit of £101.15 per week, living in households that did not otherwise qualify for Income Support. A total of £1.0m was paid out in Child Personal Care Payments in 2015, an increase of £111,000 on 2015.¹¹ This value is reflected as part of the total for Income Support: Weekly Benefit shown in Table 23.

¹¹ These figures were incorrectly reported in the 2015 Annual Report, there were 46 children in receipt of level 2 child personal care benefit and 96 children in receipt of level 3 child personal care benefit, with a total cost of £924,000.

Tax Funded Benefits – Christmas Bonus

The Christmas Bonus is a lump sum benefit of £84.87 (in 2016) that is paid in December to:

- people aged 65 or over who, in November 2016, were:
 - members of the 65+ Health Plan and / or
 - receiving Income Support
- members of Income Support households who in November 2016:
 - had a significant disability and received the personal care impairment component level two or three
 - were full-time informal carers and received the carer's component of Income Support
- people who claimed Long-Term Care and who received means-tested support with their living expenses in November 2016

The States Assembly agreed to annul the previous Christmas Bonus Law in 2015 and the December 2015 payment was the final amount paid under that Law. New legislation is now in place and the total Christmas Bonus cost for 2016 was £396,000, supporting these targeted groups.

Tax Funded Benefits – Food Costs Bonus

The States Assembly agreed a three year renewal of the Food Costs Bonus during 2016. This Bonus is payable to any household that has an income too high to qualify for Income Support but too low to pay Income Tax. Only one Food Costs Bonus may be claimed per household and at least one member of the household must have been resident in Jersey for at least five years.

The Food Costs Bonus is an annual payment - £226.95 in 2016 - to help households with the cost of food and the Goods and Services Tax (GST) that is charged on food. In 2016, a total of 1,164 households received the Food Cost Bonus, of which 47 were for 2015, with a total payment for 2016 of £260,000.

Tax Funded Benefits – Cold Weather Bonus

The Cold Weather Bonus is based on the monthly Cold Weather Payments made to Income Support claimants - £231.39 in total for 2016. The Bonus extends eligibility to lower income households that do not pay tax and where at least one adult aged 65 years or over is receiving a Jersey old-age pension or has been living in Jersey for at least 10 years.

Using the same method as the Income Support Cold Weather Payment, the Bonus is designed to help pensioner households with the cost of heating during the winter months. The Bonus is paid in two instalments; once in May, for the months January to April, and then again in January, for the months of October to December.

In 2016, 1,086 households received a Bonus for the months January to April and 1,004 received a Bonus for the months October to December. The total amount paid in 2016 was £227,000.

Tax Funded Benefits – 65+ Health Scheme

The Jersey 65+ Health Scheme subsidises dental, optical and chiropody costs and is available to those pensioners who do not pay income tax and have relatively low savings. In 2016 the Scheme provided the following benefits:

Optical

- every 2 years, up to £15 towards an eye test.
- every 2 years, up to £90 towards new prescription spectacles, lenses or contact lenses.

Dental

- every year, up to £22 towards a dental check-up.
- every year, up to £250 towards dental treatments or dentures.

Chiropody

- every year, up to £90 towards the cost of chiropody treatment from a HCPC registered chiropodist.

As of 31st December 2016 there were 2,970 pensioners registered under the scheme, 4,237 claims at a total cost of £223,000 exclusive of management fees.

In July 2016, the States agreed to replace the 65+ Health Scheme with the Pension Plus scheme as of 1 January 2017. The Pension Plus scheme will provide similar but increased health benefits to low income pensioners who do not pay income tax and have relatively low savings. The Medium-Term Financial Plan (MTFP) allocated an additional £200,000 to the scheme allowing an increase in benefit.

Tax Funded Benefits – 75+ TV Licence Benefit

Those who are over 75 years old and have an annual income that is below £16,070 for single pensioners and £26,170 for pensioner couples, and fulfil certain other criteria, qualify for a payment equivalent to the cost of a full TV licence.

In 2016, nearly all the 1,902 people claiming the TV Licence Benefit received the full amount of £145.50 at a total cost of £275,000.

Tax Funded Benefits – other benefits

In 2016 there were four other benefits funded from taxation:

1. **The Jersey Dental Fitness Scheme** is available to help towards the cost of dental treatment for young people between the ages of 11 and 21 dependent on the existing health of their teeth and family income.
2. **Childcare Support** provides limited support with childcare costs for low income working parents whose children were born in Jersey but who do not qualify for Income Support on residency grounds. This scheme is now closed to new entrants.
3. **Housing Adaptation Grants** are made to assist those living in privately owned or rented accommodation to make adaptations to their property that will enable them to continue living independently at home where they have a particular clinical need, as assessed by the occupational therapy team.
4. **Non-Contributory Death Grants** are made where the deceased has not made sufficient contributions but was Jersey born and has been ordinarily resident in the Island for the 12 months prior to the date of his/her death; or if not Jersey born, have been ordinarily resident in the Island for a total period of at least 12 years at any time before death. Death Grants for those with sufficient contributions are funded from the Social Security Fund.

The table below shows the total value paid for each benefit in 2015 and 2016:

Benefit	2015	2016
	£000	£000
Dental Fitness Scheme	79	102
Childcare Support	26	7
Housing Adaptation Grants	36	8
Non-Contributory Death Grants	17	24
Youth Incentive Payments ¹²	17	0
Total	175	142

Table 48: Total value of other benefits administered using tax funding for 2015 and 2016.

¹² The Youth Incentive scheme closed in 2015 and has been replaced by alternative support.

Departmental Administration Costs

The following table shows all of the costs not displayed on the previous pages which contribute to the total gross expenditure of £494.5 million for 2016.

	2015	2016
	£000	£000
Income	(1,090)	(1,691)
Staff Costs	13,243	12,053
Non-Staff Costs	19,417	20,988
Total Administration Costs	31,570	31,350

Table 49: Social Security Department administration costs, 2015 and 2016.

Appendix: Summary of legislation approved or amended in 2016

Ref.	Link	Notes	Made/approved	Coming into force
<u>R & O-162-2015</u>	INCOME SUPPORT (GENERAL PROVISIONS) (AMENDMENT NO. 19) (JERSEY) ORDER 2015	Follows on from Amendment No. 18 and clarifies the treatment of pension income for the partner of a pensioner who reaches pension age from 1 January 2016.	18 December 2015	01 January 2016 Regulation 1 ; 19 December 2015 - remainder
<u>R & O – 163-2015</u>	LONG-TERM CARE (BENEFITS) (AMENDMENT NO. 2) (JERSEY) ORDER 2015	Increases the daily rate for each benefit and care cost cap in line with the increase in average earnings for 2015.	18 December 2015	01 January 2016
<u>L-02-2016</u>	EMPLOYMENT (AMENDMENT NO.9) (JERSEY)LAW 2016	Clarifies the procedure for the making of appeals to the Royal Court against decisions of the Jersey Employment and Discrimination Tribunal.	01 December 2015	20 February 2016
<u>L-20-2016</u>	EMPLOYMENT (AMENDMENT NO.10) (JERSEY)LAW 2016	Employment protection for reservists and new compensation awards from 1 April 2017. Removal of the two-thirds rule from 28 October 2016.	25 May 2016	28 October 2016 in part: remainder in force 01 April 2017
<u>L-27-2016</u>	HEALTH INSURANCE (AMENDMENT NO.15) (JERSEY)LAW 2016	Introduces a new class of prescriber, able to issue community prescriptions from the Health Insurance Fund.	12 July 2016	02 December 2016 (except Article 16)
<u>R & O – 10-2016</u>	EMPLOYMENT AND DISCRIMINATION TRIBUNAL (PROCEDURE) ORDER 2016	Sets out statutory procedures in relation to Tribunal hearings.	29 January 2016	1 April 2016
<u>R & O – 13-2016</u>	HEALTH AND SAFETY (MANAGEMENT IN CONSTRUCTION) (JERSEY) REGULATIONS 2016	New Regulations to improve Health and Safety in the construction industry.	2 February 2016	1 October 2016
<u>R & O – 58-2016</u>	DISCRIMINATION (AGE) (JERSEY) REGULATIONS 2016	Makes an amendment to the Discrimination Law to introduce	24 May 2016	1 September 2016, except Regulation 6(2)

		protection against discrimination on the grounds of age		in force 1 September 2018)
<u>R & O – 76-2016</u>	INCOME SUPPORT (AMENDMENT NO. 14) (JERSEY) REGULATIONS 2016	Increases the standard hourly rate at which child day care is paid through Income Support and the accommodation component available to owner occupiers and tenants renting in the private sector	12 July 2016	1 October 2016
<u>R & O – 77-2016</u>	INCOME SUPPORT (SPECIAL PAYMENTS) (AMENDMENT NO. 2) (JERSEY) REGULATIONS 2016	Extends the criteria for receiving a special payment to include those households who qualify for means-tested assistance towards the costs of their long term care.	12 July 2016	19 July 2016
<u>R & O – 78-2016</u>	SOCIAL SECURITY (HEALTH BONUS SCHEME) (JERSEY) REGULATIONS 2016	A new scheme to replace the 65+ health plan and help lower-income pensioners with the routine costs of fundamental areas of healthcare.	12 July 2016	1 January 2017
<u>R & O – 106-2016</u>	INCOME SUPPORT (SPECIAL PAYMENTS) (CHRISTMAS BONUS) (JERSEY) REGULATIONS 2016	Re-introduction of a targeted Christmas Bonus to vulnerable low-income households who rely on income support. This covers pensioners, people with a significant disability and full time informal carers.	11 October 2016	18 October 2016
<u>R & O – 107 - 2016</u>	SOCIAL SECURITY (CHRISTMAS BONUS) (JERSEY) REGULATIONS 2016	Re-introduction of a Christmas Bonus to pensioners, who do not qualify for Income Support but have limited income and savings	11 October 2016	18 October 2016
<u>R & O – 108 - 2016</u>	FOOD COSTS BONUS (JERSEY) REGULATIONS 2016	Renew existing triennial regulations. Minor amendments to the method of providing for an agent to act on behalf of the claimant and details of the appeal mechanism to the Royal Court	11 October 2016	1 July 2017

<u>R & O – 110 - 2016</u>	EMPLOYMENT (MINIMUM WAGE) (AMENDMENT NO. 10) (JERSEY) ORDER 2016	Increases the minimum wage and trainee rates.	13 October 2016	1 April 2017
<u>R & O -123 - 2016</u>	EMPLOYMENT (MINIMUM WAGE) (AMENDMENT NO. 13) (JERSEY) REGULATIONS 2016	Increases the maximum amounts that may be offset against minimum wage pay where the employer provides accommodation and meals.	30 November 2016	1 April 2017
<u>R & O – 131 - 2016</u>	SOCIAL SECURITY (CHRISTMAS BONUS 2016) (JERSEY) ORDER 2016	Sets out the value of the Christmas Bonus for 2016.	16 December 2016	16 December 2016
<u>R & O – 141 - 2016</u>	SOCIAL SECURITY (HEALTH BONUS SCHEME) (JERSEY) ORDER 2016	Administrative details and benefit rates for Pension Plus Scheme - supporting dental, optical and chiropody costs for lower income pensioners	23 December 2016	1 January 2017

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