

STATES OF JERSEY



DRAFT SOCIAL SECURITY (AMENDMENT OF LAW No. 11) (JERSEY) REGULATIONS 201- (P.110/2019): AMENDMENT

**Lodged au Greffe on 12th November 2019
by the Corporate Services Scrutiny Panel**

STATES GREFFE

DRAFT SOCIAL SECURITY (AMENDMENT OF LAW No. 11) (JERSEY)
REGULATIONS 201- (P.110/2019): AMENDMENT

PAGE 8, REGULATION 5 –

In the substituted paragraph 3(6)(b), for “for 2020 and ensuing years, 2%” substitute –
| “for 2020 and ensuing years, 1.5%”.

CORPORATE SERVICES SCRUTINY PANEL

REPORT

This amendment makes the necessary changes to the Draft Social Security (Amendment of Law No. 11) (Jersey) Regulations 201- ([P.110/2019](#)) following the Panel's amendment to the Government Plan 2020–2023 ([P.71/2019 Amd.\(16\)](#)) to reduce the increase in the Long-Term Care charge from 1% to 0.5%.

Financial and manpower implications

We have been advised by the Treasury and Exchequer Department that the reduction in the Long-Term Care charge in 2020 will yield £11.5 million a year less than the proposal within the Government Plan. The Department provided us with the following breakdown:

0.5% increase in LTC (CSSP amendment)

	£m
LTC +0.5% rate to current upper income limit	11.1
LTC +1.5% rate from current upper income limit to £250k	<u>1.1</u>
	<u><u>12.2</u></u>

This is £11.5 million a year less than the proposed increase in the Government Plan:

1% increase in LTC (Government Plan)

	£m
LTC +1% rate to current upper income limit	22.2
LTC +2% rate from current upper income limit to £250k	<u>1.5</u>
	<u><u>23.7</u></u>