# WRITTEN QUESTION TO THE MINISTER FOR SOCIAL SECURITY BY DEPUTY G.P. SOUTHERN OF ST. HELIER

## ANSWER TO BE TABLED ON TUESDAY 13th MARCH 2007

## **Question 1**

Does the Minister consider that the statement signed by General Practitioners on medical certificates "that in my opinion his/her incapacity is valid until...[a specified date]" indicates that the patient is incapable of work on that date and, if so, does he agree that by treating this date as the date on which the claimant can return to work, the department is in effect saving the payment of one day's sickness benefit?

Will the Minister give consideration to either treating the dates given on sickness certificates as inclusive, or to changing the wording to clarify the payment period?

#### Answer

No, I do not think that the date described as the "valid until date" indicates that the patient is incapable of work on that date. The incapacity continues until that date, but on the date entered the incapacity is no longer valid and the claimant will return to work or, if the incapacity continues, another certificate will be submitted. Therefore, there is no "saving" of benefit payment.

When the current medical certificates were introduced in 2004, thought was given to the words used to avoid unnecessary misunderstanding, before deciding upon the term valid until and general practitioners were advised. If general practitioners are confused, although I am not aware of any confusion, I would be happy to instruct the Department to re-issue guidance as to how a medical certificate should be completed to comply with the Law.

## **Question 2**

Would the Minister inform members what "options for reducing or limiting expenditure on supplementation" mentioned in his answer of 27th February 2007 are under consideration in the ongoing review of the underlying reasons for the unforeseen rise in these costs and, in particular, will these options include the removal of the one third division of funding between employer/employee/taxpayer or the abolition of the contributions ceiling altogether?

Does the Minister intend to report the total 2006 supplementation figure to members and will he also report the findings of the review to the States?

### Answer

It would be a strange review if I were able to consider any options for supplementation before the detailed analysis was undertaken. Options will be put forward on the completion of the analysis. The fundamental question of Social Security funding, including the proportion of funding and the earnings ceiling will be part of the review of Social Security outlined in RC 49/2004 which is due to begin after the income support system is implemented and will also inform the Triennial Actuarial Review for the period ending December 2006.

The 2006 Supplementation figure will be published in the report and accounts which is presented to the States each year. The review of supplementation will also be reported to the States as clearly this is a fundamental feature of the scheme driven by law.

# **Question 3**

(a) Has the Minister yet received the report on Long Term Incapacity Allowance (LTIA) commissioned from Professor Stafford and can he yet say when he will release its findings to Members

and the public?

- (b) In an answer on 19th April 2005, the Minister stated that it was possible to assess how many recipients of LTIA were in work but pointed said that an evaluation of a full year (2005) would be undertaken in order to establish meaningful trends. What meaningful trends, if any, have so far been identified in respect of -
  - (i) The proportion of LTIA recipients in work?
  - (ii) The proportion of recipients requiring assistance from parish welfare?
- (c) Figures revealed in parts (a) and (d) of his response on 19th April 2005, indicated that awards had been assessed on average at around 60 per cent of the maximum benefit previously awarded under previous schemes, and this amounted to £5.1 million in 2005. What sum, if any, has been factored into the funding of income support to supplement the missing 40 per cent produced by the partial awards?

#### **Answer**

- (a) Professor Stafford will be presenting his report to me later this month and it will be released to members and the public after that.
- (b)(i) LTIA has only been in place for two years. The Department's experience of new benefits is that it generally takes up to five years for any true trends to emerge from claim data. However, a snapshot assessment of the 2005/06 data showed that around 30% of LTIA claimants paid some contributions. Those with long-term illnesses would not have been permitted to work under the previous benefit system.
- (b)(ii) I am unable to give any figures regarding the proportion of LTIA recipients receiving Parish Welfare as the Department does not have any data regarding individuals receiving assistance from the Parishes. In my answer to the Deputy's question on the 27 February this year I explained that the data gathering exercise for Income Support would provide more information on all claimants.
- (c) It is wrong to assume that *all* LTIA recipients will require Income Support. As indicated above some may be working and able to support themselves. Those who are not able to work at present, will likely to already be receiving support from the Parish and the budget for Native Welfare transferred to the Social Security Department in May 2006. The whole of the Welfare budget (Native and Non Native) has already been factored into the funding of income support.

# **Question 4**

- (a) Following the public consultation over income support, is it the Minister's intention to withdraw benefit from recipients, especially single parents with children aged over 11 years, who are judged to be not actively seeking full-time work, as is now proposed in the UK?
- (b) Does the Minister consider that people are more likely to return to the workplace or work more hours if there are greater financial incentives, and, if so, will he seek to ensure that the framework for income support he brings to the Assembly later this year achieves this?

#### **Answer**

(a) It is not my intention to simply withdraw benefit from recipients. The whole purpose of Income Support is to consider the circumstances of households and if at all possible help them find genuine employment. This would apply to single parents as much as it would apply to nuclear families. The Income Support system would also provide support whilst they look for work, but it would not support those who have the opportunity and capability to work but refuse to do so.

(b) I do not necessarily agree that financial incentives are the only driver for people to return to work. I do recognise however, that financial incentives are important particularly to those seeking to extend their working hours. A balanced system has to have both incentives to betterment and penalties for those who do not work when they are perfectly capable of doing so. The Income Support system provides rights to individuals but also requires them to be responsible citizens and the framework I am developing will achieve this principle which was agreed in the States when the Income Support system was proposed.