

# **STATES OF JERSEY**



## **HOUSING RENT SUBSIDY SCHEME: DISREGARD TO LONG-TERM INCAPACITY ALLOWANCE (P.6/2005) – COMMENTS**

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**Presented to the States on 1st March 2005  
by the Finance and Economics Committee**

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**STATES GREFFE**

## COMMENTS

It is estimated that the financial implications of this proposal would be in excess of the amounts included in the Report of Deputy Southern. At the very least the financial implications for future years would be annual increases in excess of £20,000.

However, given the inequity that would arise in the treatment of those in receipt of the Long-term Incapacity Allowance and those in receipt of the predecessor benefits, should Deputy Southern's proposal be agreed, there would exist an incentive for recipients of the predecessor to migrate to the Long-term Incapacity Allowance, depending on their personal circumstances. In that event, the financial consequences for the States could well be significantly higher and could run into hundreds of thousands of pounds per annum.

Such increased expenditure could not be found within the spending limits agreed by the States without equal cuts in funding being found elsewhere.