

# STATES OF JERSEY



## **DRAFT INCOME SUPPORT (AMENDMENT No. 13) (JERSEY) REGULATIONS 201-**

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**Lodged au Greffe on 3rd June 2014  
by the Minister for Social Security**

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**STATES GREFFE**





Jersey

## **DRAFT INCOME SUPPORT (AMENDMENT No. 13) (JERSEY) REGULATIONS 201-**

### **REPORT**

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#### **Introduction**

Income Support legislation requires the Minister for Social Security to bring forward any proposals to changes to the rates of components of Income Support for consideration by the States Assembly. The majority of component rates were last reviewed on 1st October 2013 (P.66/2013), and this proposition sets out proposals to amend selected component rates from 1st October 2014.

In a statement given on 20th January this year, the Minister confirmed that he would continue to freeze the majority of the Income Support components in order to deliver £3 million savings during 2014 as part of the Medium Term Financial Plan. However, he indicated that selected components would be uprated in October by the value of RPI.

Separately, the rates for the accommodation component were increased in April 2014 (see [P.1/2014](#)) in accordance with the Housing Transformation Programme.

In line with the States' Strategic Plan and the strategic priority to "Get People into Work", the Department also strengthened the financial incentive to work within the Income Support system, by increasing the earned income disregard by 3 percentage points, raising it from 20% to 23% in April of this year.

In addition, as a separate piece of work, the disregard in respect of pension income available to claimants aged 65 and above is to be increased in line with the uprating of the Jersey old-age pension in August, as per usual. This will be made by Order.

#### **Increased components**

Components within Income Support are used to fix the maximum level of financial support available in respect of different aspects of household expenditure. The value of each component is set out in the Income Support Regulations. The proposed Income Support (Amendment No. 13) Regulations increase selected component rates.

The proposed Regulations allow for the Personal Care, Mobility and Clinical Cost elements of the impairment component to be increased in line with the March 2014 RPI of 1.7%. In addition, the Carer's Component is also to be increased by 1.7%.

The Regulations also make an increase of the value of the child day care component rates of 5.1%, which is in line with recent increases agreed between the Education, Sport and Culture Department and childcare providers in respect of the Nursery Education Fund (NEF). The Minister is keen that the increase to the Income Support component reflects the increase in prices of childcare over the last 2 years.

Subject to States approval, these rates will be increased from 1st October 2014.

### Impairment component

The impairment component of Income Support is designed to meet the additional costs faced by households in which a member has a long-term illness or disability.

The following rates are increased by 1.7%.

Component	legislation	Old value	New value
<b>Personal care element (level 1)</b>	Schedule 1, para. 6(3)(a)	£22.96	£23.38
<b>Personal care element (level 2)</b>	Schedule 1, para. 6(3)(b)	£101.15	£102.90
<b>Personal care element (level 3)</b>	Schedule 1, para. 6(3)(c)	£145.25	£147.77
<b>Mobility element (non-earner)</b>	Schedule 1, para. 7(3)(a)	£22.96	£23.38
<b>Mobility element (earner)</b>	Schedule 1, para. 7(3)(b)	£45.92	£46.76
<b>Clinical Cost (at least 5 consultations)</b>	Schedule 1, para. 8(2)(a)	£3.15	£3.22
<b>Clinical Cost (at least 9 consultations)</b>	Schedule 1, para. 8(2)(b)	£6.30	£6.44

### Carer's component

The carer's component of Income Support provides additional financial help to people who care full-time for a severely ill or disabled person.

The rate payable under Schedule 1, paragraph 12 is increased from £46.97 to £47.81.

### Child day care component

Income Support provides assistance with the cost of child day care. It is an important principle of Income Support that childcare cost is not a barrier to securing or sustaining employment.

The following hourly rates are increased by 5.1%.

Component	legislation	Old value	New value
<b>A child under the age of 3 years</b>	Schedule 1, para. 10(3)(a)	£6.27	£6.59
<b>A child aged 3 years or over but under the age of 5 years</b>	Schedule 1, para. 10(3)(b)	£4.90	£5.15
<b>A child aged 5 years or over</b>	Schedule 1, para. 10(3)(c)	£4.85	£5.10

**Financial and manpower implications**

There are no manpower implications arising from these changes.

The total cost for the 1.7% uprate to impairment/carer components is expected to be £139,000 in a full year.

The total cost for the 5.1% uprate to the child day care component is expected to be £46,800 in a full year.

Therefore, the combined cost of 5.1% childcare uprate and 1.7% impairment/carer uprate will be approximately £185,000. This cost is provided for within the Income Support budget.

## Explanatory Note

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These Regulations increase certain components of income support by amending the Income Support (Jersey) Regulations 2007.

The effect of *Regulation 1* is that the elements of the impairment component relating to personal care, mobility and clinical costs are increased by 1.7%. The carer's component is also increased by 1.7%. The child day care component is increased by 5.1%.

*Regulation 2* sets out the title of these Regulations and provides that they will come into force on 1st October 2014.



Jersey

## DRAFT INCOME SUPPORT (AMENDMENT No. 13) (JERSEY) REGULATIONS 201-

*Made* *[date to be inserted]*  
*Coming into force* *[date to be inserted]*

**THE STATES**, in pursuance of Articles 5 and 18 of the Income Support (Jersey) Law 2007<sup>1</sup>, have made the following Regulations –

### 1 **Schedule 1 to the Income Support (Jersey) Regulations 2007 amended**

In Schedule 1 to the Income Support (Jersey) Regulations 2007<sup>2</sup> in the provision specified in the first column in the table below for the amount specified in the second column opposite that provision there shall be substituted the amount specified in the third column opposite that provision.

<i>1</i>	<i>2</i>	<i>3</i>
<i>Provision in Schedule 1</i>	<i>Current amount</i>	<i>New amount</i>
paragraph 6(3)(a) (lowest rate of personal care element)	£22.96	£23.38
paragraph 6(3)(b) (middle rate of personal care element)	£101.15	£102.90
paragraph 6(3)(c) (highest rate of personal care element)	£145.25	£147.77
paragraph 7(3)(a) (lower rate of mobility element)	£22.96	£23.38
paragraph 7(3)(b) (higher rate of mobility element)	£45.92	£46.76
paragraph 8(2)(a) (lower rate of clinical cost element)	£3.15	£3.22
paragraph 8(2)(b) (higher rate of clinical cost element)	£6.30	£6.44
<i>Child day care components</i>		
paragraph 10(3)(a)	£6.27	£6.59

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paragraph 10(3)(b)	£4.90	£5.15
paragraph 10(3)(c)	£4.85	£5.10
<i>Carer's component</i>		
paragraph 12	£46.97	£47.81

**2 Citation and commencement**

These Regulations may be cited as the Income Support (Amendment No. 13) (Jersey) Regulations 201- and shall come into force on 1st October 2014.



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- <sup>1</sup> *chapter 26.550*  
<sup>2</sup> *chapter 26.550.30*