

STATES OF JERSEY



DRAFT INCOME SUPPORT (AMENDMENT No. 18) (JERSEY) REGULATIONS 201-

Lodged au Greffe on 9th April 2018
by the Minister for Social Security

STATES GREFFE



Jersey

DRAFT INCOME SUPPORT (AMENDMENT No. 18) (JERSEY) REGULATIONS 201-

REPORT

Background

These draft Regulations are being lodged in advance of the forthcoming election. Following the Island-wide elections and the election of the next Minister for Social Security, there are 2 States Sittings before the summer recess. These Regulations will need to be debated at one of those meetings in order to allow time for the proposed values to be processed before 1st October 2018. However, this timetable also provides an opportunity for the incoming Minister to amend the Regulations before they are debated.

Increases to Income Support components

- **Single parent component:** the Draft Income Support Amendment (No. 17) (Jersey) Regulations 201- ([P.28/2018](#)) was approved by the States Assembly on 22nd March 2018. This further amendment provides for a single parent component to be reinstated to all single parents receiving Income Support at the rate of £40.39 per week from 1st June 2018. The cost of this component is being met from underspends during 2018 and 2019.
- **Other income support components:** These draft Regulations provide for a 3% uplift in all other Income Support components from 1st October 2018. These cover: adult, child, household, carer, personal care, clinical cost, mobility and accommodation (owners and private sector rental). The 3% increase is in line with the Fiscal Policy Panel's ("FPP's") recently published economic assumptions for RPI for 2018 and follows an increase of 2.9% made in 2017.

The Minister considers that it is important that components are increased to reflect the increased cost of living this year, particularly as RPI increases are now running at a higher level than in 2015 and 2016. This has an estimated cost of £2.4 million a year. The RPI figure for March 2018 will be published in May, and the next Minister may wish to adjust the component levels in light of the actual increase in RPI. Any agreed increase in these components will be implemented from 1st October 2018.

- **Support for low-income families:** The Medium Term Financial Plan published in 2015 included a proposal to create additional support for families in the latter half of the MTFP period. Within the budget allocated as part of the MTFP process, these Regulations also provide for an additional component of £5.04p per week to be allocated to every Income Support household that includes at least one child under school-leaving age, at an estimated cost of £0.5 million a year. Subject to the States' approval, this component will be available from 1st January 2019.

Component increases from 1st October 2018

Component	Legislation	Current £/week	New £/week
<u>Part 1: Basic components</u>			
Adult	Sch. 1 Para. 2(1)(a)	94.85	97.72
Child (first)	Sch. 1 Para. 2(1)(d)	65.87	67.90
Child (subsequent)	Sch. 1 Para. 2(1)(e)	65.87	67.90
Household	Sch. 1 Para. 2(1)(f)	52.85	54.46
<u>Part 2: Housing component</u>			
<u>Rental: (private sector)</u>			
in the case of a hostel	Sch. 1 Para. 4(2)(a)	103.04	106.19
in the case of lodgings or a bedsit	Sch. 1 Para. 4(2)(b)	135.73	139.86
in the case of a flat with 1 bedroom	Sch. 1 Para. 4(2)(c)	200.13	206.15
in the case of a flat with 2 bedrooms	Sch. 1 Para. 4(2)(d)	256.27	263.97
in the case of a flat with 3 or more bedrooms	Sch. 1 Para. 4(2)(e)	275.03	283.29
in the case of a house with 1 bedroom	Sch. 1 Para. 4(2)(f)	229.39	236.32
in the case of a house with 2 bedrooms	Sch. 1 Para. 4(2)(g)	291.27	300.02
in the case of a house with 3 bedrooms	Sch. 1 Para. 4(2)(h)	340.13	350.35
in the case of a house with 4 bedrooms	Sch. 1 Para. 4(2)(i)	370.79	381.92
in the case of a house with 5 or more bedrooms	Sch. 1 Para. 4(2)(j)	410.48	422.80
<u>Owner:</u>			
in the case of a bedsit or flat with 1 or 2 bedrooms	Sch. 1 Para. 4(7)(a)	6.58	6.79
in the case of a flat with 3 bedrooms	Sch. 1 Para. 4(7)(b)	9.31	9.59
in the case of a flat with 4 or more bedrooms	Sch. 1 Para. 4(7)(c)	13.16	13.58
in the case of a house with 1 bedroom	Sch. 1 Para. 4(7)(d)	6.58	6.79

Component	Legislation	Current £/week	New £/week
in the case of a house with 2 bedrooms	Sch. 1 Para. 4(7)(e)	9.31	9.59
in the case of a house with 3 or more bedrooms	Sch. 1 Para. 4(7)(f)	13.16	13.58
<u>Shared by 2 or more households:</u>			
in the case of a hostel	Sch. 1 Para. 4(13)(a)	103.04	106.19
in the case of lodgings or a bedsit	Sch. 1 Para. 4(13)(b)	128.59	132.51
in the case of a flat with 1 bedroom	Sch. 1 Para. 4(13)(c)	189.63	195.37
in the case of a flat with 2 bedrooms	Sch. 1 Para. 4(13)(d)	242.76	250.11
in the case of a flat with 3 or more bedrooms	Sch. 1 Para. 4(13)(e)	260.54	268.38
in the case of a house with 1 bedroom	Sch. 1 Para. 4(13)(f)	217.28	223.86
in the case of a house with 2 bedrooms	Sch. 1 Para. 4(13)(g)	276.01	284.34
in the case of a house with 3 bedrooms	Sch. 1 Para. 4(13)(h)	322.21	331.94
in the case of a house with 4 bedrooms	Sch. 1 Para. 4(13)(i)	351.26	361.83
in the case of a house with 5 or more bedrooms	Sch. 1 Para. 4(13)(j)	388.85	400.54
<u>B: Impairment component</u>			
Personal care element:			
for a score of at least 15 but less than 36	Sch. 1 Para. 6(3)(a)	23.66	24.43
for a score of at least 36 but less than 56	Sch. 1 Para. 6(3)(b)	104.09	107.24
for a score of at least 56	Sch. 1 Para. 6(3)(c)	149.52	154.07
Mobility element:			
(a)	Sch. 1 Para. 7(3)(a)	23.66	24.43
(b)	Sch. 1 Para. 7(3)(b)	47.32	48.79

Component	Legislation	Current £/week	New £/week
Clinical cost element:			
(a)	Sch. 1 Para. 8(2)(a)	3.29	3.43
(b)	Sch. 1 Para. 8(2)(b)	6.58	6.86
<u>C: Childcare day component</u>			
(a) child under 3	Sch. 1 Para. 10(3)(a)	6.79	7.00
(b) child 3 +	Sch. 1 Para. 10(3)(b)	5.30	5.46
<u>D: Carer's component</u>			
Carer's component	Sch. 1 Para. 12	48.37	49.84

Component increases from 1st January 2019

Component	Legislation	Oct. 2018 £/week	Jan. 2019 £/week
<u>Part 1: Basic components</u>			
Child (first)	Sch. 1 Para. 2(1)(d)	67.90	72.94
Child (subsequent)	Sch. 1 Para. 2(1)(e)	67.90	67.90

Support for Social Housing

Following the approval of the Housing Transformation Programme in 2013, changes were made to the Income Support ("IS") Regulations to allow social sector rentals values to move towards 90% of market value. Component values are no longer specified within the IS Regulations, and rental components for social sector tenants (Andium and Housing Trusts) are adjusted automatically each year.

Timing of uprate

Uprating Income Support components in October provides alignment with changes to contributory benefit rates and social sector rentals which are also normally adjusted in October each year. In most years, any changes to Income Support components are published at the end of May and debated in mid-July before the summer recess. This allows operational adjustments to be made in late August well before benefit payments start to be made that will include periods after 1st October when the new rates are applicable.

Given the timing of the general election in 2018, it is not possible to adhere to this timetable and the Regulations are being published in April. This will allow the new Assembly to debate the Regulations in July as normal to provide for operational changes to be completed before October.

As the draft Regulations are being lodged earlier than usual, the March RPI is not yet available. This will be published in May. The incoming Minister for Social Security will be able to amend this proposition if desired, in June, in light of the published figures.

Collective responsibility under Standing Order 21(3A)

The Council of Ministers has a single policy position on this proposition, and as such, all Ministers, and the Assistant Minister for Social Security, are bound by the principle of collective responsibility to support the proposition, as outlined in the Code of Conduct and Practice for Ministers and Assistant Ministers ([R.11/2015](#) refers).

Financial and manpower implications

The estimated cost of £2.9 million a year has been built into the Department's budget in the Medium Term Financial Plan 2016–2019. There are no staff or other resource implications arising from this proposal.

Explanatory Note

Regulation 1 of these Regulations would further amend the Income Support (Jersey) Regulations 2007 to increase, by approximately 3%, most rates of the basic, housing, impairment, mobility, clinical cost element, child care and carer's components of income support. (The exception is the recently reintroduced single parent component, which is not increased.) *Regulation 2* would add a further increase to the first child component rate of the basic component, to come into force on 1st January 2019, resulting in a total increase to that component of £7 per week.

Regulation 3 gives the title by which these Regulations may be cited and provides for them to come into force (except for the second increase to the first child component rate) on 1st October 2018.



Jersey

DRAFT INCOME SUPPORT (AMENDMENT No. 18) (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 2007¹, have made the following Regulations –

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

- (1) In this Regulation, a reference to a paragraph by number is to the paragraph of the same number in Schedule 1 to the Income Support (Jersey) Regulations 2007².
- (2) In paragraph 2(1) –
- (a) for clause (a) there shall be substituted the following clause –

“(a)	under Article 5(2)(a) (adult component rate)	£97.72”;
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- (b) for clause (d), (e) and (f) there shall be substituted the following clauses –

“(d)	under Article 5(2)(c) of the Law (first child component rate)	£67.90
(e)	under Article 5(2)(ca) of the Law (subsequent child component rate)	£67.90
(f)	under Article 5(2)(d) of the Law (household component rate)	£54.46”.

- (2) For paragraph 4(2) there shall be substituted the following sub-paragraph –

“(2) The rates payable under this sub-paragraph are –

(a)	in the case of a hostel	£106.19
(b)	in the case of lodgings or a bedsit	£139.86
(c)	in the case of a flat with 1 bedroom	£206.15

(d)	in the case of a flat with 2 bedrooms	£263.97
(e)	in the case of a flat with 3 or more bedrooms	£283.29
(f)	in the case of a house with 1 bedroom	£236.32
(g)	in the case of a house with 2 bedrooms	£300.02
(h)	in the case of a house with 3 bedrooms	£350.35
(i)	in the case of a house with 4 bedrooms	£381.92
(j)	in the case of a house with 5 or more bedrooms	£422.80.”.

- (3) For paragraph 4(7) there shall be substituted the following sub-paragraph –

“(7) The rates payable under this sub-paragraph are –

(a)	in the case of a bedsit or flat with 1 or 2 bedrooms	£6.79
(b)	in the case of a flat with 3 bedrooms	£9.59
(c)	in the case of a flat with 4 or more bedrooms	£13.58
(d)	in the case of a house with 1 bedroom	£6.79
(e)	in the case of a house with 2 bedrooms	£9.59
(f)	in the case of a house with 3 or more bedrooms	£13.58.”.

- (4) For paragraph 4(13) there shall be substituted the following sub-paragraph –

“(13) The rates payable under this sub-paragraph are –

(a)	in the case of a hostel	£106.19
(b)	in the case of lodgings or a bedsit	£132.51
(c)	in the case of a flat with 1 bedroom	£195.37
(d)	in the case of a flat with 2 bedrooms	£250.11
(e)	in the case of a flat with 3 or more bedrooms	£268.38
(f)	in the case of a house with 1 bedroom	£223.86
(g)	in the case of a house with 2 bedrooms	£284.34
(h)	in the case of a house with 3 bedrooms	£331.94
(i)	in the case of a house with 4 bedrooms	£361.83
(j)	in the case of a house with 5 or more bedrooms	£400.54.”.

(5) For paragraph 6(3) there shall be substituted the following sub-paragraph –

“(3) The rate of personal care element payable in respect of the total score calculated under sub-paragraph (2) is as follows –

- | | | |
|-----|---|------------|
| (a) | for a score of at least 15 but less than 36 | £24.43 |
| (b) | for a score of at least 36 but less than 56 | £107.24 |
| (c) | For a score of at least 56 | £154.07.”. |

(6) For paragraph 7(3) there shall be substituted the following sub-paragraph –

“(3) The rate of mobility element of the impairment component is –

- | | |
|-----|--|
| (a) | £24.43; or |
| (b) | £48.79 if the person’s average weekly earnings exceed the amount in this clause.”. |

(7) For paragraph 8(2) there shall be substituted the following sub-paragraph –

“(2) The rate of clinical cost element of the impairment component is –

- | | |
|-----|--|
| (a) | £3.43; or |
| (b) | if, based on the criteria set out in sub-paragraph (1)(b), the member will need at least 9 consultations with an approved medical practitioner, £6.86.”. |

(8) For paragraph 10(3) there shall be substituted the following sub-paragraph –

“(3) The rates payable under this sub-paragraph are –

- | | | |
|-----|--------------------------------------|----------|
| (a) | for a child under the age of 3 years | £7.00 |
| (b) | for a child aged 3 years or over | £5.46.”. |

(9) For paragraph 12 there shall be substituted the following paragraph –

“12 Rate for the carer’s component

The rate payable in respect of the carer’s component is £49.84.”.

2 Additional increase to first child component rate

In paragraph 2(1) for clause (d) there shall be substituted the following clause –

“(d)	under Article 5(2)(c) of the Law (first child component rate)	£72.94;”.
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3 Citation and commencement

These Regulations may be cited as the Income Support (Amendment No. 18) (Jersey) Regulations 201- and shall come into force –

- (a) except for Regulation 2, on 1st October 2018;
- (b) in the case of Regulation 2, on 1st January 2019.

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- ¹ *chapter 26.550*
² *chapter 26.550.30*