

# STATES OF JERSEY



## INCOME SUPPORT: ELIGIBILITY FOR EDUCATIONAL OR TRAINING COURSES

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Lodged au Greffe on 27th May 2010  
by the Health, Social Security and Housing Scrutiny Panel

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STATES GREFFE

## **PROPOSITION**

**THE STATES are asked to decide whether they are of opinion –**

to request the Minister for Social Security, in consultation with the Ministers for Education, Sport and Culture and Economic Development, to review his policy on the eligibility for Income Support for those who wish to pursue an educational or training course in order to –

- (a) produce a definitive and clear list of acceptable courses;
- (b) amend Income Support Guidelines for Social Security staff appropriately; and
- (c) ensure that this list is widely communicated to all stakeholders in ample time for the September 2010 intake of students.

**HEALTH, SOCIAL SECURITY AND HOUSING SCRUTINY PANEL**

## REPORT

Ministerial government was supposed to bring us “joined-up” government. The Skills Executive, which brought together 3 Ministers, namely Social Security, Education, Sport and Culture and Economic Development, to co-operate over the provision of training and employment, has done much to promote this co-ordinated approach. Sadly, in some areas it has failed properly to do so. One such area has been at the interface between Income Support (IS) and educational and training courses.

Income Support was introduced in January 2008 and, by the end of the year, Deputy G.P. Southern, the Panel’s Vice-Chairman, was being contacted by students at Highlands College who stated that there were problems in obtaining IS for some courses. In particular, single parents with young children were reporting difficulties. Deputy Southern dealt with these cases on an individual basis.

We anticipated that these issues were simply teething problems which would be sorted out for the following academic year. Members will have noted recommendation 30 made in S.R.5/2009 *Review of Income Support*, which stated –

*“Given the current economic situation, the Minister should ensure more flexibility in accepting a wider range of training opportunities to support young people.”*

The formal response from the Minister was as follows –

*“The Department, as part of the Skills Executive, is working to provide a wider range of training opportunities to support young people in the current economic situation. Additional funding has been sought and received from the Economic Stimulus programme to support a variety of training schemes aimed at young people.”*

Prior to that, members will also be aware that Deputy Southern was already independently calling for an early review of the delivery of IS to be completed in 2009: in his seventh amendment to the Annual Business Plan 2009 – P.113/2008 – which the States Assembly rejected on 17th September 2008. Had that review been undertaken by the Department in the timescale Deputy Southern had suggested, this issue would surely have been picked up and sorted out by now. It was not.

### **Additional funding**

The importance of the training issue has been highlighted by the creation of an additional 117 places at Highlands, funded to the tune of £620,000 from the Fiscal Stimulus Fund to commence in September this year. The Minister for Education, Sport and Culture pointed out that more people are turning to further education to improve their skills and gain qualifications, while there are fewer job opportunities due to the recession –

*“As a result of reduced employment opportunities due to the economic downturn, demand for places on full-time courses at Highlands has increased significantly. I would like to place on record my thanks to the staff at Highlands and the Skills Board for their efforts in enabling more people to improve their skills which in turn will help them access work as the economy recovers.”*

The Minister for Treasury and Resources reinforced the long-term aims in the following terms –

*“Providing additional opportunities for full-time study leading to qualifications during an economic downturn should deliver long-term economic benefits through a more highly educated and skilled workforce, as well as the stimulus benefits in the short term.*

*“Young people represent particularly high numbers of those actively seeking work so offering more study places for formal qualifications will help make people better prepared for employers, who become increasingly demanding during and after a recession.”*

In response to our enquiries, the Head of Highlands College reinforces the increased demand due to the recession thus –

*“The recession and the increase in unemployment meant that there has been an increase in applications for Highlands Return to Study and Access to Higher Education programmes. In September 2009, 31 students enrolled on Return to Study and 50 on Access. This was effectively a doubling of the numbers.” (Appendix 3)*

Most of the problems that Deputy Southern has been made aware of have been to do with these 2 particular courses. The Head of Highlands goes on to say –

*‘Highlands and Social Security work together to ensure that students receive appropriate financial support. This group is heterogeneous and not all are in receipt of benefit. The group includes people who have been made redundant and are looking to change career direction, people hoping to improve their skills to improve their life changes, and women returners. Some come with wide range of social issues and mental health problems.’ (Appendix 3)*

*‘Despite this advice [given on the Social Security application form], we have encountered some problems due to clients’ perceptions that because they have a place on the course, they would have an automatic right to benefits, regardless of their previous financial and employment situation.’ (Appendix 3)*

Despite the new measures that are to be put in place for the September 2010 intake (contained in **Appendix 3**), there still appears to be a 2-stage process, which involves a decision on educational and training grounds made by Highlands staff or employment advisers and a second stage at Income Support made on ill-defined grounds of suitability. The approach advocated by this proposition should streamline the whole process.

## Unemployment

Whilst there has been a slight easing in the numbers of the unemployed in the latest figures, the outlook for September remains worrying, especially for our young people.

On 31st March 2010 –

- **The total number of people registered as unemployed and actively seeking work (ASW) in Jersey was 1,180;**
- the latest monthly ASW total is –
  - 140 less than that of a month earlier, February 2010;
  - 130 greater than that of a year earlier, March 2009;
- 250 teenagers were registered as ASW, 60 fewer than in February 2010;
- 100 teenagers were on the Advance to Work Scheme.

The trend is demonstrated here –

**Figure 1– Total number of individuals registered as ASW, Jan 2009 – Mar 2010**

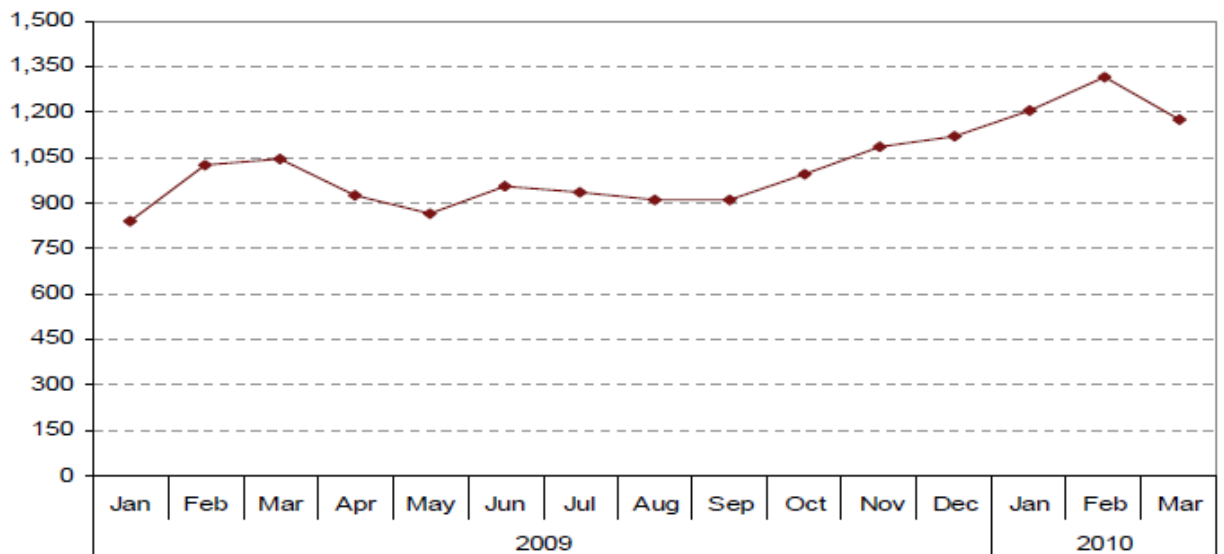
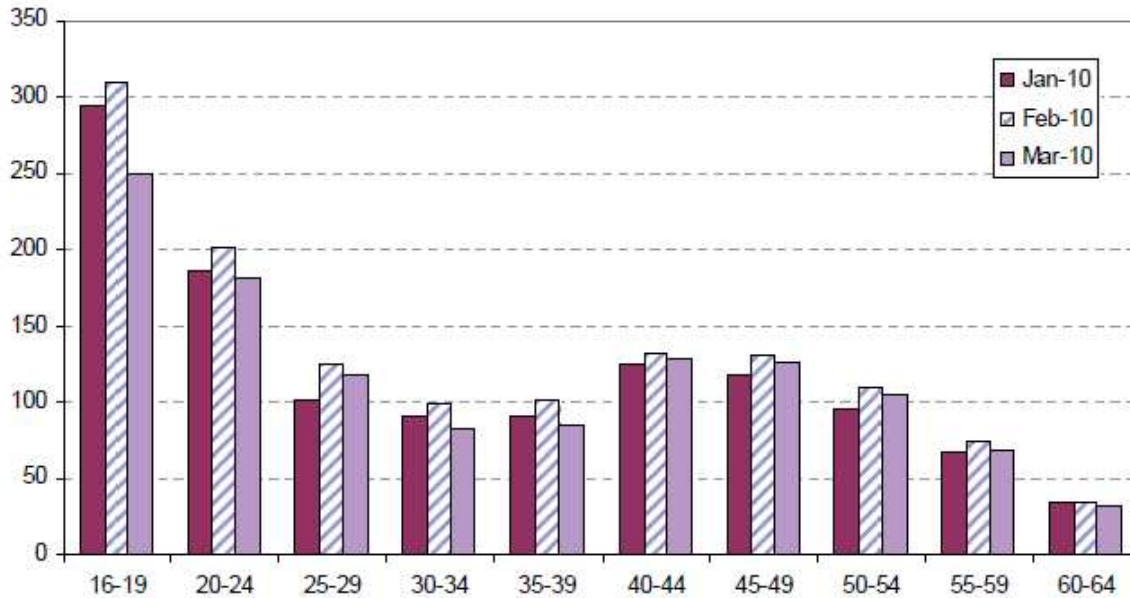


Figure 3 shows the numbers registered as ASW by age of individuals for the last three months, January to March 2010. For each age-band, the number of ASW in March 2010 was lower than that of a month earlier. The largest change occurred for teenagers; with 60 fewer registered as ASW in March than in February (250 compared with 310, respectively).

**Figure 3 – Individuals registered as ASW by age, Jan 2010 – Mar 2010**



**IS Policy**

In response to Question 5299 asked on 20th April 2010 by Deputy S. Pitman of St. Helier (**Appendix 1**) the Minister stated –

*“There are clear guidelines regarding the treatment of those on Income Support (IS) wishing to undertake education /training.”*

These guidelines are reproduced below.

**4.6 Undertaking approved education or training (pages 15 – 16)**

People over the age of 65 and those with the main care of a child under five do not need to work to qualify for Income Support. If someone in one of these categories chooses to attend a training or education course, they will not normally be able to claim any additional financial assistance, in particular, they will not be entitled to an IS childcare component.

Anyone aged under 19 who is studying full-time in the sixth form of a school in Jersey (including Highlands College) is undertaking approved education. Anyone aged under 25 who is studying a degree level course and is receiving financial assistance from Education, Sports and Culture with the cost of tuition fees, is also undertaking approved education.

Someone who is employed and who chooses to give up work to start a course will only be approved if there are very good reasons for the decision, such as a

medical condition that is making it difficult for the individual to continue in the job. Anyone considering a full time course should always seek advice from Social Security before making any firm commitment.

**Job seekers are encouraged to undertake education and training courses but these must be agreed with Careers Jersey, to confirm that the course is suitable and that the job seeker will improve their chances of obtaining employment by completing the chosen course.** Once someone has been approved on a course, their attendance record and performance on the course will be monitored. Anyone failing to attend regularly or not maintaining a reasonable standard of work will be treated as a job seeker.

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These guidelines are clarified in Answer 5299 thus –

*“Support is provided depending on the individual circumstances and the course proposed needs to be appropriate to the current education, background and potential of the applicant. For this reason it would not be practical for the department to produce a “definitive list”.*

*... individual prospective students must be considered on their own aptitudes and should seek personal advice which is available from Highlands College and Careers Jersey. The statement that “successful completion of (the Access to Higher Education course) is bound to improve a student’s earning capacity” is an educational matter rather than a benefit issue but it is clear that for some individuals this course will be appropriate, but for many others it will not.”*

Problems arise, it seems, when applicants for IS considering a full-time course do “seek advice from Social Security”. Depending on the officer, it seems that some will indeed be “encouraged to undertake courses”, whereas others may be told that courses, especially the Access to Higher Education and Return to Learning courses, are “not appropriate”. Some applicants have had conflicting advice on several occasions.

What appears to be happening is that, having been given clear advice by Careers Jersey and Highlands College on sound educational principles, potential students are prevented from study by contradictory decisions within the IS section.

The potential for confusion is not helped by the refusal of the Department to produce a definitive list of acceptable courses and to rely on sound educational advice for individual decisions.

Members will note that the Minister, in answer to Question 5240, stated –

*“This matter will be considered in the IS review to commence in the second half of 2010.”*

Members should be aware that this review is unlikely to report before the end of 2010, too late for the start of the academic year. **Appendix 2** shows that recruitment for the Access course starts with an initial meeting on 15th May.

## Childcare and Study

This situation is made worse by the complications involved in assessing the need for childcare for those parents who wish to study. A parent is eligible for childcare support in order to study, as can be seen in the IS guidelines below, but not if the child is under 5, on the grounds that a “parent” looking after a child aged under 5 is not required to work. In these cases the childcare component is not normally available.

### **7.4 Childcare component (pages 38 – 39)**

Child day care covered by Income Support includes registered day carers, preschool nurseries, after school clubs, holiday activity clubs and nannies. The care provider must be registered with the Education, Sport and Culture Department under the Day Care of Children (Jersey) Law 2002 or a nanny accredited by the Jersey Child Care Trust. It is available for children below the age of 12.

A “parent” can qualify for a childcare component to cover childcare costs if s/he is at work, is unable to look after the child because of a medical condition **or is a student**.

#### **3. “parent” is a student**

If a “parent” is training or studying then a childcare component is available to cover childcare costs while the “parent” is studying. The “parent” must be undertaking a course that has been approved.

A “parent” looking after a child aged under five is not required to work in order to claim income support. If a “parent” in this situation chooses to study, the childcare component is not normally available.

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The answer to Question 5299 provides some clarification but most of it is unhelpful. Thus –

*“Parents with children under the age of 5 who are able to make childcare arrangements **without the need for additional financial assistance** are supported through IS and may choose to study and continue to receive IS benefits”.*

So if you have supportive family members who can provide childcare for free, you can study.

*“There are alternative options for study for parents with children under the age of 5 as course fees for distance learning may be paid through an IS Special Payment”.*

Isolated distance learning is okay; learning at Highlands is not.

And here we find the probable core of the problem –



*“Such support was not available under the previous benefit system and the Department would need to seek additional funding to extend Income Support to all applicants in this situation.”*

It appears that whilst enabling some parents and others to study is obviously an end to be desired, no-one thought to fund it as part of the transition to the new better-directed IS system.

The overall impact of these guidelines is to deny access to study to single parents and to some married couples with a child under 5. They effectively imply that a parent would be better off sitting at home with their child, rather than studying to improve their skills and to improve their employment prospects. This can surely not be a deliberate intention of the Minister, can it?

In one case that came to Deputy Southern’s attention in 2009, the Department tried to deny a single parent the opportunity to study on the grounds that she would be so busy looking after her child when she was not at Highlands that she would be unable to study properly and might fail; this despite achieving excellent grades. In a more recent case, a student’s arrangements to cover childcare after starting a course in September fell through when her ex-partner (who was minding the child) found work in the following January. This meant that she needed paid childcare in order to continue. She built up 2 months of childcare fees (a debt of over £1,000) before the issue was resolved by Deputy Southern’s intervention with the Department.

#### **Financial and manpower implications**

There are no manpower costs to this proposal. Financial costs depend on numbers of parents willing and able to study and on the numbers of over-19s who wish to study or re-train to improve their prospects.

#### **Additional Childcare costs for parents already on Income Support:**

Childcare costs per child would be –

0–2 years of age	1 x £5.69 x 35 hours x 39 weeks =	£7,766
3 years of age	1 x £4.55 x 35 hours x 39 weeks =	£6,210

This assumes that the parent is on a one-year course and the childcare runs from September to June.

An additional 10 parents choosing to re-train or returning to study would therefore cost, perhaps £77,000. This looks like a good investment in order to, in the words of the Minister for Education, Sport and Culture –

*‘enable more people to improve their skills, which in turn will help them access work as the economy recovers.’*

#### **IS costs for adults wishing to re-train**

It is very difficult to cost this situation. However, it must be recognized that when people are made redundant they may choose to remain actively seeking work, in which case their needs will be met by Income Support. In a situation where recovery is prolonged, opportunities to find work will remain limited. The better option for some,

although it is unlikely that this would ever be a large number, might be to re-train. Again, Income Support will meet their living costs, but this is not additional money.

If individuals have been made redundant from full-time employment (not previously receiving IS) and wish to enter full-time study, the costs could be anything from –

- single person living with relatives:  $£92.12 \times 52 \text{ weeks} = £4,790.24$  (equivalent to students age 16 – 19 who receive this automatically)
- to
- married person supporting, say, partner and 2 children in rented accommodation:  $£607.25 \times 52 \text{ weeks} = £31,577$ .

Taking the average of these 2 examples, the following budget would be needed –

<i>Number of claims</i>	<i>Annual cost</i>
10	£181,836
20	£363,672

Again, this is not an additional spend, but a spend on training rather than job-seeking.

**WRITTEN QUESTION TO THE MINISTER FOR SOCIAL SECURITY  
BY DEPUTY S. PITMAN OF ST. HELIER  
ANSWER TO BE TABLED ON TUESDAY 20th APRIL 2010**

**Question**

“Will the Minister accept that the treatment of those on Income Support wishing to undertake educational/training at Highlands or elsewhere has led to inconsistent advice being given to applicants in some cases? Will he produce a definitive list of what courses are acceptable and ensure that all Income Support staff and applicants are made aware of it?

Will he also ensure that the “access to Education” course, successful completion of which is bound to improve a student’s earning capacity, is accepted on this list, and if not why not?

Will he further commit himself to review the guidance on access to childcare components which precludes parents with children under five years of age from accessing childcare in order to study?”

**Answer**

There are clear guidelines regarding the treatment of those on Income Support (IS) wishing to undertake education/training. Officers in the Department work closely with Careers Jersey and Highlands College to support potential applicants. The application forms individuals are required to complete when applying to enrol on a course at Highlands College include information regarding Income Support.

Support is provided depending on the individual circumstances and the course proposed needs to be appropriate to the current education, background and potential of the applicant. For this reason it would not be practical for the Department to produce a “definitive list”.

Highlands College provides two courses designed for adults wishing to return to education. There is a Return to Study course for individuals who left school with few, or no, qualifications and an Access to Higher Education course for those who already have some qualifications and work experience. As stated above individual prospective students must be considered on their own aptitudes and should seek personal advice which is available from Highlands College and Careers Jersey. The statement that “successful completion of (the Access to Higher Education course) is bound to improve a student’s earning capacity” is an educational matter rather than a benefit issue but it is clear that for some individuals this course will be appropriate, but for many others it will not.

Parents with children under the age of 5 who are able to make childcare arrangements without the need for additional financial assistance are supported through IS and may choose to study and continue to receive IS benefits.


The additional cost of including childcare within the IS benefit to support a parent of a child under 3 for 39 weeks of full-time study (September to June) would be up to £7,712.25. This support is not usually provided, although exceptional circumstances

will always be considered. Such support was not available under the previous benefit system and the Department would need to seek additional funding to extend Income Support to all applicants in this situation.

Following the introduction by Education, Sport and Culture of 20 hours' free term-time nursery provision to 3 and 4 year-olds from September 2009, the opportunities for parents with children just below school age to be able to make arrangements for their own study has increased.

There are alternative options for study for parents with children under the age of 5 as course fees for distance learning may be paid through an IS Special Payment.

This matter will be considered in the IS review to commence in the second half of 2010.



## Access to Higher Education

- Did you miss out at school?
- Did you leave school without O/A Levels or GCSEs?
- Do you regret it?
- Would you like to go on to Higher Education?
- Would you like a second chance?

Highlands College will offer to people with few or no qualifications, the unique opportunity of returning to study. Two programmes are on offer, a full-time one year fast track programme commencing in September 2010 and an 18 month part-time programme commencing in January 2011. These will both run subject to sufficient numbers.

**A meeting of those interested will be held at Highlands College on Wednesday 19th May at 7.00pm in the Training Restaurant. Please contact Joanne Turner on 608582 for further details.**

For more information about Highlands' other part-time courses go to [www.highlands.ac.uk](http://www.highlands.ac.uk) or call 608608 for a prospectus.

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**Income Support and Applicants to Highlands College  
Paper for the HSSH Scrutiny Panel**

**Professor Edward Sallis OBE and Christine Wilson  
Highlands College**

**1. Remit**

Highlands College has been asked to provide the HSSH Scrutiny Panel with information on:

- Whether applicants for College courses are having difficulty in obtaining “funding”.
- How applicants are assessed for courses such as Access to Learning and Return to Study and whether Highlands provides a recommendation to Social Security as to an applicant’s suitability so they can obtain “funding”.
- Whether single parents receive consistent advice on “funding” support.

**2. Funding**

It is important to be clear as to what is meant by the term “funding”.

Students at Highlands who study full-time have their tuition paid under the Highlands funding formula, providing they meet the eligibility criteria which require them to be Jersey or EU residents and if in the latter category to have been resident in the Island for five years.

This means that applicants in receipt of Income Support are eligible for a free place at Highlands providing they meet the entry requirement for the course they intend to study for.

The discussion of funding in the context of this paper refers to whether students are eligible to receive Income Support whilst studying.

**3. Working with Social Security**

Highlands works closely with Social Security on a wide range of issues. There is, for example, an information sharing agreement with Income Support and regular meetings are held on a wide range of issues.

Highlands has Fiscal Stimulus Funding for 2010/2011 and will continue to offer both Access and Return to Study. Whether the programmes will continue in the longer term will depend on the outcomes of the Comprehensive Spending Review and the success of the growth bid the College has made.

The recession and the increase in unemployment meant that there has been an increase in applications for Highlands Return to Study and Access to Higher Education

programmes. In September 2009, 31 students enrolled on Return to Study and 50 on Access. This was effectively a doubling of the numbers.

Highlands and Social Security work together to ensure that students receive appropriate financial support. This group is heterogeneous and not all are in receipt of benefit. The group includes people who have been made redundant and are looking to change career direction, people hoping to improve their skills to improve their life changes, and women returners. Some come with wide range of social issues and mental health problems.

The Social Security application form makes it very clear that financial support during study is separate to acceptance on to the course itself. Here is the relevant extract:

**“Financial Implications of Full-Time Study** – It is vitally important you are fully aware of all the financial implications involved before committing yourself to full-time study. Please discuss course costs with your tutor at interview. Under certain circumstances, you may be required to pay full tuition fees.

If you need financial assistance during your studies you must approach the Social Security Department first, to check your eligibility for Income Support. Please note that you will not be able to apply for funding once the course has started.

Acceptance on the course is no guarantee of financial support.

For further information please contact the Social Security Department, Philip Le Feuvre House, La Motte Street, St. Helier – Tel 445505.”

Despite this advice, we have encountered some problems due to clients’ perceptions that because they have a place on the course, they would have an automatic right to benefits, regardless of their previous financial and employment situation

### **2010/2011 Academic Year and Beyond**

Highlands and Social Security have reviewed this year’s exceptional situation and will continue to work together closely for the next intake. Staff from Social Security will be on hand at the open evening to offer on the spot advice to applicants.

An additional step will be included in the 2010 entry. When Highlands makes course offers, these will be dependent on those requiring financial support for living costs gaining prior written approval from Social Security.

This additional confirmation will clarify the service to those who wish to improve their education and skills and ensure that potential students do not make unjustified assumptions about possible financial support.