

STATES OF JERSEY

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WINTER FUEL PAYMENT (P.89/2007): AMENDMENT

Lodged au Greffe on 16th July 2007
by the Council of Ministers

STATES GREFFE

WINTER FUEL PAYMENT (P.89/2007): AMENDMENT

For paragraph (c) substitute the following paragraph –

“(c) the winter fuel payment should be funded from the cash limit of the Social Security Department;”

COUNCIL OF MINISTERS

REPORT

In the amended Business Plan for 2007, the Council of Ministers was charged by the States to propose a Winter Fuel Payment Scheme and to meet the cost from within existing expenditure limits. In proposing the Winter Fuel Payment Amendment (P.89/2007), the Council of Ministers has done what was asked.

In 2004, the States agreed to restrict the Christmas Bonus so it would be paid only to pensioners in need. However, this change has never been implemented.

The Council of Ministers was mindful of this decision in making its proposal to alter the arrangements for paying the Christmas Bonus, as it would have meant available funding would be available to help those who needed it. Awarding the Christmas Bonus only to pensioners who had a real need was seen as preferable to cutting services. The Council of Ministers could then deliver what the States had requested – a Winter Fuel Payment Scheme from existing funds.

Having made its proposal, the Council of Ministers has listened to the views of Islanders. Despite the previous States decision to cut Christmas Bonus, the message from the public has been clear that they do not want this to happen.

The Council of Ministers has balanced the clear public preference to continue to pay a Christmas Bonus to all pensioners (without taking income into account) with the risks of exceeding proposed spending limits for 2007, in order to bring in a new Winter Fuel Payment for those in need. The Council of Ministers now proposes that the expenditure limits of the States be increased to meet the costs of the new Winter Fuel Scheme, and withdraws the proposal to implement the States decision to introduce an income bar for Christmas Bonus.

There are no additional manpower implications from this amendment. The financial impact is an increase of £560,000 in the overall revenue expenditure of the States.