

DRAFT FAMILY ALLOWANCES (JERSEY) REGULATIONS 200-

**Lodged au Greffe on 19th November 2002
by the Employment and Social Security Committee**



STATES OF JERSEY

STATES GREFFE

150

2002

P.217

Price code: B

Report

The Employment and Social Security Committee believes that Family Allowance is an extremely important benefit, being the allowance specifically targeted to low income families as a contribution to the general cost of bringing up dependant children. It is aimed at those families below the tax threshold and is assessed on the returns made to the Income Tax Department. The benefit is not, therefore, designed or structured to meet immediate need as it is based on this historic income. However, Family Allowance is a vital component in a series of means-tested benefits available to low income families in Jersey, and as such it continues to feature in the Committee's research into low income support in Jersey. The Committee are formulating proposals for a general income support benefit which ultimately would subsume Family Allowance.

In the meantime the Committee needs to maintain the existing Family Allowance Scheme and under Article 12 of the Family Allowance (Jersey) Law 1972, the rates of the allowance are required to be reviewed in relation to the cost of living and general standard of living of the community. The Committee are proposing an increase of 4.2% on existing maximum rates which is also in line with recent increases in the Parish Welfare Rates.

The table below gives examples of current weekly rates and proposed weekly rates for a two child family -

Annual Income	Current Rate	Proposed Rates
6,600	95.77	99.79
8,600	78.96	82.27
10,600	58.58	61.04
12,600	39.01	39.01
14,600	17.83	18.58

The Committee estimates that the cost of the Family Allowance System, including these proposals will be within the cash limit set for the year 2003.

There are no additional financial or manpower implications for the States arising from the adoption of these draft Regulations.

Explanatory Note

These Regulations specify the rates and amounts for the purposes of calculating the annual rate of family allowance during the family allowance year beginning on 7th January 2003.

Family Allowances (Jersey) Law 1972

FAMILY ALLOWANCES (JERSEY) REGULATIONS 200-

(*Promulgated on the day of 200-*)

STATES OF JERSEY

The day of 200-

THE STATES, in pursuance of Article 7 of the Family Allowances (Jersey) Law 1972,^[1] as amended,^[2] have made the following Regulations -

1. For the purposes of Article 7(1) of the Family Allowances (Jersey) Law 1972,¹ as amended,² the following amounts are specified in respect of the family allowance year beginning on 7th January 2003 -

- (a) £2,799 shall be the maximum annual rate of the allowance in respect of the first child of a family;
- (b) £2,390 shall be the maximum annual rate of the allowance in respect of the second child of a family;
- (c) £2,260 shall be the maximum annual rate of the allowance in respect of each of the children of a family born after the first two children;
- (d) £6,950 shall be the decline point;
- (e) the amount found by adding to £11,950 the sum of £2,200 in respect of each child of the family shall be the maximum level of family income; and
- (f) £52 shall be the minimum annual rate of the allowance in respect of any number of the children of a family.

2. The Family Allowances (Jersey) Regulations 2001^[3] shall be repealed.

3. These Regulations may be cited as the Family Allowances (Jersey) Regulations 200- and shall come into force on 7th January 2003.

[1] Recueil des Lois, Volume 1970-1972, page 417.

[2] Recueil des Lois, Volume 1984-1985, page 81 and Nos. 8132 and 8455.

[3] No. 199/2001.