

# STATES OF JERSEY



## **PENSIONS: SURVIVOR'S BENEFIT – REVIEW (P.105/2011) – COMMENTS**

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**Presented to the States on 30th June 2011  
by the Minister for Social Security**

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**STATES GREFFE**

## COMMENTS

The Minister for Social Security supports the proposition put forward by Senator F. du H. Le Gresley to undertake a comprehensive review of survivors' benefits.

The report accompanying P.105/2011 correctly notes that "the Minister for Social Security has advised me that, in principle, he agrees that survivors' benefits are generous and that a review is required".

The report also makes reference to the major review of the Social Security system, Continuity and Change, undertaken in the late 1990s. This review ran over several years and considered all aspects of Social Security contributions and benefits.

As a result of the Fiscal Strategy Review undertaken in 2010, the Department is currently engaged in a major review of contribution liability. A fundamental restructuring of the current legislation will be debated by the States Assembly in July, and further significant work which is likely to include public consultation is planned for the next 12 months. The Department is also involved in the Income Support review and the development of a Long Term Care Benefit.

Social Security benefit legislation is complex. Changes to legislation must be carefully planned as they affect a large number of benefit claimants, as well as needing adjustments to computer systems, publicity material, staff training and other operational arrangements.

The suggestion in the report accompanying P.105/2011 that a Green Paper should be published on this single topic will need to be carefully considered. In order to provide the general public with a realistic range of options and sufficient background information to understand the finances of the Social Security Fund and the relative implications of different proposals, a comprehensive paper should be made available.

The proposition requires a report to the States by 31st March 2012, with proposals for a new scheme to achieve a significant reduction in the current annual expenditure, while at the same time honouring the claims of all existing claimants.

It should be noted that reductions in expenditure will take a number of years to reach a significant level if all existing claimants continue to receive the benefit as currently constituted.

It is difficult to give a firm commitment that the Minister elected in November this year will have sufficient time to undertake this work and produce a report in the proposed timescale.