

Minister's Report & Financial Statements 2014



Social Security Department

Centre for work, pensions and benefits

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Presented to the States by the Minister for Social Security.

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Section 1 – Minister’s Report

Minister’s Foreword

I am pleased to present the 2014 annual report for the Social Security Department. This year’s report marks my first as Minister for Social Security, and so it is appropriate to start by thanking my predecessor, former Senator Francis Le Gresley. Many of the achievements of 2014 are the result of work that was carried out in partnership with Senator Le Gresley during my time as Assistant Minister, and I am proud to have continued our work by taking the lead role at the Department.

There are undeniably significant challenges facing Jersey in the future. Nonetheless, one of the greatest strengths of the Social Security Department is a consistent ability to incorporate forward planning as part of everything we do, whilst remaining agile enough to face any immediate problems that may arise. These issues can be difficult to predict and there is no exact science in developing the solutions required.

We are responsible for the long-term planning needed to maintain a viable old-age pension for the Island, and for collecting and safeguarding the funds necessary to support workers who are sick or disabled. We help low-income households through the Income Support benefit, and are entrusted with the substantial task of providing a new long-term care benefit to an ageing population. At the same time our staff offer the front-line response to any sudden rises in unemployment, and have a focus on customer service that allows us to assist other Departments by absorbing responsibilities such as the Population Office and Housing Gateway. I am proud to say that in my time in the Department we have met all these challenges and more.

Unemployment remained the greatest short-term challenge facing the Department, and indeed the Island as a whole. We were in a strong position to help local residents through the Income Support benefit and our Back to Work programme, which continued to demonstrate the value of creative solutions to Jersey’s changing employment market. Overall, we helped 2,140 unemployed people into jobs in 2014, often working with employers to help retrain local jobseekers to fill vacancies in industries that might otherwise be recruited from outside the Island. This provides the dual benefit of reducing Income Support spend and limiting the need for inward migration. In addition, 100 new socially beneficial jobs were created through the Community Jobs Fund.

The largest single project completed in 2014 was undeniably the launch of Jersey’s new long-term care benefit. This was made possible through strong political leadership, supported by years of work on the part of my officers and their colleagues in other departments. The benefit is designed to help towards the costs faced by islanders who need long-term help with their daily care, either in a registered care home or in their own property. The costs of this scheme are being met from a dedicated fund, which will be paid for by contributions collected from 2015 onwards as well as annual grants from the Treasury. More than 1,100 people who were already receiving care were automatically transferred to the scheme when it launched in July 2014, and I would like to extend my gratitude to officers, as well as political colleagues past and present, for making the smooth launch and implementation of this benefit possible.

The growing need for long-term care is not the only challenge facing the Island as a result of an ageing population. 2014 saw the conclusion of an independent review into Jersey’s Social Security Fund. The review showed the fund was in a healthy condition, with assets of over £1 billion available to meet the costs of future pensions and benefits. This strong position is the result of judicious decisions that were

made during the preceding decades, but the current surplus of five year's expenditure is not enough, on its own, to meet the increasing costs we now face. The review forecast that by 2016 the fund will reach break-even point, where income from contributions will only just match the cost of pensions and benefits. This is driven by the increasing life expectancy of old age pensioners. My first priority for the coming year will be to lead a consultation on the possible changes that are needed to maintain the sustainability of the fund. Options to be considered will include an increase in contributions, either through the percentage rate or the ceiling or a combination of both.

The third area affected by the growth in pensioner numbers is that of healthcare. A review of the Health Insurance Fund was also published in 2014 and, as with pension costs, identified significant growth in future costs. The HSS department is leading a major health review including the future of primary care and my department continues to support this important work.

I am proud to have been part of the ministerial team responsible for the implementation of the new discrimination law. In September 2014 the first section of this law, dealing with race discrimination, came into force after many years of research and preparation.

We also made substantial progress in employment law, gaining political support for the first phase of family friendly legislation, which covers statutory maternity leave, time off to attend antenatal clinics and the right to request flexible working. The States also approved improvements to existing maternity benefits. Whilst there has been criticism that these proposals do not go far enough, this is a significant first step and I will be reviewing the impact of these changes and the potential for further steps during my term of office.

I have worked closely with our departmental staff; I am consistently impressed by their high standards of customer service and clear understanding that every Jersey resident is a customer, whose needs and security must be balanced against every other member of our community. This delicate balance cannot be achieved without a great degree of hard work from officers and so I would like to acknowledge the extent to which the successful operation of the Social Security Department is made possible by our dedicated and experienced employees. They have been at the forefront of our focus on customer service and it is thanks to them that we can boast a healthy engagement in every area of our organisation with the States-wide LEAN project.

At a managerial level we have also benefited from strong operational leadership and the value offered by thoughtful succession planning. I would particularly like to extend my thanks to our former Chief Officer Richard Bell, whose considerable talents continue to serve the Island in his new role as Treasurer of the States. His role at Social Security was filled in the interim, capably and at short notice, by our Operations Director Ian Burns, who I am delighted to say has now taken up the Chief Officer role on a permanent basis.

2014 was undeniably a challenging year for this Department, and indeed for the States as a whole. It is clear that greater challenges await, and that we must be prepared to make difficult decisions to safeguard the services and benefits that make Jersey such an amazing place to live.

I am confident that, working together as a team, we can continue to plan for the future.

Deputy Susie Pinel

Social Security – Our Service

Our overarching aims are to help people achieve and maintain financial independence and to provide benefits to those islanders who are unable to support themselves. Our purpose is to offer:

Support, Opportunity and Service by

- ❖ Supporting people to achieve and maintain an acceptable standard of living,
- ❖ Helping employers and employees to work well together for their mutual benefit and the economy of the Island,
- ❖ Planning for an ageing population, and
- ❖ Delivering benefits and high quality services.

We are responsible for:-

- A compulsory, contributory Social Security Insurance Scheme that receives contributions from employers, employees and general tax revenues. This scheme is most closely associated with the payment of pensions, but it also provides contributors with benefits throughout life by offering support from Maternity Allowances through to Death Grants.
- A compulsory, contributory Health Insurance Scheme that receives contributions from employers and employees. This scheme subsidises GP consultation fees and pays for prescriptions issued by GPs and dentists.
- (from July 2014) A compulsory, contributory long-term care scheme that receives contributions from individuals and general tax revenues. The scheme provides a range of benefits for adults with long-term care needs.
- Non-contributory means-tested benefits including Income Support. These are funded from general tax revenues and provide targeted support for lower income households. In addition the tax funded Christmas Bonus is paid to local pensioners and certain other benefit claimants.
- Back to Work services which help people into work and support adults with barriers to employment to obtain and maintain paid work.
- Employment legislation, which sets out minimum standards for good employment relations and protection in the workplace. The Department funds the Jersey Advisory and Conciliation Service (JACS) to provide advice, training and conciliation.
- Health and Safety legislation providing a legal framework which sets out the duties of employers and employees to observe health, safety and welfare at work, as well as the Health and Safety Inspectorate which provides proactive advice to employers and undertakes investigations when things go wrong.
- (from September 2014) Discrimination legislation. This legislation creates ‘protected characteristics’ ensuring people are not treated unfairly due to their race and will be extended to cover, sex, age and disability in coming years.
- (from December 2014) The maintenance of the Names and Addresses Register and the registration of individuals and businesses under the Control of Housing and Work Law.

Executive summary

This 2014 Annual Report builds on those issued in previous years to provide a comprehensive overview of the many activities of this Department. The Island's strong economy and high standard of living is underwritten to a significant degree by public confidence in the 'safety net' offered by the benefits we administer. Therefore as well as cataloguing the broad diversity of our daily activities, the report also provides confirmation that our approach to long-term management of the four ring-fenced funds that we hold remains steady, well-informed and above all prudent.

During 2014 the department published two actuarial reviews, setting out the condition of the Health Insurance Fund and the Social Security Fund. Both reports confirmed the current health of the two funds but identified the need for action to be taken to maintain the sustainability of each fund in the future. Thankfully, the importance of forward planning has been key to our Department since the earliest steps to create a Social Security system. That system must now be reviewed and adapted to meet the challenges of the coming decades.

At the end of the year, the total assets of our four funds stood at £1.44 billion. During 2014, a total of £189.7 million was collected in contributions, funding £160.5 million paid out in Old Age Pensions, to over 29,500 pensioners in Jersey and around the world, as well as a range of other benefits.

The single biggest taxpayer-funded benefit spend was £76.2 million provided to low income households through the Income Support weekly benefit.

Our approach will remain one of balance. We strive to support Islanders of all ages through sickness, old age and periods of unemployment. We offer a robust benefit system to lessen the effects of low income and help unemployed people find work. We provide for the young child, their parents and their grandparents. All this is balanced against the reasonable expectations of the taxpayer and the understanding that our work supports and is supported by the community as a whole.

Benefits Administered by the Department	2014 spend £ million	Supporting
Old Age Pensions	160.5	29,582 pensioners
Income Support	76.2	6,486 households
Long-term Incapacity Allowance & Invalidity Benefit	22.9	4,625 claimants
Pharmaceutical Benefit (<i>cost of drugs and dispensing</i>)	18.9	1.9 million items prescribed
Long-term Care (Jul-Dec)	16.9	1,147 claimants
Income Support: Residential Care (Jan-Jun)	8.9	585 claimants
Short Term Incapacity Allowance	12.4	476,243 days paid
Medical Benefits (<i>GP subsidy</i>)	8.8	349,102 GP consultations
Survivor's Benefits	4.6	860 claimants
Maternity Benefits	2.6	915 parents
Home Carer's Allowance	1.9	185 carers
Christmas Bonus	1.5	19,926 claimants
Death Grant	0.5	678 grants paid
Food Costs Bonus	0.3	1,292 households
65+ Health Scheme	0.3	4,416 claims
Gluten Free vouchers	0.3	481 claimants
TV Licence Benefit	0.3	1,994 claimants
Other Benefits (<i>Less than £200,000</i>)	0.4	
Total	338.2	

Table 1: Summary of 2014 spend on benefits administered by the Department

Getting People Back to Work

Tackling unemployment remained the government's greatest priority during 2014, with the number of registered unemployed people in Jersey reaching a high of 1,860 in February and March.

Through the focussed work of our Back to Work programme, the number of people registered as actively seeking work had fallen to 1,440 by the end of December 2014. A total of 4,725 individuals were registered at some point in 2014 with the Department.

Social Security's dedicated Back to Work team aims to bring employers and job seekers closer together and throughout 2014 delivered innovative initiatives to tackle the record levels of unemployment. In 2014 we built on relationships with key industries such as hospitality and construction to provide bespoke training programmes building on successes of previous years. Working directly with the Jersey Construction Council and industry allowed the creation of the Under Construction programme to help local jobseekers develop basic skills, get an introduction to site work and show their talents to employers.

In 2014 Back to Work ran five successful job match events giving over 500 candidates the chance for speed interviews with employers. October also saw a successful repeat of JobsFest, an initiative created to help those who had not worked at all during the year. This led to the creation of 80 paid positions.

We also established a new Foundations programme for those customers with barriers to employment. The programme addresses those people who need additional help in attaining experience of paid work, and was able to make a real difference to the Island in 2014 by assisting with environmental and construction projects. This was particularly rewarding as it involved work on a number of venues that needed preparation for Jersey's commitment to hosting the Island Games. Back to Work also continued to make good use of the Community Jobs Fund, with over 100 jobs created that directly benefited Jersey's communities.

Over the course of 2014, Back to Work helped unemployed people into 2,140 paid jobs, up from 1,818 in 2013. Reducing unemployment remains a high priority for the States and Back to Work, as the key part of the States cross-departmental initiative, will continue to support local people to find jobs and help local employers find the staff they need.

Supporting workers

In July 2014, the States approved the Minister's proposals for new family friendly employment rights, which will give qualifying employees the right to maternity leave, adoption leave, parental leave, paid time off work for antenatal classes and the right to request flexible working. This is a key first step in the extension of employment rights to parents and carers. At the same time, changes were agreed to maternity allowance, allowing the mother more choice as to when to start claiming benefit and providing for "keeping in touch days" during the claim.

An improved code of practice for disciplinary and grievance procedures was introduced in April 2014 to help employers and employees deal with disciplinary and grievance matters in a fair and reasonable way that contributes to business success. The Minister is also responsible for setting the minimum wage based upon the recommendation of the independent Employment Forum. The Minister increased the minimum wage and trainee rates by 2.3% in April 2014.

Supporting workers during short and long-term illnesses is an essential function of the Social Security system. Just under 25,000 claims for Short Term Incapacity Allowance (often called "sickness benefit") were made during 2014. 53% of these claims lasted less than 8 days but 10% lasted more than 45 days. Over recent years the number of short term absence claims has been decreasing, and, since 2012 the average length of claim has also begun to decrease.

Discrimination

The Discrimination Law creates important new rights for individuals in Jersey. On 1 September 2014, we introduced protection against discrimination, harassment and victimisation on the grounds of race. 'Race' includes colour, nationality, national origin and ethnic origin.

We also extended the jurisdiction of the Employment Tribunal so that it can deal with complaints about acts of discrimination that occur both in the workplace and in other areas including education, public premises, tenancies, members' clubs and the provision of goods and services.

During 2014, we asked members of the public to comment on our proposals for a second stage of protection against discrimination. Having considered the outcomes of that consultation, in September 2014, plans were published to introduce protection against discrimination on grounds of sex, sexual orientation, gender reassignment and pregnancy and maternity from September 2015, alongside the agreed family friendly employment rights.

Health and Safety Inspectorate

The Health and Safety Inspectorate carries out a wide range of actions aimed at ensuring that people at work and others who could be affected by working activities are not exposed to risks to their health or safety.

Throughout 2014 the Inspectorate continued to develop and focus on the most effective ways to maintain and improve workplace health and safety performance. Significant progress was made in respect of a number of legislative changes to ensure the regulatory framework remains effective and fit for current workplaces. This included a major review and revision of the Regulations relating to the construction industry, which were developed throughout 2014 in order to make the draft Regulations available for public consultation in 2015.

In 2014, the number of work-related accidents and incidents reported through claims made for Social Security benefit increased by 57 to 678, and the number of working days lost increased by 2,592 to 19,419. A total of just over £533,000 was paid out in Short Term Incapacity Allowance as a result of these claims. During the year, the Inspectorate carried out 82 investigations into serious accidents and incidents, 113 proactive inspections of high risk workplaces and 58 enquiries as a result of the reports of defective equipment. In 2014, 4 companies and a company director were prosecuted in the Royal Court for health and safety offences, and 13 enforcement notices were served by Inspectors.

The Health and Safety Inspectorate publish a separate annual report which gives more detail on specific activities.

Ring-fenced Funds

The net asset value of all four funds at the end of 2014 was just over £1.44 billion, split between the Social Security Fund – £89 million, the Social Security (Reserve) Fund – £1,253 million, the Health Insurance Fund – £85 million and the Long-Term Care Fund – £12 million. The performance of investments accounted for the majority of the annual increase in assets during the year, much of which was driven by rising markets; once again the year saw good returns from equity and corporate bond markets. This build-up of reserves is a sensible approach to the provision of future pensions and benefits, particularly when considering the demographic changes that are on course to affect all economies in the developed world. Simply put, people are drawing pensions for longer as lifespans increase, whilst birth rates remain static, reducing the ratio of workers to pensioners and therefore adding to the pressure on the pension fund. Jersey is in a robust position that few other jurisdictions can match, but nevertheless it is inevitable that these trends must be factored into our long-term planning.

A high level summary of the 2014 results for the four funds is shown in Table 2 below:

	Social Security Fund £ million	Social Security (Reserve) Fund £ million	Health Insurance Fund £ million	Long-term Care Fund £ million
Income	224.4	95.5	35.3	18.23
Expenditure	211.4	-	36.2	18.15
Surplus / (Deficit)	13.0	95.5	(0.9)	0.1
Net Assets at 31 December 2014	88.6	1,253.2	85.1	11.8

Table 2: Fund results for 2014

The UK Government Actuary's Department reviewed the Social Security Fund and the Health Insurance Fund, presenting both reports in 2014. These reviews considered the condition of each fund taking into account the income from contributions and return on investments, the amount spent on benefits and predicted changes to the island's population. The review of the Social Security Fund identified that the breakeven point¹ was forecast to be reached in 2016, and that action needed be taken in the next few years, to maintain the long-term sustainability of the pension fund. The review of the Health Insurance Fund confirmed that the breakeven point had already been passed and again confirmed that action was needed. For both funds, costs are rising steadily as the number of older people in the population increases. At the same time, contribution income remains stable as size of the working age population is relatively constant, based on the current interim population policy of net inward migration of 325 people per year.

Acknowledging the ongoing rise in the pensioner population, in 2014, the States approved legislation to bring in a gradual increase in the state pension age, starting from 2020. Pension age will rise by two months a year until it reaches 67 years in 2031.

Supporting an ageing population

In terms of the benefits that the Department provides, the largest single claimant group is people above pension age. From a total annual expenditure of £338 million approximately 57% is paid to people above 65 years of age, who currently make up approximately 17%² of the population. The old age pension accounts for most of this expenditure, but Social Security also provides a number of additional benefits available to pensioners, particularly those on a lower income. These benefits include the new Long-Term Care scheme, Income Support, the Jersey 65+ Health Plan, free TV Licences for people over 75 and the Christmas, Cold Weather and Food Cost bonuses.

As expected in line with our ageing population, the number of pensioners covered by the Social Security scheme is increasing. Over the last five years the number of pensioners has increased by 11% and the total cost of pensions has increased by 21%. Significant increases in pensioner numbers will continue over the next three decades and difficult decisions will need to be taken as to the level of support that can be provided to this group in the future.

Although there was a much milder winter than 2013, local pensioner households continued to benefit from payments to help with the cost of fuel in cold winter months. These Cold Weather Bonus payments are linked to the severity of winter temperatures and so eligible households received a total of £176.42 in 2014, compared to £304.00 in the previous year, which was much colder. During the year, new legislation was approved to put the cold weather bonus payments on a permanent footing.

¹ the point at which annual income from contributions is no longer sufficient to meet the annual cost of pensions and benefits paid out

² Stats unit pop projection +350 net migration scenario:

<http://www.gov.je/SiteCollectionDocuments/Government%20and%20administration/R%20PopulationProjections%2020130920%20SU.pdf>

Long-Term Care Scheme

The Long-Term Care Scheme was introduced on 1 July 2014 by Senator Francis Le Gresley after extensive interdepartmental working with Health & Social Services and Income Tax. During the first half of 2014, staff from both the Social Security Department and the Health and Social Services Department worked hard to pre-register individuals onto the LTC scheme and with care homes and providers to ensure a common understanding of the scheme.

The Long-Term Care Scheme and its ring-fenced fund are designed to support the growing care costs of our ageing population. The new LTC universal benefit (non means-tested benefit) removes the worry of the risk of catastrophic costs often associated with long-term care. The scheme is financed by contributions paid into a ring-fenced fund (starting at 0.5% on 1 January 2015 increasing to 1% on 1 January 2016). As costs increase in the future, this contribution rate will need to increase.

During 2013 it was agreed to delay the start of contributions and this decision was financially supported by an allocation of £11.7 million in underspend from Income Support at the end of that year. Going forward, the Treasury will allocate an annual grant to the Fund, reflecting the costs previously met directly by the Health and Social Services Department and the residential care support provided through the Income Support scheme.

Prior to the Long-Term Care Scheme being introduced on 1 July 2014, the Income Support scheme provided financial help with the cost of care fees. At the end of June 585 people were receiving means tested support through Income Support Residential Care. The vast majority of the £8.9 million spend on this benefit was for the first six months of the year. By the end of the year 1,147 people were receiving support through the long-term care benefit. Over the second six months of the year this cost £16.9 million. The increase in the number of claimants and the cost was driven by:

- Most people receiving care through the Health and Social Services Department are now included in the new scheme.
- People who had already spent £52,120 on their standard care costs were able to receive the new LTC universal benefit, regardless of their own income or assets.
- More people were eligible for means tested support under the more generous asset disregard of £419,000.
- Loans became available to many home owners with total assets above £419,000.

As the Health and Social Services Department is now receiving the extra income from the full fees that are now being charged, that department will see an equivalent reduction in their cash limit from the Treasury.

As well as helping the claimants themselves, this scheme also supports the important principle of reducing the future strain on the Health & Social Services budget, as the Long-Term Care Fund has taken on the task of supporting care costs for our ageing population. This is a good example of collaboration between States departments and Social Security has also welcomed the introduction by the Health and Social Services Department of the Approved Provider Framework, which facilitates monitoring the quality of care provided by agencies working in people's homes, prior to the coming into force of the new Registration of Care Law in 2017.

Improving Services

As a Department we are extremely proud of the focus we place on customer service. The benefits of our investment in training are considerable; as virtually every Island resident will need to contact the Department at some time, we are often in a position to define the experience of being a customer of the States of Jersey. We firmly believe that the goal of excellent customer service offers the best value to the taxpayer, as we are able to reduce waiting times and repeat visits, and use the staff time saved to further improve and streamline our processes.

This approach has made Social Security a natural fit for the States-wide Lean initiative. The Lean methodology is designed to reduce waste and increase value across organisations, by empowering all staff to explore more efficient ways to do their jobs without decreasing the level of service we offer to the customer. Many of our employees were enthusiastic participants in the Lean training offered in 2013 alongside their day jobs, and 2014 was the Department's first full year of using Lean methodology to run a programme of projects specifically targeted at service improvement and waste reduction.

Seven staff received specialist training and then successfully delivered a number of significant projects. The wide range of households served by Income Support means that the benefit involves a considerable amount of administration, so work was carried out to explore ways to make it easier for customers to notify us about changes affecting their Income Support entitlement. The success of this work in reducing waiting times and benefit overpayments was rolled out into a Department-wide "Tell Us Once" project, which aims to streamline our services by avoiding situations where customers need to provide the same information to different parts of Social Security. We also simplified certain processes around the payment of contributions, working with the Taxes Office to make life easier for our customers.

Joined up government

As part of the drive across the public sector to improve and simplify services, we agreed to absorb the Population Office from the Chief Minister's Department. In 2013 we had worked closely and successfully with the Population Office in delivering the new registration card required by the Control of Housing and Work Law. These cards replaced the old Social Security cards, as well as holding information required under the new Control of Housing and Work Law, for employment and housing purposes.

Bringing the services offered by the Population Office together with existing Social Security services is more convenient for both islanders and employers. As well as issuing registration cards, from December 2014, these services now include Business Licencing and Manpower, the Housing Gateway and the registration of lodging houses. The Chief Minister's Department has retained responsibility for population policy, with the Assistant Chief Minister and the Housing and Work Advisory Group continuing to consider licence applications from businesses.

We maintained a close working relationship with colleagues in Health and Social Services, encompassing a wide variety of projects but most significantly in the delivery of the long-term care benefit and ongoing work on a new model for primary care. We also supported colleagues at the Housing Department, and the newly-incorporated Andium Homes, with the Housing Transformation Project. Changes to income support regulations were introduced in April 2014 to ensure that social housing tenants are fully supported with the gradual move to near market rent levels for Andium and other housing trust properties.

Managing Public Finances

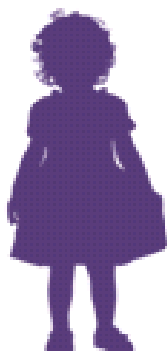
The Department receives funding directly from the States to deliver a range of "tax-funded" benefits and services, in addition to those directly funded by Social Security contributions. As part of the Medium-Term Financial Plan for 2013 -2015, a £3 million savings target was agreed for 2014. These savings were achieved by holding some elements of income support at their 2013 level. At the same time, it was possible to improve the work incentive within income support from 20% to 23%, reinforcing the clear message that benefit claimants are always better off in work.

Who does Social Security Support?

Babies



Children



Working Age



Income Support Child Component supports low income families with the living costs of their children

Income Support Childcare Component supports working parents with childcare costs of 0 to 11 year olds

Maternity and Adoption Grants provide a lump sum to help with the general costs of having a baby

Maternity Allowance is a weekly payment to help mothers while they take time off work to have their baby

Home Responsibility Protection Credits protect pension records for people who stay at home to care for a child

Medical and Pharmaceutical Benefits subsidise the cost of visiting a GP and any medicines prescribed

Income Support Child Component supports low income families with the living costs of their children

Income Support Childcare Component supports working parents with childcare costs of 0 to 11 year olds

Dental Benefit Scheme helps toward the cost of dental treatment for 11-21 year olds

Student Credits protect pension records while students are in full time education

Medical and Pharmaceutical Benefits subsidise the cost of visiting a GP and any medicines prescribed

Income Support is an income related benefit that provides support for those looking for work and those in work towards the cost of living.

Insolvency Benefit provides financial assistance to employees whose employers become insolvent

Back to Work teams provide support, coaching and training to help unemployed people back into work

Health and Safety Inspectorate ensures employers provide safe working environments

Jersey Advisory and Conciliation Service provides advice to employers and employees

Short-Term Incapacity Allowance is a daily benefit which provides income when a worker is unable to work due to sickness

Survivor's Benefits support a spouse or civil partner if their partner dies

Medical and Pharmaceutical Benefits subsidise the cost of visiting a GP and any medicines prescribed

Key:

Tax funded Benefit/Service

Long Term Care Benefit

Contributory Benefit/Credit

Health Insurance Benefits

Illness and Disability



Income Support Medical Components provide additional assistance to lower-income households that include someone who has a long term medical condition

Housing Adaption Grants help with the cost of adaptations to the home of those with permanent disabilities

Jersey Employment Trust and Back to Work help people with disabilities prepare for, find and maintain employment

Long Term Care helps fund the care fees for people with care needs

Long-Term Incapacity Allowance and Invalidity Benefit support those with a long term illness or disability; either physical or mental, both in work and those unable to work

Home Carer's Allowance supports carers who give up work to look after someone with high personal care needs

Medical and Pharmaceutical Benefits subsidise the cost of visiting a GP and any medicines prescribed

Gluten-Free Vouchers help individuals who need a gluten-free diet

Pensioners



Income Support supports lower income pensioner households

Food Costs* and **Cold Weather Bonuses** provide help with the cost of food items and heating the home for pensioners who don't pay tax

Christmas Bonus* is a one off payment to all pensioners resident in Jersey

TV Licence Benefit pays for the TV licence for over 75's who don't pay tax

65+ Health Scheme subsidises dental, optical and chiropody costs for pensioners who don't pay tax

Long Term Care helps fund the care fees for people with care needs

Old Age Pension helps to cover basic needs in old age and is based on contributions paid throughout the working life

Death Grants help with funeral expenses

Medical and Pharmaceutical Benefits subsidise the cost of visiting a GP and any medicines prescribed

*These benefits are also available to some working age families

Social Security Overview

The body of this report describes the activities of the Social Security Department:

- Collection of contributions from individuals/employers.
- Administration of funds.
- Provision of benefits and services.

It is divided into six sections:

- 1) **Fund Income Sources**, which details the income sources to the four funds administered by the Department.
- 2) **Social Security Fund**, which details the benefits administered under the Social Security Law.
- 3) **Health Insurance Fund**, which details the benefits administered under the Health Insurance Law.
- 4) **Long-Term Care Fund**, which details the benefits administered under the Long-Term Care Law.
- 5) **Tax Funded Services/Benefits**, which details the services provided and benefits administered through tax funded money, including Income Support and the Back to Work programme.
- 6) **Financial Statements**, for the four funds administered by the Department as well as tax funded revenue.

The figure opposite shows the Social Security revenue sources and demonstrates the financial flow through the funds into the benefits and services. For simplicity it does not show all the financial information, such as investment income, depreciation or administration. These figures are located within the Financial Statements section of the report.

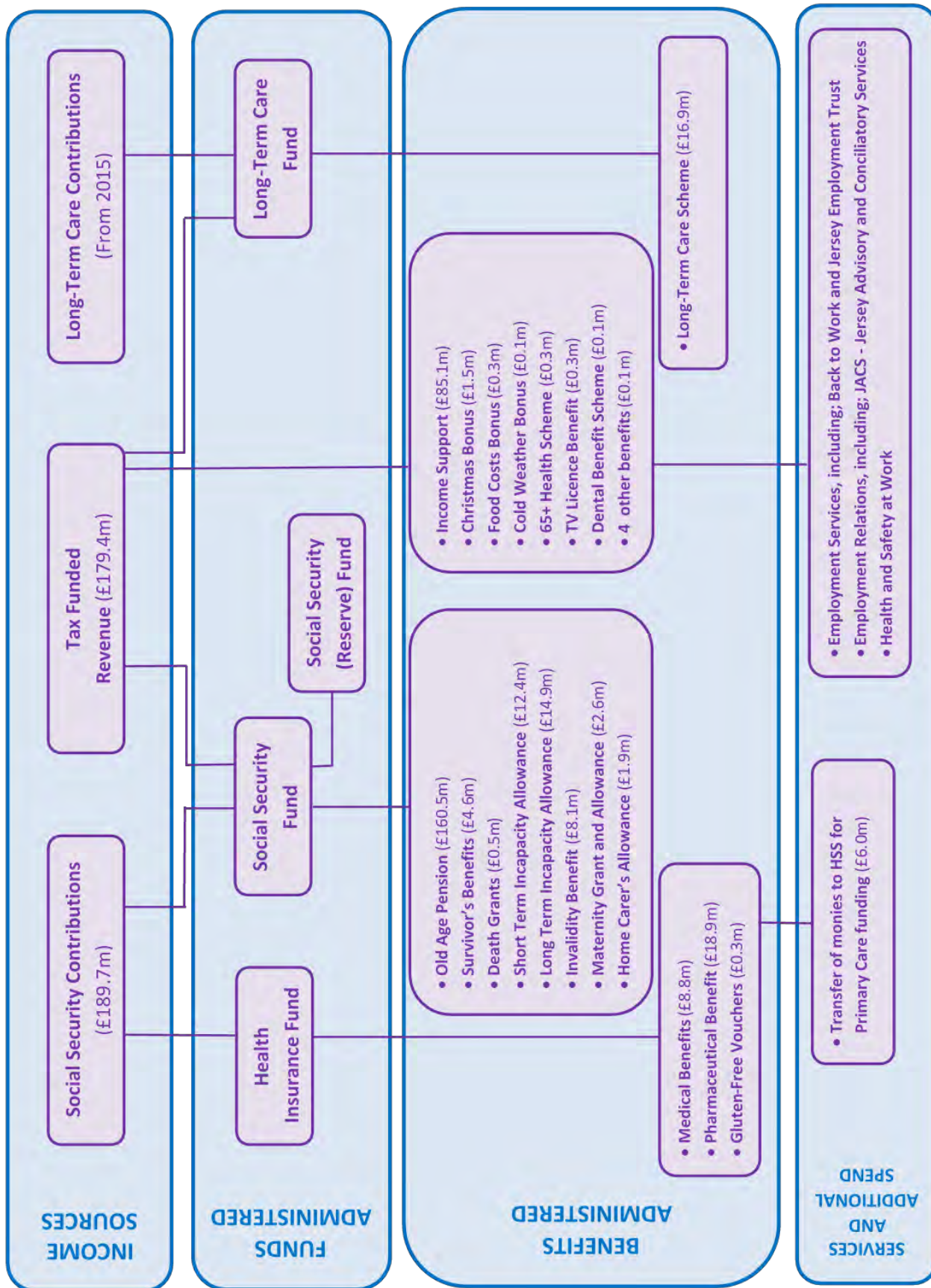


Figure 1: Flow chart demonstrating the Social Security Department income sources, funds, benefits and services 2014, excluding administration and other costs

Section 2 – Fund Income

The Funds administered by the Social Security Department have three sources of income.

- 1) Contributions collected from individuals and employers
- 2) Grants from the States
- 3) Investment income

Social Security and Health Insurance Contributions

Contributions from working age adults are due on earnings up to pre-defined earnings ceilings;

- **A contribution rate of 12.5% is payable on all earnings up to the Standard Earnings Limit (SEL) of £47,016 per year.**
For Class 1 contributors (employed) the 12.5% liability is split between the employer (6.5%) and the employee (6.0%). Class 2 contributors (self-employed and others not in paid employment) are liable to pay the full 12.5%.
- **Since January 2012 a contribution rate of 2% is payable on earnings between the SEL and the Upper Earning Limit (UEL) of £155,568 per year.**
Employers and Class 2 individuals are liable to pay the 2% contribution.

In some situations employees are not required to pay their 6% liability, for example people who are in receipt of an Old Age Pension, people receiving Survivor's Allowance (in the first year of bereavement) and some women married before April 2001.

Income Received from Contributors

Table 3 provides an overview of the contributions received and the number of contributors:

	2010	2011	2012	2013	2014
Total of Class 1 contributions below SEL (£000)	161,463	161,187	164,253	162,719	166,400
Total of Class 1 contributions above SEL (£000)			5,121	5,163	5,323
Total of Class 2 contributions below SEL (£000)	17,659	16,169	15,544	14,971	15,802
Total of Class 2 contributions above SEL (£000)			1,974	2,136	2,159
Total Value of contributions (£000)	179,121	177,356	186,893	184,988	189,684
Average No of Class 1 contributors during year	48,275	48,359	47,620	47,091	47,614
Average No of Class 2 contributors during year	4,176	3,877	3,783	3,751	3,783
Average Total No of contributors during year	52,451	52,236	51,403	50,842	51,397
Average Class 1 contribution per annum (£)	3,345	3,333	3,557	3,565	3,607
Average Class 2 contribution per annum (£)	4,229	4,170	4,631	4,561	4,748
Average Total contributions per annum (£)	3,415	3,395	3,636	3,638	3,690

Table 3: Contributions and contributors, 2010 to 2014

Table 3 and Figure 2 show that the number of contributors increased for the first time in 5 years by 1% and the monetary value of contributions increased by 3% in 2014, compared to 2013. There were increases in contributions above and below the SEL; with the largest monetary increase being a £3.7m (2%) increase in Class 1 contributions below SEL.

Between 2010 and 2014 the value of contributions up to the SEL has risen by 2% compared to a 9% increase in average earnings over the same period, a real term fall of 7%.

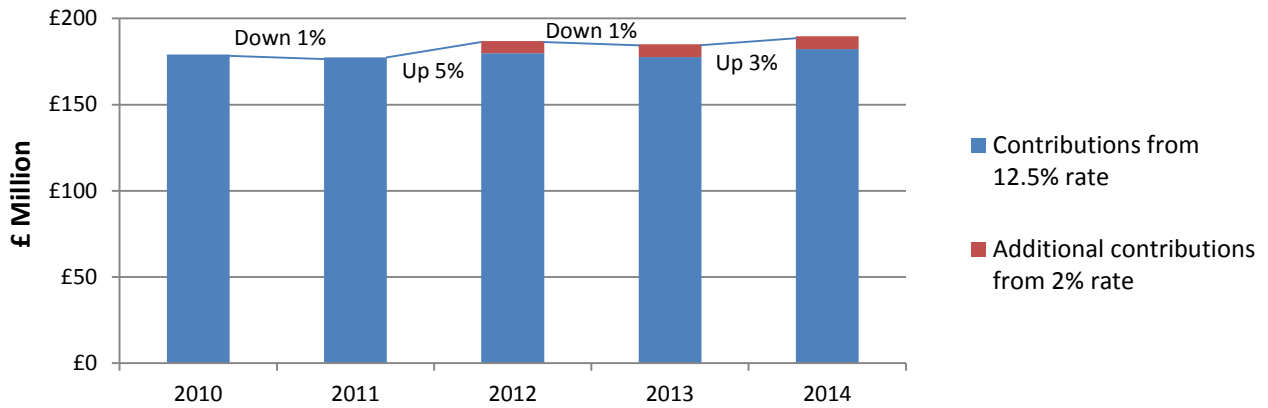


Figure 2: Total contributions and year on year change, 2010 to 2014

Level of Contributions

In 2014, on average 39% of Class 2 contributors paid above the Standard Earnings Limit each month, with 22% paying at the maximum Upper Earning Limit. By contrast, on average, 21% of Class 1 contributors in 2014 were paid above the Standard Earning Limit, with only 1% paid at the maximum monthly contribution.

Figure 3 shows that proportionately more Class 1 contributors paid at the Standard Earning Limit in March and December, the months typically associated with bonuses.

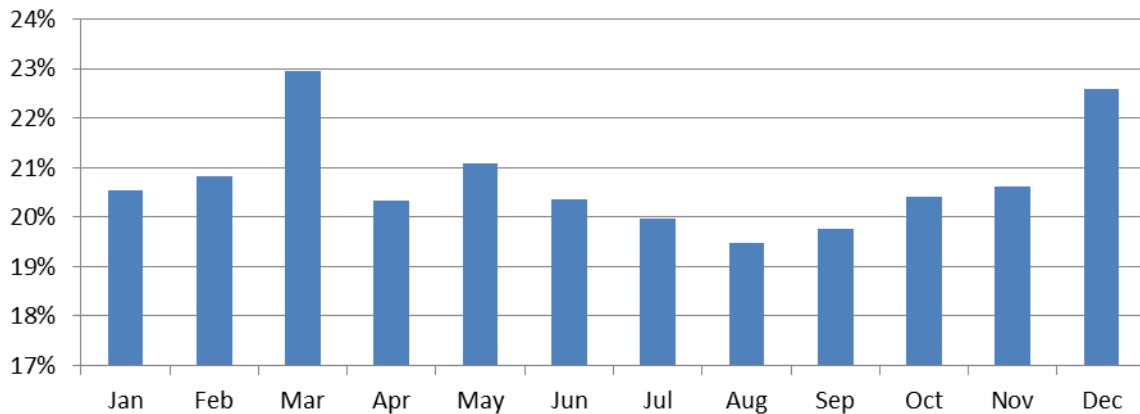


Figure 3: Class 1 contributors at the Standard Earnings Limit by month in 2014

Number of Contributors

Contributions are recorded monthly and the number of Class 1 contributors shows a variation in line with the seasonal activities within the Jersey economy, with 6.4% more Class 1 contributors in July than February. Across the year there was a monthly average of 47,614, an increase of 523 Class 1 contributors (1.1%) from 2013, with the increase being driven by the second half of 2014.

There had been a steady decline in the number of Class 2 contributors over recent years, however 2014 saw a small increase from an average of 3,751 in 2013 to 3,783 Class 2 contributors in 2014.

Allocation of Contribution Income

Class 1 and Class 2 contributions are allocated to the Health Insurance Fund and the Social Security Fund according to fixed percentages.

Fund	Employer Class 1 (below SEL)	Employer Class 1 (above SEL)	Employee Class 1 (below SEL)	Class 2 (below SEL)	Class 2 (above SEL)
Health Insurance Fund	1.2%		0.8%	2.0%	
Social Security Fund	5.3%	2.0%	5.2%	10.5%	2.0%
Total	6.5%	2.0%	6.0%	12.5%	2.0%

Table 4: Percentage allocation of Class 1 and 2 contributions to the Health Insurance Fund and Social Security Fund

Contribution Credits

In some circumstances contribution credits are available to protect people's contribution record and their entitlement to certain Social Security benefits. As well as protecting records during periods in which a contributory benefit is being claimed, credits are also available to:

- People caring for a child at home (*1,549 people as at 31 December 2014*).
- People over 18 in full-time education (*680 people as at 31 December 2014*).
- People who have been made compulsorily redundant (*36 people as at 31 December 2014*).

The most common source of contribution credits is for those caring for a child at home. This is known as Home Responsibility Protection (HRP) and is available for an adult who is not working in order to look after a child under five years old, with a maximum of 10 years of credits available for any one person.

Long-term care contributions

No long-term care contributions were collected for the Long-Term Care Fund in 2014. In 2015, the long-term care contribution rate is 0.5%. The amount of contribution is based on an individual's total income taking into account their tax allowances and reliefs and is only chargeable up to the upper earnings limit (UEL). In 2016, the long-term care contribution rate will be 1%.

States Grant to the Social Security Fund

Class 1 and Class 2 contributors with earnings below the Standard Earning Limit in a given month, but above the Lower Earnings Limit (LEL) of £824 per month, normally receive a supplement to bring their contributions up to the Standard Earning Limit. This "top-up" of contributions protects pensions and benefit entitlement for lower and middle income earners, and is known as supplementation.

The States provides an annual grant to the Social Security Fund. Up to 2010, the value of the States Grant was based on the exact cost of supplementation for the year in question. In 2011 a new method of calculating the value of the States Grant was established. This introduced certainty to the level of States contribution by setting the States Grant for 2011 and basing 2012 and future years on a formula set out in the law.

As part of the Fiscal Strategy Review, in 2011 the States agreed to introduce a 2% contribution rate for employers and Class 2 contributors between the Standard Earnings Limit and Upper Earnings Limit, with the additional contribution income collected used to reduce the level of the States Grant and cover some of the cost of supplementation. This had led to the value of the States Grant for 2012 and 2013 being at a lower level than

previous years due to the extra contributions raised through the introduction of the new 2% rate. This can be seen in Table 5, where the States Grant had previously represented 30-31% of the total income into the Social Security Fund (excluding investment income), whereas since 2012 it has only represented 28%. The total value of the States Grant plus contributions above the SEL was £71.2 m, compared to the actual cost of supplementation of £72.1m. Small differences in the funding of supplementation will even out over the lifetime of the Social Security Fund.

Year	2010 £000	2011 £000	2012 £000	2013 £000	2014 £000
Cost of supplementation	66,667	66,072	68,206	69,239	72,123
Contributions above SEL	-	-	7,095	7,299	7,482
States Grant value	66,667	65,348	61,150	62,200	63,700
Total contributions received (Social Security Fund)	150,462	148,837	157,977	156,415	160,387
Combined value of States Grant and contributions	217,129	214,185	219,127	218,615	224,087
States Grant as proportion of total of above	31%	31%	28%	28%	28%

Table 5: States Grant in respect of the cost of supplementation, 2010 to 2014

States Grant to the Long-Term Care Fund

In 2014, the States transferred a total of £24.9 million into the Long-Term Care Fund, comprising of: £11.7m available from departmental underspends, £8.7m transferred from the budget previously held under Income Support to support long-term care costs and £4.5m transferred from the Health and Social Services departmental budget to reflect the reduction in expenditure and the increase in income for that department, following the introduction of the new benefit. The income support transfer and the Health and Social Services transfer related to the period July – December 2014.

Social Security (Reserve) Fund Investments

The Social Security (Reserve) Fund is both the mechanism by which contribution rates and earnings limits which fund pension and benefit costs of the Social Security Fund are smoothed over time and a buffer to contribute towards the rising burden of pension costs as the island faces up to the pressures of an ageing population.

The investment strategy of the Social Security (Reserve) Fund is developed by the Minister for Treasury and Resources and written in consultation with the Minister of Social Security. The Fund is managed by the Treasury and Resources Department in line with this strategy. One of the main aims for the fund is long-term growth. It is expected that there will be no requirement to draw on the assets of the fund in the near future and that during this period there will continue to be net cash inflows to the fund.

To meet its aims the Social Security (Reserve) Fund seeks to earn long-term capital returns by allocating a higher proportion of its assets to a well-diversified mix of equities. The published investment strategy of the Social Security (Reserve) Fund is to invest 80% of its portfolio in equity, 10% in bonds and the remaining 10% in alternative asset classes. The proportion of holdings in each asset class may vary within strategic ranges as prices move on a daily basis. As at the year end all holdings were within the fund's strategic range.

Method of Investment

The investment strategy may be pursued through direct investment or investment through the States of Jersey Common Investment Fund (CIF).

As at the year end, the value of the Social Security (Reserve) Fund's investment holdings was £1,253.2m, with £153.9m invested with Legal and General through unit trusts and the remaining £1,099.3m invested in the CIF. The breakdown of investments is illustrated below in Figure 4.

The CIF is an administrative arrangement that allows States funds to pool investments to benefit from greater investment opportunities and economies of scale. Further information is published in the States of Jersey Financial Report and Accounts. The full accounts can be found on the States of Jersey website:

<http://www.gov.je/Government/Pages/StatesReports.aspx?ReportID=1429>

The CIF is arranged into various 'pools', each pool representing an asset class and managed by an independent investment manager. A Fund such as the Social Security (Reserve) Fund is able to invest in individual pools in line with its investment strategy.

Investment Asset Split within the Social Security (Reserve) Fund

Figure 4 illustrates the split of core assets held by the Social Security (Reserve) Fund as at 31 December 2014. The equity holdings of the fund are split between those managed on an active and passive basis. Active managers attempt to outperform the market with various investing strategies and through buying/selling decisions while passive managers seek to replicate an index performance.

The Social Security Reserve Fund invested in the CIF from 1 October 2010. By 31 December 2014 holdings in the CIF accounted for 87% of the fund's total value. During the year the fund further diversified its range of asset classes, adding investment to the emerging Markets Equity Pool, which was funded mid-year.

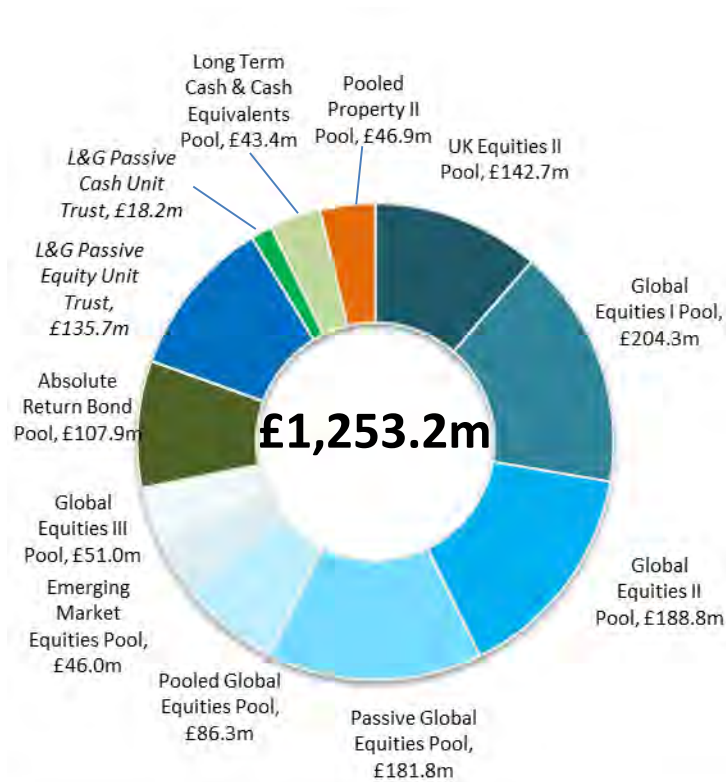


Figure 4: Social Security (Reserve) Fund investment asset holdings as at 31 December 2014

2014 Performance

In line with its investment strategy the Social Security (Reserve) Fund holds the majority of its portfolio in equities, a return seeking class of asset. Equities are expected to generate, on average, a higher level of return and grow the value of the fund in real terms although, in the short term, they can exhibit a higher level of volatility due to market fluctuations.

The performance of each investment manager is monitored against a benchmark set in accordance with the market in which that manager is investing. Although performance varies between investment classes and between managers the overall performance of the fund can be assessed against an apportionment of these underlying benchmarks. Fund performance against benchmark can be seen in figure 5 on the following page.

During 2014 the fund investments grew from £1,157.7m to £1,253.2m, a gain of £95.5 million. Of the total return in 2014 of £95.5 million, £85 million was generated by the CIF and £10.5 million by the assets held outside. Although lower than prior year this represents a good return for the Fund and exceeds the funds actuarial assumption of investment return of 2% in excess of earnings increases per annum.

The majority of the performance of the Fund was generated by the Funds allocation to equity class investments, though the other classes, fixed income, cash and property also generated positive returns. The overall net return of the Fund was 8.3%; this stems from both good returns from the markets but also performance from the active investment managers who produced net returns in the year in excess of their benchmarks.

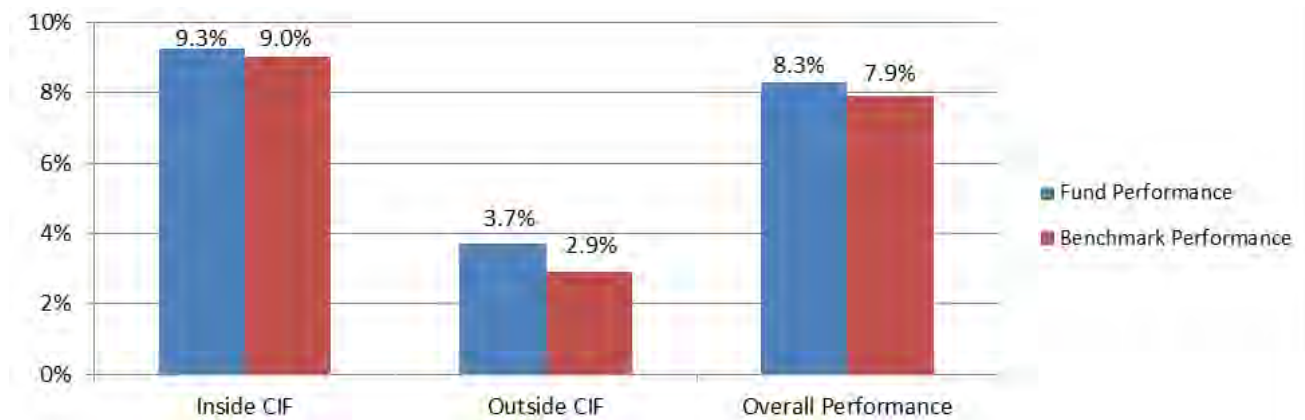


Figure 5: Performance of Social Security (Reserve) Fund investments over 2014 compared to benchmark

Health Insurance Fund Investments

The Health Insurance Fund was established under the Health Insurance (Jersey) Law 1967. The fund receives allocations from Social Security contributions to pay claims for Medical Benefit (GP subsidy) and Pharmaceutical Benefit as defined in the above law.

In order to best meet the fund's aims it follows a balanced investment strategy seeking to provide both capital growth and income generation but maintaining an appropriate degree of security over the fund's capital value. The strategic aim of the fund is to invest 40% of its portfolio value in equities, 45% in bonds and 15% in cash and cash equivalents. The equity portion of the portfolio is considered to be a return seeking asset class. Those assets are mostly actively managed and held to generate long-term returns. The bonds/cash portion of the portfolio is held to provide a degree of capital preservation and income generation and is also actively managed. The proportion of holdings in each asset class may vary within strategic ranges as prices move on a daily basis. As at the year end all holdings were within the fund's strategic range.

Method of Investment

Although the Health Insurance Fund may pursue its investment strategy via direct investment or investment through the States of Jersey CIF, since mid-2010 its whole investment portfolio has been invested through the CIF.

As at the year end, the value of the Health Insurance Fund holdings within the CIF was £78.5m, following drawings of £6m made during the year. The breakdown of investments is illustrated in the chart in the following section.

Investment Asset Split in the Health Insurance Fund

Figure 6 illustrates the split of core assets held by the Health Insurance Fund as at 31 December 2014.

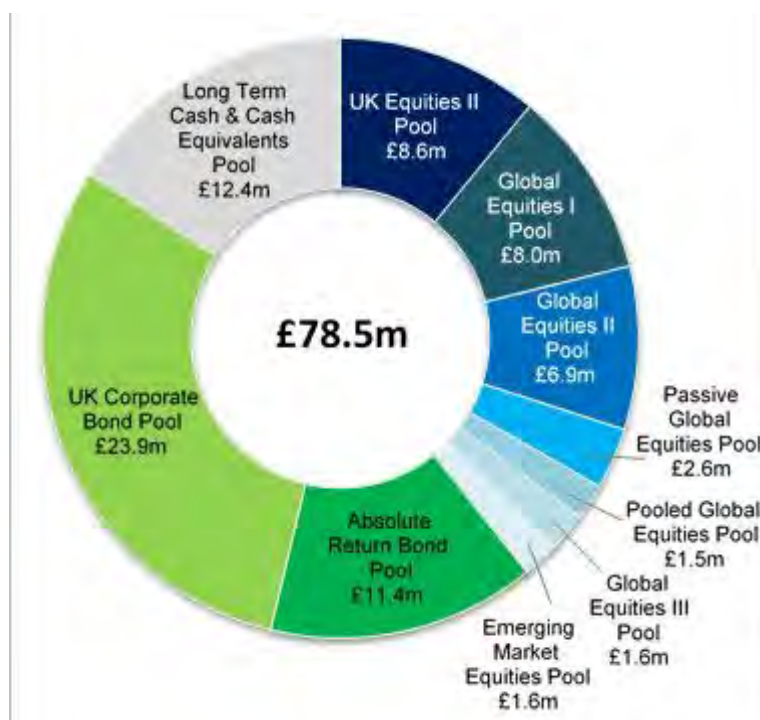


Figure 6: Health Insurance Fund investment asset holdings as at 31 December 2014

2014 Performance

The Health Insurance Fund holds a balanced portfolio, with diversification across three key asset classes. Equities are expected to generate, on average, a higher level of return and grow the value of the Fund in real terms though in the short term they can exhibit a higher level of volatility due to market fluctuations. Cash is expected to generate a low return but acts to preserve the capital value of the fund, reduce the portfolio's overall volatility and provide the fund with any required liquidity. Corporate bonds are expected to generate a higher level of return than the cash holdings but at a lower level of volatility than the equity investments.

2014 saw gains of £5.8 million earned on the overall portfolio, a net gain of 7.3%, although a lower gain than achieved in 2013, this represents a good return for a balanced portfolio. The return of the Fund was generated by good market performance with investment managers achieving returns in excess of benchmark, as illustrated in figure 7. Performance was generated by both fixed income and equity investments. Equity type assets generated £2.7m million of the Fund's total gain with corporate bonds earning a return of just over £3.1 million. Earnings of the cash investments remained low reflecting the continuing low interest rate environment. During the year the fund further diversified its range of asset classes, adding investment to the emerging Markets Equity Pool, which was funded mid-year.

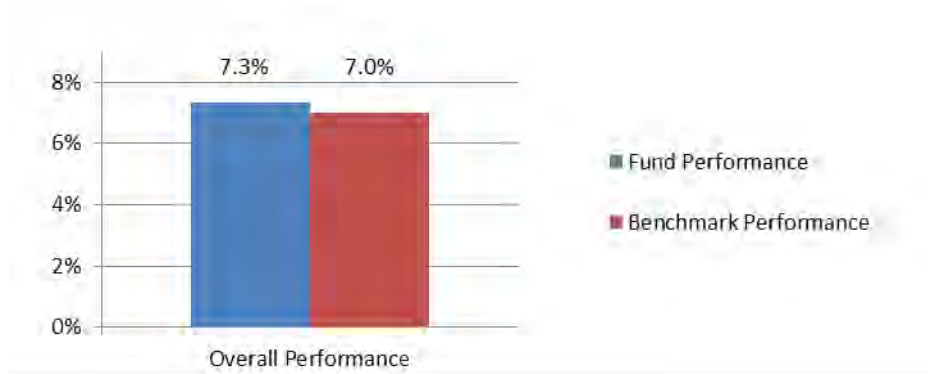


Figure 7: Performance of Health Insurance Fund investments over 2014 compared to benchmark

Section 3 – Social Security Fund Benefits (SSF)

The Social Security Fund pays for benefits to contributors who have made the required contributions and satisfy other specific conditions. Benefits mainly support claimants at times when they are less likely to be able to support themselves through employment, including maternity, sickness and old age. The amounts paid across the full range of benefits available through the Social Security Fund in 2014 are as follows:

Social Security Fund Benefit	2013 £000	2014 £000
Old Age Pensions	154,229	160,464
Short term incapacity allowance	12,938	12,413
Long-term incapacity allowance	14,567	14,858
Invalidity benefit	9,016	8,087
Survivor's Benefits	4,676	4,592
Maternity Benefits	2,748	2,587
Home Carer's Allowance	1,968	1,938
Insolvency Benefit	1,053	59
Death grant	483	459
Total benefit expenditure	201,678	205,457

Table 6: Social Security Fund benefit expenditure 2013 and 2014

SSF – Old Age Pensions (OAP)

Old age pensions can be claimed by anyone over pension age who has worked in Jersey and has paid Social Security contributions for at least 4½ years³. Pensions can be claimed by anyone who meets the contribution criteria, including people who have since left Jersey.

The value of the pension depends on the number of years of contributions with the maximum, full rate of pension being paid to those with a contribution record of 45 years or more.

Historically the old age pension was increased once a year in line with the growth in average earnings. In the past earnings have increased at a greater rate than inflation and thus the value of the old age pension grew in real terms. More recently however, and on a number of occasions, inflation has exceeded the increase in earnings and thereby the value of pensions has decreased in real terms. In 2013 a new uprating method was introduced to safeguard the value of the pension. This new methodology increases the state old age pension with reference to both inflation, measured through the Retail Prices Index for Pensioners, and average earnings, measured by the Index of Average Earnings. The new method of uprating pensions ensures that pensions increase at least in line with inflation; at the same time, in the longer term increases will track the growth of average earnings.

In October 2014 the annual uprate was applied using the new methodology, with the standard rate of pension increasing by 2.0% from £193.48 to £197.40 per week. For couples married before April 2001 a married pension is available based on the contribution record of the husband and the full pension is paid at 166% of the single rate (£327.68 for 100% pension).

The new methodology in uprating only applies to old age pensions. All other benefits within Social Security legislation that refer to the standard rate benefit will continue to be uprated by the index of average earnings. In October 2014 this led to an increase in the standard benefit rate (excluding pensions) from £191.38p to £196.42p.

³ A pro-rata pension is also payable where there is an aggregate of 4½ years in the case of nationals of countries with whom Jersey has a reciprocal agreement. www.gov.je

The current pension age is 65, with an option to take a reduced rate pension up to two years early. At present some women continue to have a pension age of 60, if they were registered for Social Security purposes before 1975. In 2014 the States passed legislation to increase the pension age in Jersey from 2020, with the pension age rising by two months per year, increasing the age from 65 to 67 by 2031.

Just over three-quarters (£160.5 million) of Social Security benefit expenditure is in respect of old age pensions. This cost is growing year on year as the number of pensioners increases. At the end of 2014 there were 29,582 pensions in payment. There has been an 11% increase in the number of pensions paid between 2010 and 2014 and a 10% increase in the rate of the pension leading to an overall increase of 21% in the total cost of pensions over this time.

Year	2010	2011	2012	2013	2014
No of Old Age Pensions in payment at year end	26,594	27,367	28,130	29,052	29,582
Value of Old Age Pensions Paid £000's	132,760	137,956	145,616	154,229	160,464
Weekly full (100%) Old Age Pension rate at year end £	£179.97	£184.45	£187.25	£193.48	£197.40

Table 7: Pension comparisons, 2010 to 2014

The number of pensions in payment rose by just under 2% (530) during 2014, which is a slightly lower rate of increase to the previous years. This increase is shown in Figure 8.

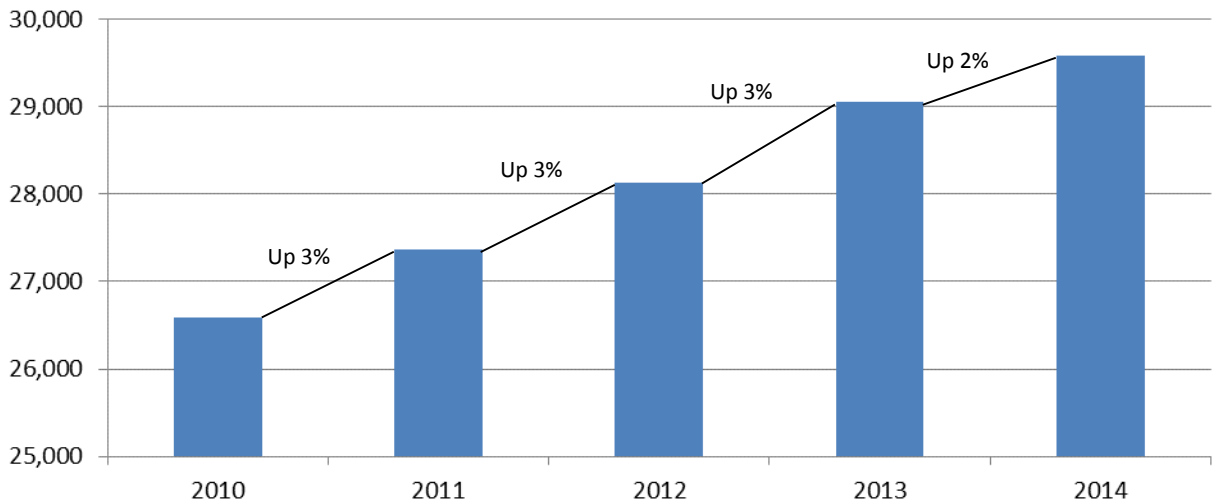


Figure 8: Number of Old Age Pensions in payment at year end, 2010 to 2014

Demographics of Old Age Pensioners

The female to male ratio slowly increases with age, reflecting the fact that, on average, women live longer than men. Of the 207 pensioners aged 95 or over, 172 (83%) are female.

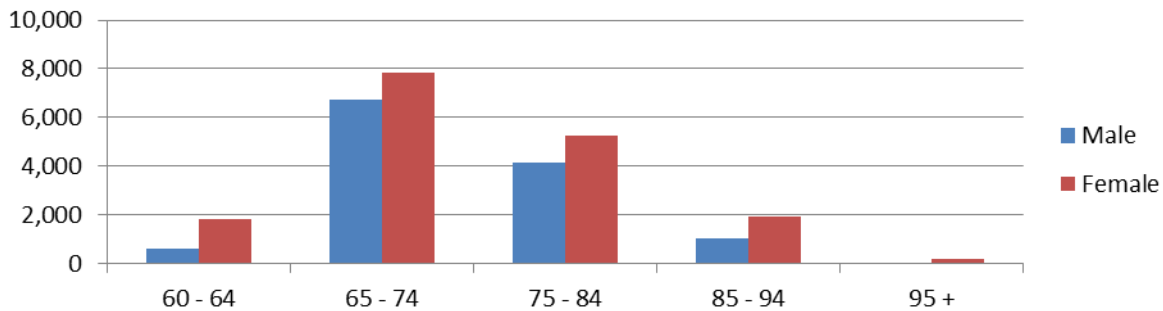


Figure 9: Number of pensioners by age bracket as at 31 December 2014

Old Age Pension Payments

At the end of 2014 there were 17,564 people receiving their pensions in Jersey, and 12,018 receiving their pensions outside Jersey.

Of the 12,018 pensions paid outside Jersey, 6,066 are paid in the UK and other Channel Islands, 4,635 are paid in rest of Europe and 1,317 paid across the rest of the world.

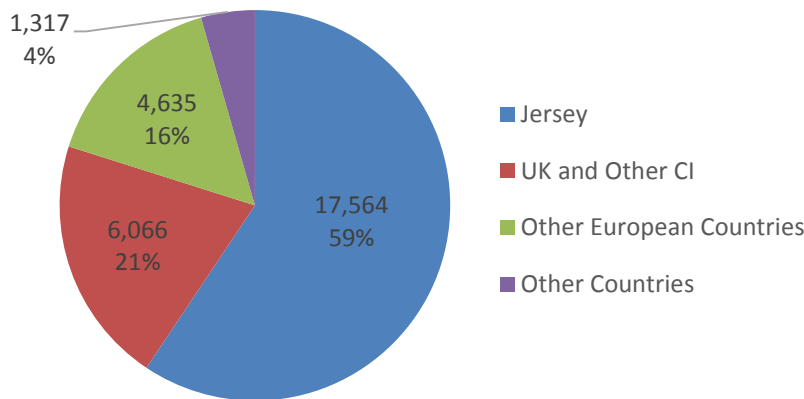


Figure 10: Distribution of where pensions are paid as at 31 December 2014

The pensioners living in Jersey have typically paid more Social Security contributions having lived and worked for more years in Jersey, and therefore receive a larger pension. The lower levels of pensions paid abroad reflect Jersey's history of high levels of migrant labour where non Jersey born nationals have worked in Jersey for a relatively short period before leaving the island.

86% of Jersey residents receive a pension of over 50% of the full pension compared to only 16% of non-Jersey residents.



Figure 11: Distribution of weekly pension rate, Jersey resident and non-resident, as at 31 December 2014

The higher average rate of pensions paid to residents in Jersey means that, although 41% of all pensioners are not resident in Jersey, they only received 18% (£28 million) of the total value of pension payments.

Resident	Pension Value £000	Pension Value %	No. of Pensions as at 31 December 2014	% of Pensions
Jersey	131,203	82%	17,564	59%
UK and other CI	14,875	9%	6,066	20%
Rest of world	14,386	9%	5,952	20%
Total	160,464		29,582	

Table 8: Total value and number of pensions 2014

SSF – Survivor’s Benefits and Death Grants

Two types of survivor’s benefits are paid; Survivor’s Allowance and Survivor’s Pension. These benefits are paid on a percentage basis to survivors based on the contribution record of their deceased spouse or civil partner and are mainly paid to survivors while they are of working age. Survivor’s Allowance is paid to a survivor for the first 52 weeks following bereavement and is paid at 20% above the standard rate of benefit. After the first 52 weeks, Survivor’s Allowance is replaced by Survivor’s Pension which is paid at the standard rate of benefit. Survivor’s benefits are not paid if the survivor remarries, co-habits or enters another civil partnership and ceases when the survivor reaches pension age. As of 1st January 2013 the eligibility for Survivor’s Pension changed and since then the benefit is only payable to people with dependent children. People already in receipt of Survivor’s Pension or Allowance and people born before 1 January 1957 are not affected by this change.

Type of Benefit	No. of Claimants	Average Weekly Claim Rate £
Survivor’s Allowance	77	137.90
Survivor’s Pension	783	104.58
Total	860	107.56

Table 9: Number of claimants of survivor’s benefits and average weekly claim rates as at 31 December 2014

Survivor’s benefits are paid worldwide. Although 57% of the total number of survivor’s benefits are paid in Jersey, 72% of the total value of survivor’s benefit is paid in Jersey, as shown in Figures 12 and 14. The majority of survivor’s benefits are paid to women (86%), as shown in Figure 13.

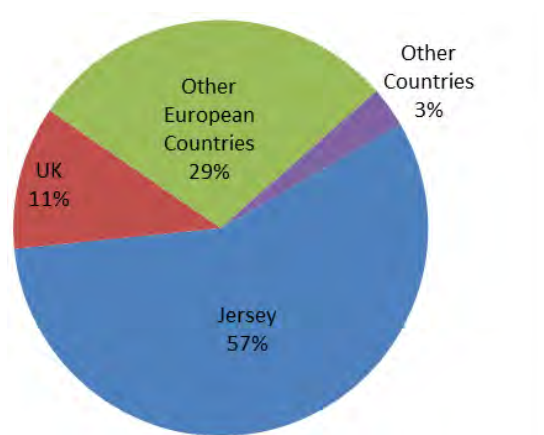


Figure 12: Survivor’s benefits claimant numbers by location in payment as at 31 December 2014

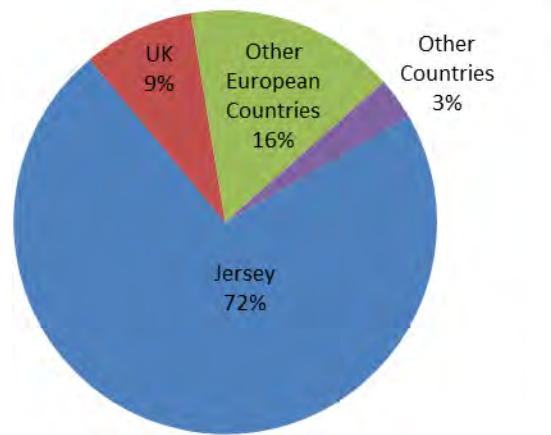


Figure 14: Survivor’s benefit value by location in 2014

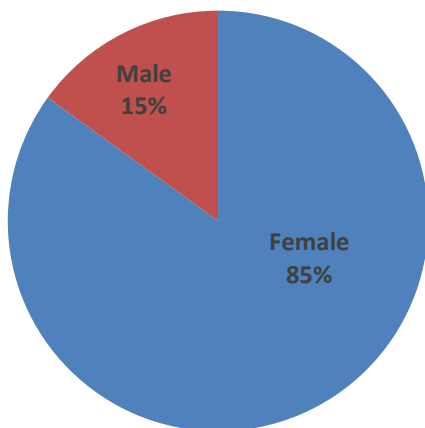


Figure 13: Survivor’s benefits by gender in payment as at 31 December 2014

A contributory Death Grant is available in respect of most deaths in Jersey. The value of the grant increased from £765.52 to £785.68 in October 2014. Grants are also paid in respect of individuals living outside Jersey at the time of their death, if they were receiving a full-rate benefit, such as a 100% old age pension rate, immediately prior to the date of death or their departure from Jersey was less than six months prior to the date of death.

In the small number of cases where a Death Grant is not payable under the contributory system, a non-contributory grant can be provided using a tax funded budget.

	2010	2011	2012	2013	2014
Total Value of Death Grants £000	511	472	482	483	459
Individual Death Grant Value as at 31 December £	719.88	737.88	749.00	765.52	785.68

Table 10: Total value of Death Grants paid and value of an individual Death Grant, 2010 to 2014

SSF – Short Term Incapacity Allowance (STIA)

Short Term Incapacity Allowance (STIA) is usually authorised by GPs and paid to working age claimants who satisfy the necessary contribution conditions for periods of incapacity lasting between 2 and 364 days⁴. Most STIA claims are paid at the standard rate of benefit. This was £191.38 per week at the beginning of 2014, rising to £196.42 per week from 1 October 2014.

	2010	2011	2012	2013	2014
Cost of STIA Claims £000	12,736	12,692	13,650	12,938	12,413
No. of STIA Claims Paid	29,269	28,652	27,260	25,703	24,743
No. of Days Paid	527,563	520,157	543,149	509,714	476,243
Average Length of Claim	18.0	18.2	19.9	19.8	19.2

Table 11: Annual STIA claims paid, 2010 to 2014

Table 11 details the number of claims paid and the total number of days covered by STIA claims over the past five years.

Figure 15 shows the trends in the total number of STIA claims and the average (mean) length of claim. It highlights that while there has been a gradual decline in the number of STIA claims since 2009 of approximately 5% per year, there was an increase in the length of claim from 2010 to 2012 followed by year on year decreases in 2013 and 2014.



Figure 15: Annual number and average length (in days) of STIA claims, 2010 to 2014

⁴ Benefit is paid for all seven days in a week, and not just for working days.

STIA covers a wide range of short-term illnesses and injuries. 24% of all claims during the year related to infectious illnesses, a decrease from 27% in 2013. These claims lasted an average of 7.5 days. By contrast, depression, stress and anxiety accounted for 10% of the claims but 20% of the number of days, with an average duration of over five weeks per claim. Table 12 details some of the most common reasons for STIA claims in 2014:

2014 STIA Reason for Claim	% of all 2014 Claims Paid	No. Of Claims Paid	No. Of Days Paid	Average Claim Length (Days)
Infections	24%	5,954	44,566	7.5
Hospital treatment	16%	3,996	99,923	25.0
Depression, stress and anxiety	10%	2,524	97,577	38.7
Back/neck pain/injury	10%	2,435	44,126	18.1

Table 12: Most common reasons for claiming STIA in 2014

Some individuals have a long-term health condition that lasts for more than a year. These claimants can apply for long-term Incapacity Allowance (LTIA). Whereas STIA can only be paid if an individual is not working (on the day the benefit is claimed), LTIA claimants can return to work or stay in work and continue to claim the benefit.

SSF – Long-Term Incapacity Allowance (LTIA) and Invalidity Benefit (INV)

These benefits are paid to working age people who satisfy the necessary contribution conditions and who have a long-term loss of faculty⁵. The amount of benefit for LTIA is determined on a percentage basis. The maximum value of the benefit (100%) is set at the standard rate of benefit. In October 2014 the rate rose from £191.38 per week to £196.42 per week.

A minority of claimants will be assessed at 100% for a major loss of faculty. Most claimants are assessed at a lower percentage, in 5% bands. Figure 16 illustrates that awards of 20% are the most common. Awards of up to 15% are paid as lump sum payments.

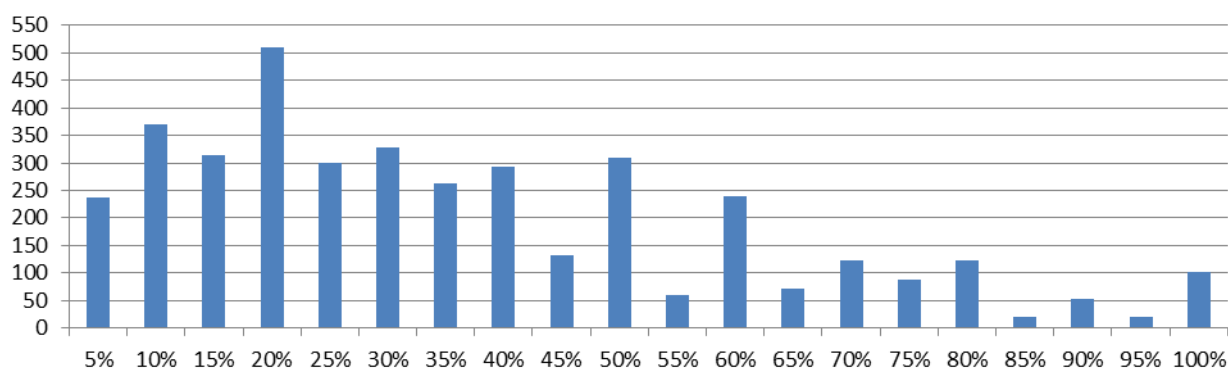


Figure 16: Number of LTIA claims in payment by rate % as at 31 December 2014

The average percentage rate of assessment for LTIA claims in payment in 2014 is 37% and this percentage has remained more or less constant over the last five years.

⁵ The extent of incapacity is assessed by reference to the loss of faculty arising from a disease or injury

As with STIA, LTIA covers a wide range of illnesses and injuries. Depression is by far the most common condition, accounting for 17% of all claims. Back pain and back injuries combined accounted for 13% of all claims. Table 13 identifies the most common conditions in 2014.

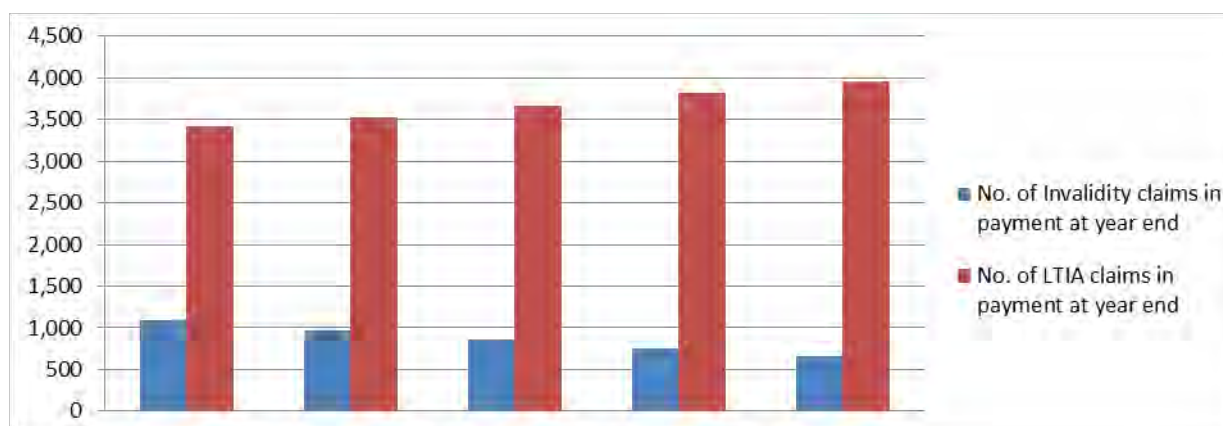
LTIA Condition	No. of claims	% of all claims	Average % Degree of Incapacity
Depression	607	17%	38%
Pain - Back	315	9%	34%
Accident/Injury (Other)	149	4%	37%
Injury - Back	128	4%	38%
Anxiety	115	3%	38%
Stress	100	3%	37%
Carcinoma	99	3%	56%

Table 13: Most common LTIA conditions at 31 December 2014

LTIA was introduced in October 2004 to replace Invalidity Benefit and Disablement Benefit. Invalidity Benefit was payable as a result of a permanent illness and designed as 'income replacement', and did not allow claimants to undertake work whilst claiming. Disablement Benefit was payable as a compensation for a permanent disability as a result of an accident, and allowed claimants to undertake work whilst claiming.

The LTIA benefit compensates people for their loss of faculty, regardless of whether it is as a result of an illness or injury. It is assessed as a percentage of the standard rate of benefit based on their loss of faculty and is an in work benefit. LTIA allows people to gradually return to work, or work when able to do so, whilst still receiving a benefit which provides some financial support.

Figure 17 shows an ongoing decrease in the number of Invalidity Benefit claims as all new claimants now receive LTIA. Combined, the number of people receiving LTIA and Invalidity Benefit has been relatively stable over recent years with a 3.6% increase over the four year period 2010 to 2014.



	2010	2011	2012	2013	2014
Invalidity claims	1,086	967	859	759	667
LTIA claims	3,422	3,533	3,670	3,815	3,958
Total claims	4,508	4,500	4,529	4,574	4,625

Figure 17: Number of Invalidity and LTIA claims at 31 December, 2010 to 2014

SSF – Maternity and Adoption Benefits

A Maternity Grant (or Adoptive Parent Grant) is paid to help with the initial general costs of having a baby. The Grant is available as a lump sum to either the father or mother who satisfies the contribution conditions. The value in 2014 was £574.14, rising to £589.26 from 1 October 2014. Multiple grants are provided in the case of multiple births. The great majority of parents having a baby in 2014 received a Maternity Grant from the Department. 985 births were recorded in 2014 with 837 maternity grants being paid by the Department in 2014. Figure 18 shows the nationality of those in receipt of Maternity Grants in 2014:

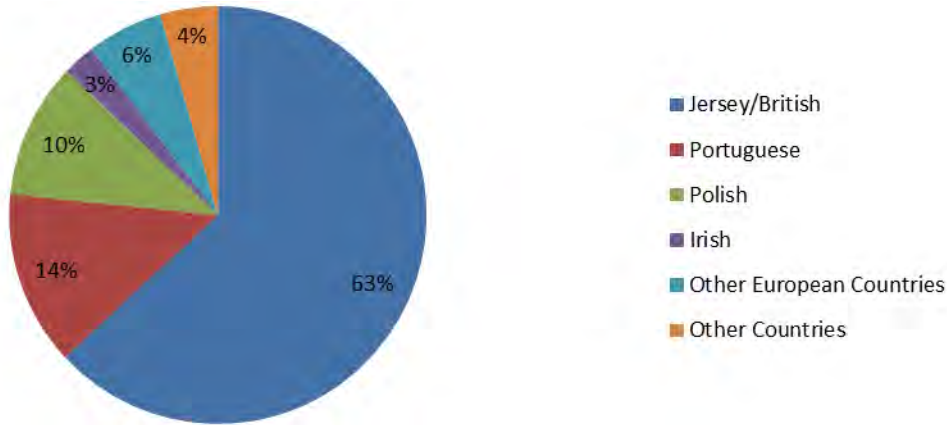


Figure 18: Maternity grants by nationality

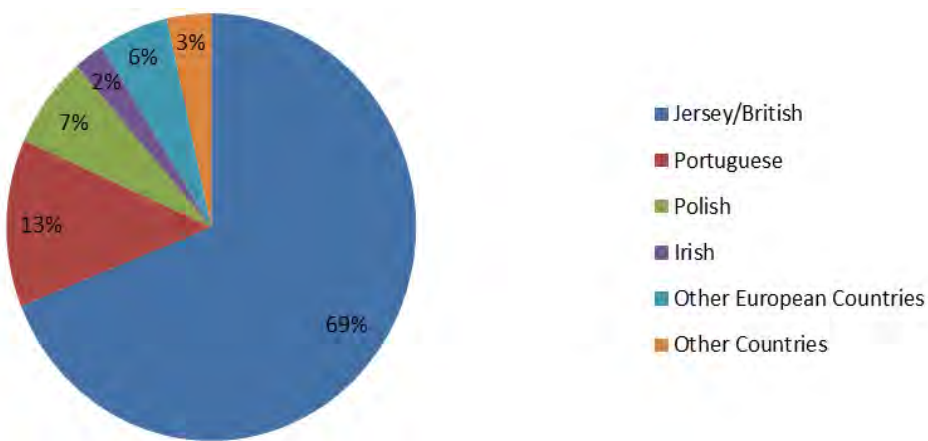


Figure 19: Nationality of age 18-50 population registered with the Social Security Department

Just under two-thirds of parents receiving Maternity Grants have British nationality, with the remainder largely reflecting the nationalities of the local population aged 18-50. The average age of a woman in receipt of Maternity Benefit in 2014 was 32. Grants were paid in respect of 14 cases of twins born in 2014.

A weekly Maternity Allowance can also be payable to the mother. This can be paid for up to 18 weeks, at the same rate as STIA, but based on only the mother’s contribution record before she became pregnant.

From 1 January 2015, women have had more flexibility in the timing of their Maternity Allowance claim and this is likely to have reduced the number of claims made in late 2014.

Indicator	2010	2011	2012	2013	2014
No. of Maternity Allowance claims starting in the year	940	944	982	894	834
No. of Maternity Grant claims paid in the year	1,014	1,056	1,011	970	837
No of Births Recorded	1,194	1,102	1,123	1,017	985

Table 14: Maternity indicators, 2010 to 2014

SSF – Home Carer’s Allowance (HCA)

At the beginning of 2013, the Home Carer’s Allowance replaced the Invalid Care Allowance tax funded benefit. The new benefit is similar to the old Invalid Care Allowance, and is in place to help people who give up employment to take on a caring commitment for a person who needs a high level of personal care.

To qualify for Home Carer’s Allowance claimants should be of working age, spend at least 35 hours each week caring and have earnings of no more than £142.62 per week. These requirements were also in place for the old benefit.

In the past people with an annual household income of £62,382 (2012 cap) or over could not claim Invalid Care Allowance. Now the household income cap has been removed. There is, however, a requirement for the carer to have a Social Security contribution record. The new benefit also requires that the “cared for” person has lived in Jersey for at least one year.

In 2014 there were 185 claimants, of which the majority were female, at a total cost of just under £2.0 million.

Gender	Claimants	Average age
Female	148	50
Male	37	55
Total	185	51

Table 15: Number of Home Carer’s Allowance claimants as at 31/12/2014 by gender and average age

SSF – Insolvency Benefit

Insolvency Benefit was introduced on 1 December 2012 and provides financial assistance to employees who are made redundant due to the insolvency of their employer. This benefit replaced the temporary, tax funded, insolvency scheme originally introduced in 2009. The amount of benefit is calculated based on amounts owed to employees by the former employer in respect of the following four components:

1. Unpaid wages relating to the 12 months prior to employment ending
2. Holiday pay relating to the 12 months prior to employment ending
3. Statutory redundancy pay (one week’s capped pay for each year of service, subject to a minimum of two years’ service)
4. Pay in lieu of notice on termination of employment (up to 12 weeks’ pay)

The maximum amount of Insolvency Benefit is capped at £10,000. In addition, the Social Security Fund will meet the liability for Social Security contributions and income tax (ITIS) on any Insolvency Benefit that a person is entitled to.

During 2014, there was a total expenditure of £59,000 related to 39 claims. This is a significant reduction on the cost in 2013, which totalled over £1 million.

Section 4 – Health Insurance Fund Benefits (HIF)

The Health Insurance Fund provides benefits to local residents in respect of specific primary care costs. The full range of benefits and the cost of these benefits for 2014 are as follows:

Health Insurance Fund	2013	2014
	£000	£000
Medical Benefit – GP consultations	7,211	7,049
Medical Benefit – GP letters of referral	747	835
Medical Benefit – pathology benefit	878	952
Pharmaceutical Benefit - drug costs	11,901	12,449
Pharmaceutical Benefit - dispensing fees	6,220	6,413
Gluten-free Vouchers	256	279
Total benefit expenditure	27,213	27,977

Table 16: Health Insurance Fund benefit expenditure for 2013 and 2014

	£000	£000
Primary Care Funding	2,000	6,000

In 2014 there was a £6,000,000 transfer from the Health Insurance Fund to Health and Social Services to fund primary care services provided by that Department.

HIF – Medical Benefits (GP Consultations and Letters of Referral)

A standard benefit is paid in respect of each GP consultation covered by the Health Insurance Fund. Throughout 2014 the value of the benefit was set at £20.28. Additionally a separate benefit, paid at the same rate, is available in respect of the cost of a letter of referral written by a GP to a hospital consultant or other specialist.

	2010	2011	2012	2013	2014
No of GP consultations	355,094	363,089	363,601	351,099	349,102
Cost of Medical Benefits for GP consultations £000	6,222	6,885	7,226	7,211	7,049
No of Letters of Referral	43,996	48,684	51,206	37,198	41,908
Cost of Medical Benefits for letters of referral £000	757	907	1,000	747	835
Value of Medical Benefit as at 31 December £	19.00	19.59	20.28	20.28	20.28

Table 17: Volumes and costs of GP visits and consultations, 2010 to 2014

HIF – Pathology Laboratory Benefit

In January 2010 the Health and Social Services Department introduced a charge for analysing blood samples provided by GPs. A new benefit was set up within the Social Security Department, funded through the Health Insurance Fund, to ensure that this cost was not passed on to the patient. The benefit covers blood samples taken for haematology testing and for clinical chemistry testing and was introduced at a standard rate of £10 before being increased to £10.35 in June 2012, and has remained at that rate since.

	2010	2011	2012	2013	2014
No. of Pathology Laboratory benefit claims paid during year	73,872	80,075	84,562	88,763	86,250
Cost of Pathology Laboratory benefit claims paid during year £000	720	766	866	878	952
Value of Pathology Laboratory benefit on 31 December £	10.00	10.00	10.35	10.35	10.35

Table 18: Number and cost of Pathology Laboratory benefit claims, 2010 to 2014

HIF – Pharmaceutical Benefit

Pharmaceutical benefit covers the full cost of prescription drugs prescribed by GPs and includes a dispensing fee paid to community pharmacists, in respect of each item dispensed. The Minister for Social Security is responsible for maintaining the list of drugs that are available on prescription from GPs.

	2010	2011	2012	2013	2014
Total No. of items prescribed during year	1,651,355	1,707,644	1,784,798	1,846,713	1,871,770
Average cost of a prescribed item £	7.00	6.82	6.58	6.44	6.65
Total cost of prescribed items £000	11,566	11,640	11,742	11,901	12,449
Pharmacy dispensing fees £000	5,137	5,362	5,656	6,220	6,413
Total Cost £000	16,703	17,002	17,398	18,120	18,862

Table 19: Costs of Pharmaceutical Benefit, 2010 to 2014

In 2014 there were almost 1.9 million prescriptions dispensed with a total drug cost of £12.4 million.

Since 2010 there has been a 13% increase in the number of items prescribed.

Figure 20 highlights the 13% increase in number of items prescribed since 2010:

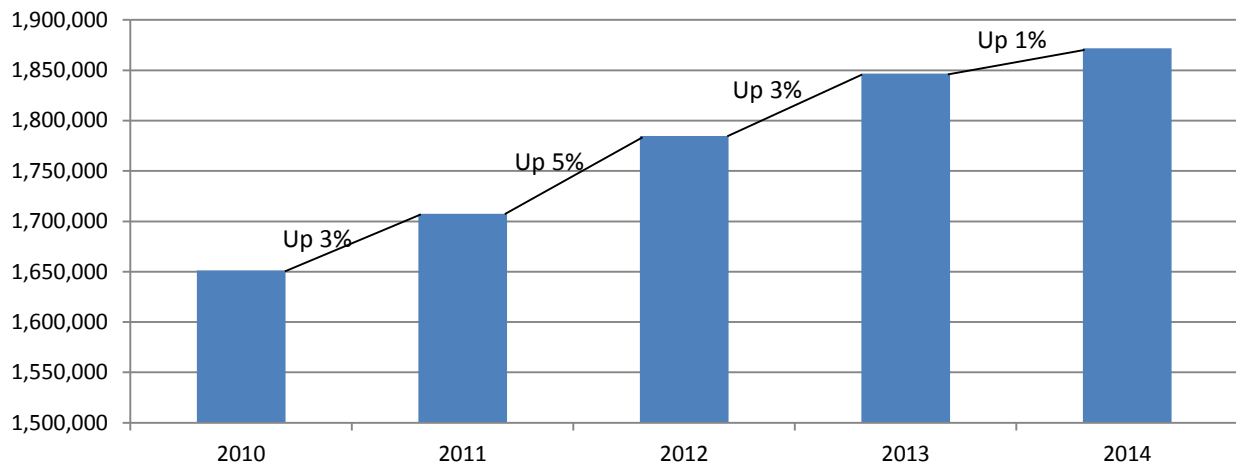


Figure 20: Annual pharmaceutical items prescribed, 2010 to 2014

Types of Drugs Prescribed

Figure 21 shows that the most commonly prescribed medicines in 2014 were those relating to heart disease. This group of medicines covers a wide range of disease areas, including cholesterol lowering medicines, treatments for high blood pressure, and anticoagulants that thin the blood. Increasing use of such medicines reflects our ageing population and a greater emphasis, through the development of evidence based guidelines, on the use of medicines to prevent heart disease.

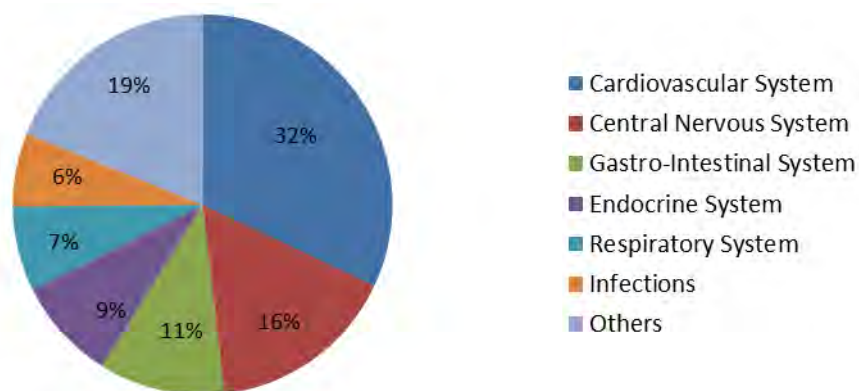


Figure 21: Volume of items prescribed by medicine category in 2014

The total number of medicines dispensed increased by around 1% on the previous year. As in previous years, this growth is partly driven by new therapeutic guidelines, as well as a continuing standardisation in dispensing all medicines every month rather than every 2 or 3 months. Antibiotic prescribing continues to decline in line with international recommendations to minimise the use of antibiotics for self-limiting illness. Use of antidepressants continues to grow faster than average due to greater use in anxiety disorders and use for longer periods of time in line with national guidance.

Drug type	Number of items prescribed	Change from 2013
Drugs to treat high blood pressure and heart failure (ACE inhibitors)	149,831	0%
Statins and other drugs to reduce cholesterol	142,096	-1%
Acid reducing medicines to treat stomach ulcers and acid reflux	132,616	+3%
Pain killers	100,878	-1%
Antibiotics	94,013	-6%
Antidepressants	90,747	+4%

Table 20: Top 6 drug type by number of items prescribed in 2014

In contrast, Figure 22 highlights that as in 2013, medicines which act on the nervous system now account for the largest proportion of medicine costs. As last year, the most significant growth in medicines expenditure is in the use of antiepileptic medicines, and in particular one called Pregabalin that is used predominantly for treating chronic nerve pain. Another area of continued growth is the anticoagulants: drugs that thin the blood to prevent strokes. A range of new medicines, recommended by NICE, are increasingly used instead of warfarin. These new oral anticoagulants don't need regular blood testing, unlike warfarin, but are much more expensive resulting in a substantial rise in total drug expenditure. Expenditure for statins continues to fall following the availability of generic atorvastatin.

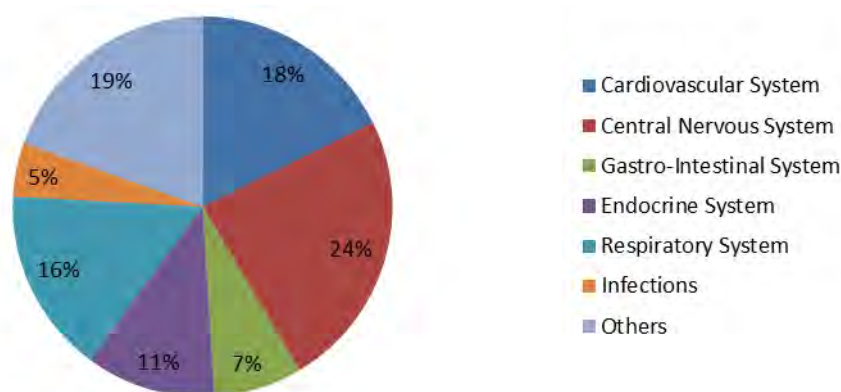


Figure 22: Cost of items prescribed by medicine category in 2014

HIF – Gluten-free Scheme

Individuals who require a gluten-free diet can receive vouchers towards the cost of purchasing gluten-free products. The current value of the vouchers is £14 per beneficiary per week.

	2010	2011	2012	2013	2014
Number of gluten-free claimants	281	311	373	423	481
Cost of Gluten-free Vouchers £	179,723	185,212	221,831	256,615	278,516
Average cost per claimant £	640	596	595	607	579

Table 21: Gluten-free claimants and costs, 2010 to 2014, as at 31 December

There has been a steady increase in both the number of beneficiaries and the cost of the vouchers.

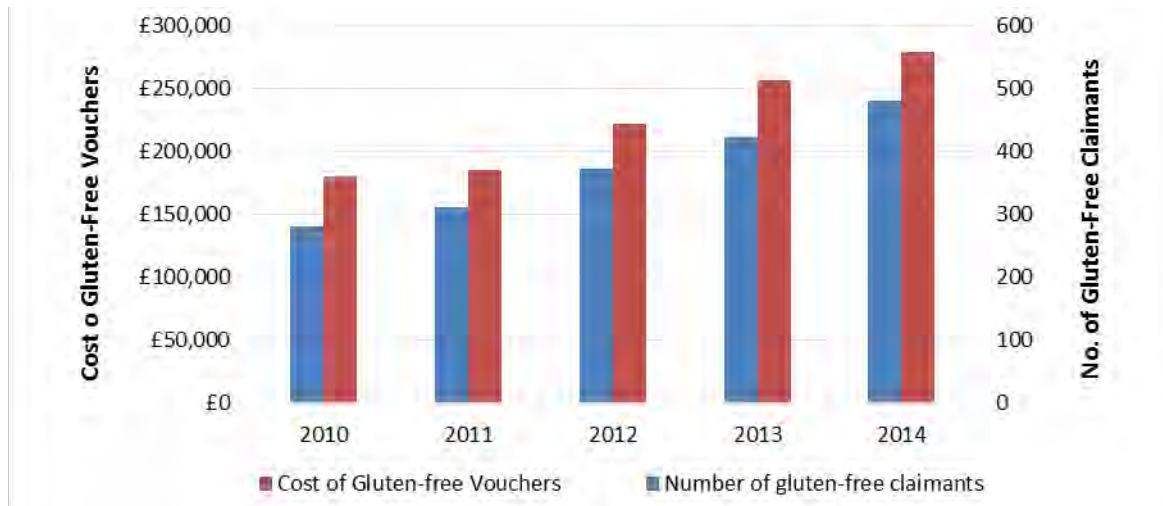


Figure 23: Numbers of gluten-free claimants and costs, 2010 to 2014

Section 5 – Long-Term Care Fund Benefits (LTCF)

A new long-term care fund was set up at the end of 2013. This ring-fenced fund is designed to collect long-term care contributions from tax payers and makes benefit payments to adults who have long-term care needs.

The States provided £24.9m funding to allow benefits to be paid from 1 July 2014 whilst contributions start at the beginning of 2015.

Long-term care benefit

One of the key features of the LTC scheme is to protect households from the uncertainty associated with the risk of incurring catastrophic care costs. To this end, the long-term care benefit (a universal non-means-tested benefit) is payable once care costs reach a certain level – regardless of a household’s income and assets.

LTC benefit helps all households with their care costs once they have reached the standard care costs cap (£52,120 in 2014). The benefit is paid at 4 levels, depending on the type and level of care needed. The weekly rates from 1st July 2014 were set at:

Level of standard care	Weekly cost for standard care in a care home
1	£353.15
2	£539.07
3	£779.24
4	£979.86

Table 22: Long-term care standard care costs

A single rate of £601.86 p per week applies to a care package provided in a group home setting. The long-term-care benefit is also available to people receiving care in their own home. In this case, the benefit rate reflects the actual cost of care up to the standard care cost in a care home.

The universal LTC benefit does not cover the living costs of being in a care home. Support for care costs up to the standard care costs cap of £52,120 and living costs in a care home are provided through two other aspects of the long-term care scheme – long-term care support and long-term care property loans.

Long-term care support

Long-term care support (means-tested financial support) is available to households to help meet care costs and living costs in a care home, depending on the income and assets of the household.

LTC support is available to households whose income is not enough to meet these costs and whose total assets are below £419,000. LTC support helps towards standard care fees and towards the costs of living in a care home (£312.76 for board and lodging plus £34.09 personal allowance per week in 2014). People receiving care at home can claim long-term care support to help cover their care costs, if necessary, alongside an income support claim which helps with basic living costs.

Long-term care property loans

Another important driver for the introduction of the LTC scheme was to improve financial support for homeowners facing high care bills. Depending on income and assets, property loans are available to help cover care costs and living expenses. Loans are interest bearing and in 2014, interest was set to 1% per annum: 0.5% above the Bank of England base rate (which was steady at 0.5% per annum throughout 2014).

Demographics

As at 31st December 2014 1,147 individuals were being supported through the Long-Term Care Scheme. Figure 24 below demonstrates the demographic profile of those within the scheme; showing that overall there are almost twice as many women on the scheme as there are men, and that this proportion grows with older age.

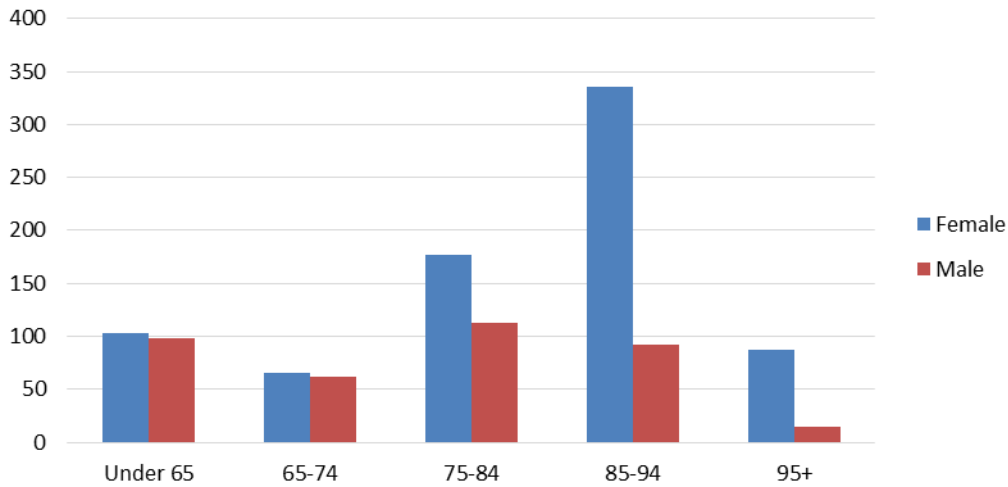


Figure 24: Long-term Care claimants 31 December 2014

At the end of 2014 almost half (49%) of claimants were assessed at care levels 1 or 2. Figure 25 shows the distribution of claimants by care level.

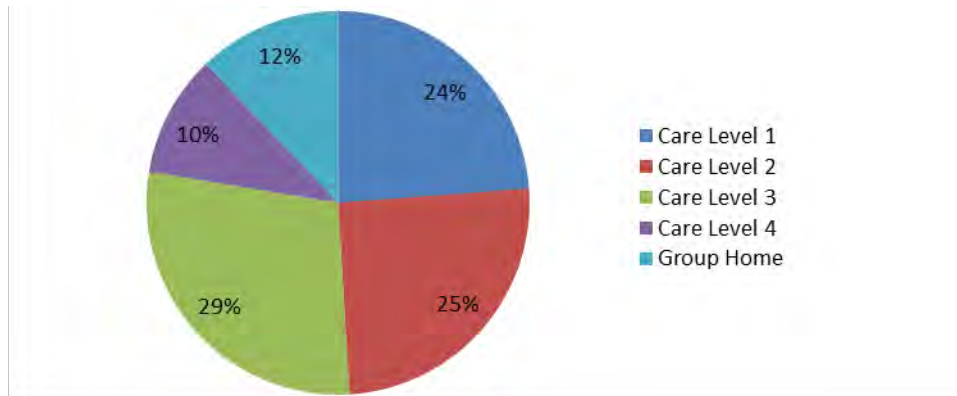


Figure 25: Care levels of long-term care claimants 31 December 2014

Section 6 – Tax Funded Services and Benefits

The Department delivers a range of “tax-funded” benefits that are funded directly by the States of Jersey, shown in Table 23.

	2013 £000	2014 £000	
Benefits	Income Support: Weekly Benefit	72,953	73,844
	Income Support: Residential & Nursing Care Fees	16,722	8,865
	Income Support: Transition (Protected) Payments	490	421
	Income Support: Special Payments	1,210	1,570
	Income Support: Cold Weather Payments	695	417
	<i>Income Support: Total</i>	<i>92,070</i>	<i>85,117</i>
	Christmas Bonus	1,464	1,521
	Food Cost Bonus	283	307
	Cold Weather Bonus	324	132
	Jersey 65+ Health Scheme	234	250
	TV Licence Benefit	276	299
Other Benefits (under £100,000 each)	164	211	
States Grant	Contribution to Supplementation – Social Security Fund	62,200	63,700
	Contribution to Long-Term Care Fund	11,700	13,383
Total Benefits & Grants	168,715	164,921	

Table 23: Tax-funded benefit expenditure (excluding administration) for 2013 and 2014

Tax Funded Services – Back to Work

Introduction

In late 2011, existing employment support teams were brought together to form the Back to Work programme. It was established to strengthen the government’s response to rising unemployment and complements our benefits system, which is designed to make work pay, and is a key part of government’s strategy of getting people back to work.

The aim of the Back to Work programme is to support people who are actively seeking work back into paid employment.

Over the course of 2014, Back to Work has continued to enhance its existing provision in order to provide a swift and flexible response to the needs of both jobseekers and employers. Its role is to:

- Co-ordinate the work of all government employment schemes.
- Develop targeted schemes to support locally qualified jobseekers.
- Build a partnership with employers to provide sustainable job opportunities for locally qualified islanders.

Teams and Initiatives

The aim of every team and initiative within the Back to Work programme is to get unemployed Islanders working, keep people in work and create new employment opportunities through sustainable economic growth. Employers can benefit from an increase in support and financial incentives and jobseekers have access to training and support to improve their confidence, skills and motivation to move into the workplace.

Back to Work teams are as follows:

- Advance to Work.
- Advance Plus.
- Foundations.
- Long-term Unemployment Unit.
- Workwise.
- Work Zone.

In addition to the development and expansion of these schemes, Back to Work also includes:

- A dedicated Employer Engagement Team – Provides employers with a tailored recruitment service and financial incentives to encourage businesses to employ unemployed islanders.
- Projects Team – A fast response team heading up industry and employer specific initiatives to make the most of job opportunities as they arise.

Advance to Work

Advance to Work helps young people looking for work make the transition between education and employment. It provides an individualised programme of general and vocational training, personal mentor support and work experience with local employers. The team's target age group is 16 to 19.

Advance Plus

Advance Plus runs 10-week industry-specific schemes for motivated jobseekers aged 20 and over who are registered as Actively Seeking Work. The team combines intensive training, a five-week unpaid work placement and mentor support to improve a delegate's opportunities for work.

Foundations

The Foundations programme was introduced in 2014. It is designed to support registered jobseekers who are furthest from employment by bringing them closer to, and back into employment. The projects run through the Foundations programme involve working on manual community benefit projects on various sites across Jersey. All work undertaken benefits the community, and is maintenance that would not otherwise have been undertaken (i.e. they are not in competition with business).

Foundations provides workers with:

- Experience of work, to improve their general employability in areas such as attendance, positive attitude, teamwork and motivation to work.
- Construction-based skills that include painting and decoration, external maintenance works, and site maintenance.

Long-term Unemployment Unit

The long-term Unemployment team provides intensive support to people who have been registered Actively Seeking Work for 12 months or more. It was initially set up to run alongside the Employment Grant to make sure that prospective candidates had the support they needed to meet an employer's expectations. As well as providing mentoring which is geared towards the needs of someone who has been out of work for some time, it offers access to work placements, job clubs and skills training.

Work Zone

The Work Zone is the first port of call at Social Security for people actively seeking work. Consequently, the team handles the largest number of inquiries and clients. Anyone who is unemployed can come to the Work Zone at Social Security and register as actively seeking work. Work Zone provides personal advisers who offer wide-ranging guidance on job-seeking and training to help its clients step into the workplace.

Workwise

The Workwise team offers support and advice on job-seeking and training to people with special employment needs or particular employment barriers. The team aims to bring their clients closer to finding suitable employment through work placements and individualised support.

Employer Engagement and Incentives

The Employer Engagement team act in a similar capacity to a recruitment agency, matching job-seekers to employers' requirements. This includes assisting employers with their recruitment process, from the pre-selection of candidates to providing interview feedback.

Financial Incentives

A number of financial incentives such as Employment Grant, JobsFest, Community Jobs Fund and Hospitality Grant and the Youth Incentive are also administered by the Employer Engagement team. This streamlines the Department's contact with employers, and increases access to job opportunities for locally qualified, registered jobseekers.

- The Employment Grant is available to all businesses, giving a financial incentive to employers offering permanent or long-term contracts to the long-term unemployed. Up to £7,200 is paid over the course of the first year of employment, including £500 for training. Mentoring support is also provided.
- Under the Youth Incentive employers receive the first six months' salary (worth £6,500) when they employ a local 16 to 24 year-old on a permanent contract who has been registered actively seeking work for six months or more. Mentoring support is also provided.
- The Community Jobs Fund provides up to six months' wages for young or long-term jobseekers employed by a charity or organisation that can provide a role offering a clear, additional benefit to the community.
- JobsFest, is an employer incentive that helps locally qualified jobseekers find paid work during October and November. Up to eight weeks' wages and social security contributions are paid to employers that hire locally qualified jobseekers that have registered as actively seeking work throughout 2014.
- Under the Hospitality Incentive employers receive the first four weeks' wages and Social Security contributions when they hire a jobseeker who has gone through the Back to Work training programme.

Projects

Back to Work runs targeted projects to collaborate with employers and industry on specific recruitment drives to deliver innovative initiatives to tackle unemployment. It also makes jobseekers more employable by giving them training in the skills and professionalism they need, and by helping them to build confidence.

In particular, in October 2014 JobsFest, an eight week initiative to help those who had not worked in 2014 to secure paid work, was run for the second time to mitigate a seasonal increase in unemployment during October and November. As well as the employer incentive, it included a JobsFest Event programme comprising of a series of inspirational and motivational events, enabling jobseekers to meet business leaders from different sectors, gain new skills, and invigorate their job seeking activity and ambition.

Specific training programmes in both hospitality and construction were developed in 2014 and played a part in contributing to an overall number of job starts in hospitality, catering, tourism and leisure of 390 and construction and manual trades of 371. Throughout 2014 jobseekers have benefited from motivational and skills training, mock assessments and interviews and coaching to meet the requirements of the individual employer.

Actively Seeking Work: Statistics

We gather and maintain data on all individuals who are actively seeking work (ASW). This data is reported to the Statistics Unit on a monthly basis and is used to produce and publish an independent analysis.

This is illustrated in Figure 26 which shows the number of individuals actively seeking work from 2009 to 2014, with 1,440 people ASW in December 2014 compared to 1,750 in December 2013.

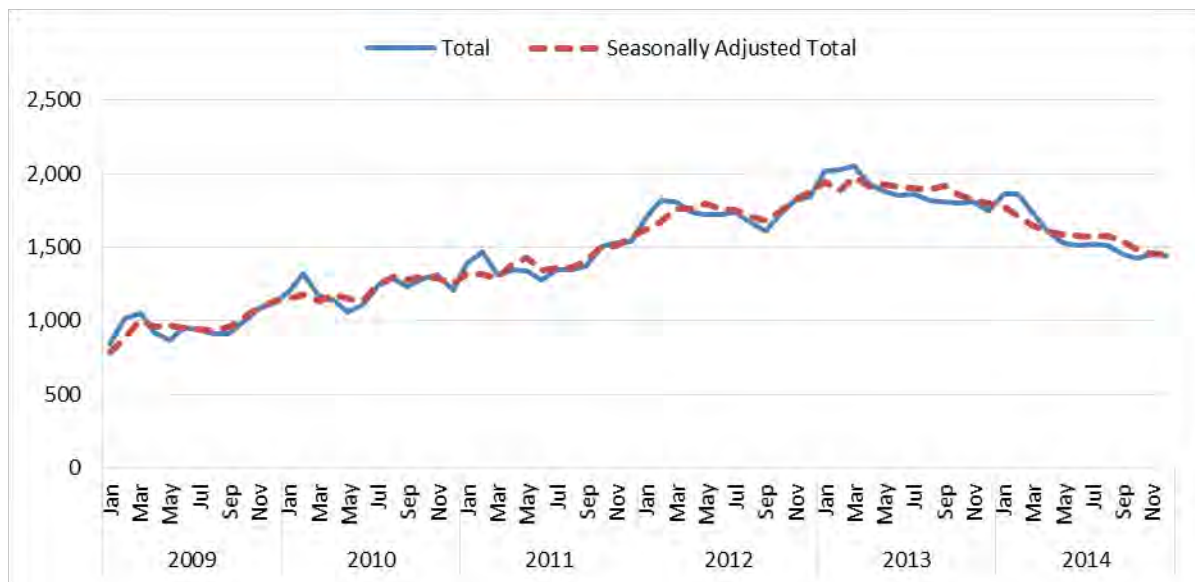


Figure 26: Number of individuals actively seeking work, and seasonally adjusted⁶ figures from 2009 to 2014

The Back to Work teams and initiatives helped unemployed people into 2,140 paid jobs over 2014, compared to 1,818 in 2013 and 1,326 in 2012. There is no doubt that without the investment in Back to Work the numbers of those registered as seeking work would have been higher than those experienced.

⁶ Seasonally adjusted ASW total is published by the Statistics Unit, based on expected increases or decreases in the number of people registered at certain times of the year

Scheme	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Total
WorkZone	245	354	223	190	1,012
WorkWise	47	71	49	61	228
Advance to Work	73	89	54	97	313
Advance Plus	52	78	60	76	266
Long-term Unemployment Pilot	63	65	56	64	248
Other BTW Initiatives	18	27	10	18	73
Total BTW	498	684	452	506	2,140

Table 24: Numbers of jobs started by customers of each scheme during 2014

The vast majority (89%) of individuals helped back into work fell into one or more of three target categories:

- those on an Income Support claim as a jobseeker,
- those who are long-term unemployed (more than 52 weeks),
- those aged between 16 – 24.

Actively Seeking Work: Demographics of Individuals

While the number of people registered as Actively Seeking Work dropped by 310 when comparing the beginning and end of the year, there were in fact 4,725 individuals who were actively seeking work at some point during 2014. A majority (55%) of these were male, with the largest group being represented by males aged between 15 and 19 (460, 10% of all registered as ASW at some point during the year).

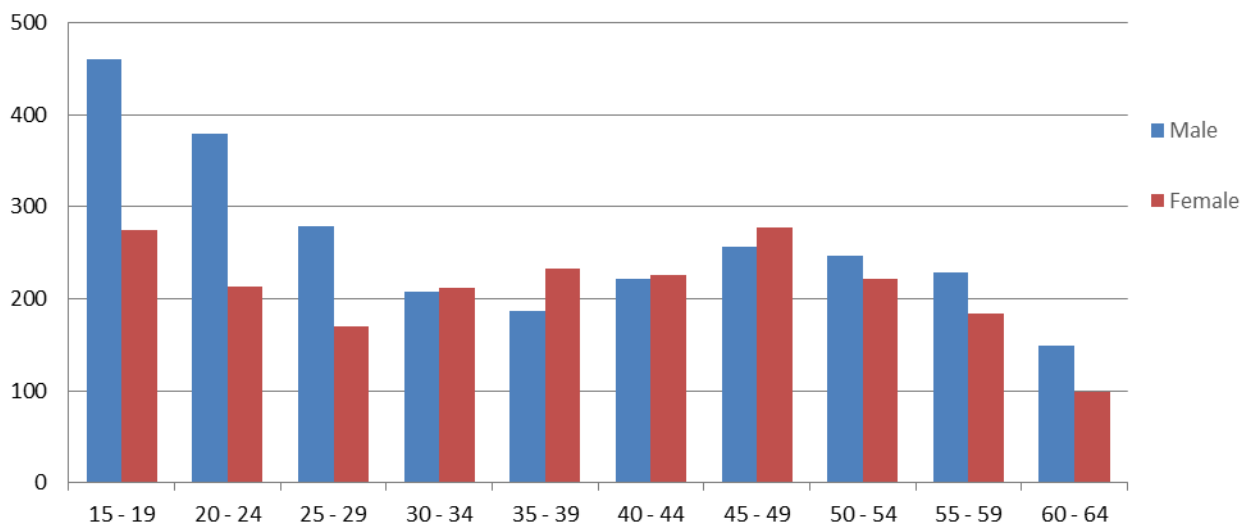


Figure 27: Gender and age bracket of individuals actively seeking work at some point in 2014

Approximately three quarters of individuals registered as Actively Seeking Work were part of an Income Support household. This proportion remained relatively constant between the beginning and end of the year, but the proportions of individuals in two key groups, those who were long-term unemployed, and individuals aged between 16 and 24, both showed a reduction during 2014.

	31 December 2013	31 December 2014
Total No. of individuals ASW	1,750	1,440
No. of individuals also on Income Support	1,290	1,070
% of individuals also on Income Support	74%	74%
No. of individuals long-term Unemployed	310	210
% of individuals long-term Unemployed	18%	15%
No. of individuals aged 16 - 24	490	350
% of individuals aged 16 - 24	28%	24%

Table 25: Numbers and proportions of the three target categories at the beginning and end of 2014

Tax Funded Services – Jersey Employment Trust

The Jersey Employment Trust (JET) is a charitable trust and its primary role is to assist people with a disability and/or people with a long-term health condition to find and sustain employment. JET provides a range of employment support services, from pre-vocational education courses, work tasters in their own vocational training areas (Acorn Enterprises and Oakfield Industries) and work experience placements in other commercial settings. The trust helps people to find suitable employment opportunities and also provide on-the-job training and support.

The grant awarded to JET in 2014 included amounts to provide employment opportunities for specific projects run by Jersey Mencap and Autism Jersey. In all, JET and the two charities received £1,842,700 in 2014.

More information can be found on the JET website (<http://www.jet.co.je>).

Tax Funded Services – Jersey Advisory and Conciliation Service

The Jersey Advisory and Conciliation Service (JACS) is an employment relations service that helps employers, employees and trade unions work together for the prosperity of Jersey business and the benefit of employees. JACS also helps explain the changes in employment and discrimination law that have been enacted and which are expected in the next few years.

The services provided by JACS seek to:

- Prevent and resolve employment disputes,
- Provide impartial information and advice to employers and employees on employment matters,
- Improve the understanding of employment relations.

The Social Security Department provides an annual grant to JACS in order to deliver their services, which in 2014 was £335,800. In addition, the Department provides a ring-fenced annual grant of £50,000 (2014: £17,200 part year payment) to JACS to enable it to provide an Outreach Advisory Service. The service provides proactive and in-house assistance to small employers (typically with 10 or fewer employees) at an early stage in order to help prevent employment related problems arising in the first place, and to remove the perceived barriers to employing staff by ensuring that employers have an essential tool kit of employment documentation.

The Social Security Minister approves board members appointments.

More information, including the JACS 2014 annual report, can be found on the JACS website (<http://www.jacs.org.je/media/90015/jacs-annual-report-2014.pdf>).

Tax Funded Services – Health and Safety Inspectorate

The Health and Safety Inspectorate carries out a wide range of actions aimed at ensuring that people at work and others who could be affected by working activities are not exposed to risks to their health or safety.

These actions, which are prioritised to address serious health and safety issues, include:

- Investigating work-related accidents and ill health which have resulted in death, serious injury or ill health.
- Inspecting high risk workplaces to gain compliance with Occupational Health and Safety (OHS) legislation.
- Providing advice and guidance to enable those seeking help to meet their duties under OHS legislation.
- Taking action on complaints about working conditions and activities within our stated complaints policy.
- Enforcing OHS legislation within the Inspectorate's stated enforcement policy.
- Collating and publishing statistical information on work related accidents and ill health.
- Carrying out targeted action in specific areas to seek improvements in the understanding and management of OHS.
- Supporting industry-led initiatives to improve OHS.
- Developing the legal framework for OHS to support the improvement of the control of risks in the workplace.

In 2014, the number of work-related accidents and incidents reported through claims made for Social Security benefit increased by 57 to 678, and the number of working days lost increased by 2,592 to 19,419 compared to 2013. A total of just over £533,000 was paid out in Short Term Incapacity Allowance as a result of these claims. During the year, the Inspectorate carried out 83 investigations into serious accidents and incidents, 113 proactive inspections of high risk workplaces and 58 enquiries as a result of the reports of defective equipment. In 2014, 4 companies and a Company director were prosecuted in the Royal Court for health and safety offences arising from serious accidents and 13 enforcement notices served by Inspectors.

The Health and Safety Inspectorate publishes an annual report which gives more detail on specific activities.

Tax Funded Benefits – Income Support

Introduction

With expenditure in 2014 of just over £85 million, the Income Support benefit is by far the largest tax-funded benefit that we provide. Within that total, support is provided to households and individuals in a variety of different circumstances. An analysis of the £85.1 million spent in 2014 is as follows:

Category	2013 £000	2014 £000
Income Support: Weekly Benefit	72,953	73,844
Income Support: Residential & Nursing Care Fees	16,722	8,865
Income Support: Transition (Protected) Payments	490	421
Income Support: Special Payments	1,210	1,570
Income Support: Cold Weather Payments	695	417
Total	92,070	85,117

Table 26: Categorised 2013 and 2014 Income Support benefit expenditure

Most of the spending on Income Support is used to provide a weekly benefit to eligible local families. Funding is also available to help with one-off costs and some households continue to receive payments based on their entitlement under the previous benefit system. Until the end of June 2014, Income Support also provided financial assistance to people living in care homes. From 1 July this was replaced by the new long-term care scheme.

Income Support: Weekly benefit

Income Support is a household benefit. The amount paid to an individual household depends on the number of people in the household, where they live, their specific needs, and the income and capital assets of the household.

Income Support is available to households in which at least one adult meets a residence test (of at least five years residence in Jersey). Income Support claimants aged 65 and above are not subject to a work test but every adult aged under 65 must meet a work test by either being in full time work or being included in an exempt category.

Who receives Income Support?

Income Support legislation includes specific rules as to who is included within an Income Support household. In general terms, an Income Support household comprises an adult claimant and, if applicable, their spouse, civil partner or other long-term partner and dependent children.

For Income Support purposes, children are defined as those aged below compulsory school leaving age.⁷

Young adults above compulsory school leaving age continue to be included within the household of their parents if they are under 19 and actively seeking work (jobseeker) or under 25 and in full-time education.

There are additional rules in respect of young people with disabilities.

⁷ Compulsory school leaving age. A child reaches compulsory school leaving age on 30 June in the academic year in which the child has their 16th birthday. The academic year runs from 1 September to 31 August. Most children will be 16 when they reach compulsory school leaving age, but those with birthdays in July or August will still be 15.

An extended family living together is considered as separate Income Support households. For example, a couple with two young children sharing accommodation with the wife's parents and the husband's brother and sister-in-law is treated as three separate households:

- The couple and their two dependent children.
- The wife's parents.
- The husband's brother and his wife.

Each household must satisfy the tests for Income Support separately.

At the end of December 2014, a total of 6,486 households were receiving Income Support. These households were made up of; 8,300 adults and 3,365 children.

For this report, these household claims have been split into four groups:

1. 65 years and above (**65+**): all households that include one or more adults aged 65 or above.
2. Working age adults with no dependent children (**adult/s without children**): one or more adults all aged below 65, with no dependent children.
3. 2 or more adults with dependent children (**adults with child/ren**): 2 or more adults aged below 65 with one or more dependent children.
4. Single adult with dependent children (**single adult with child/ren**): a single adult aged below 65 with one or more dependent children.

The distribution of adults and children amongst these household groups is as follows:

Household Type	No. of Claims	Total No. of Adults	Average (mean) No. of Adults per Claim	Total No. of Children	Average (mean) No. of Children per Claim
65+	1,767	2,142	1.2	9	0.0
Adult/s without children	2,664	3,065	1.2	0	0.0
Adults with child/ren	957	1,995	2.1	1,722	1.8
Single adult with child/ren	1,098	1,098	1.0	1,634	1.5
Total	6,486	8,300	1.3	3,365	0.5

Table 27: Number and average number of adults and children on Income Support claims as at 31 December 2014

Well over half of all Income Support households consist of a single adult without children: 2,303 adults aged up to 65 (36% of all claims), and 1,400 adults aged 65 and above (22% of all claims). Table 28 provides more detail:

Household Type	No. of claims that include:				Total
	1 Adult	2 Adults	3 Adults	4 or more Adults	
65+	1,400	359	8	-	1,767
Adult/s without children	2,303	323	36	2	2,664
Adults with child/ren		885	64	8	957
Single adult with child/ren	1,098			-	1,098
Total	4,801	1,567	108	10	6,486

Table 28: Number of claims by size and type of household as at 31 December 2014

Table 29 details the number of children on Income Support claims, by household type:

Household Type	No. of claims that include:				Total
	1 Child	2 Children	3 Children	4 or more Children	
65+	5	2			7
Adults with child/ren	400	401	116	40	957
Single adult with child/ren	689	304	89	16	1,098
Total	1,094	707	205	56	2,062

Table 29: Number of claims that include children by size and household as at 31 December 2014

53% of claims with children include just a single child.

There are 56 claims which include four or more children. This represents less than 3% of all claims including children, and less than 1% of all Income Support claims.

The proportion of Jersey or British people claiming Income Support matches the make-up of the Island’s population, however it must be noted that there are a number of other variables to be considered; the actual numbers in some of these groupings is small.

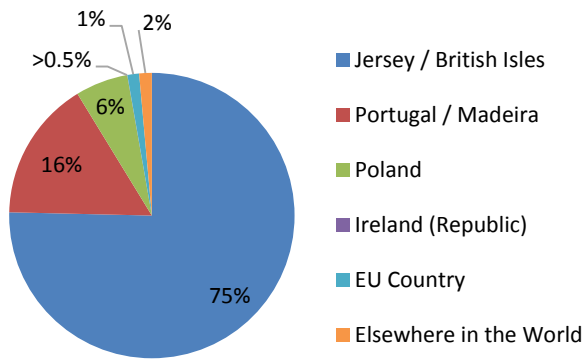


Figure 28: Nationality of working age (16-64) individuals on Income Support as at 31 December 2014

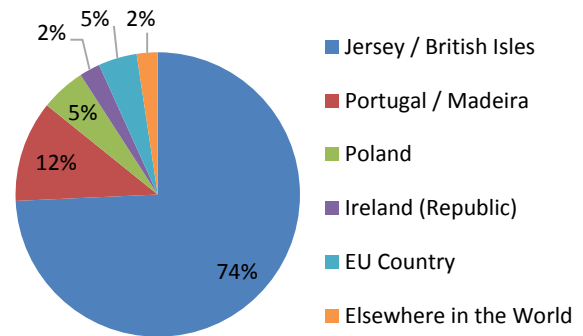


Figure 29: Nationality of working age (16-64) population registered with the Social Security Department as at 31 December 2014

Overall Claim Rate

For the 6,486 Income Support claims in payment on 31 December 2014, the average (mean) weekly claim rate was £225, with a median value of £189 per week. The spread of Income Support weekly claim rates is shown below:

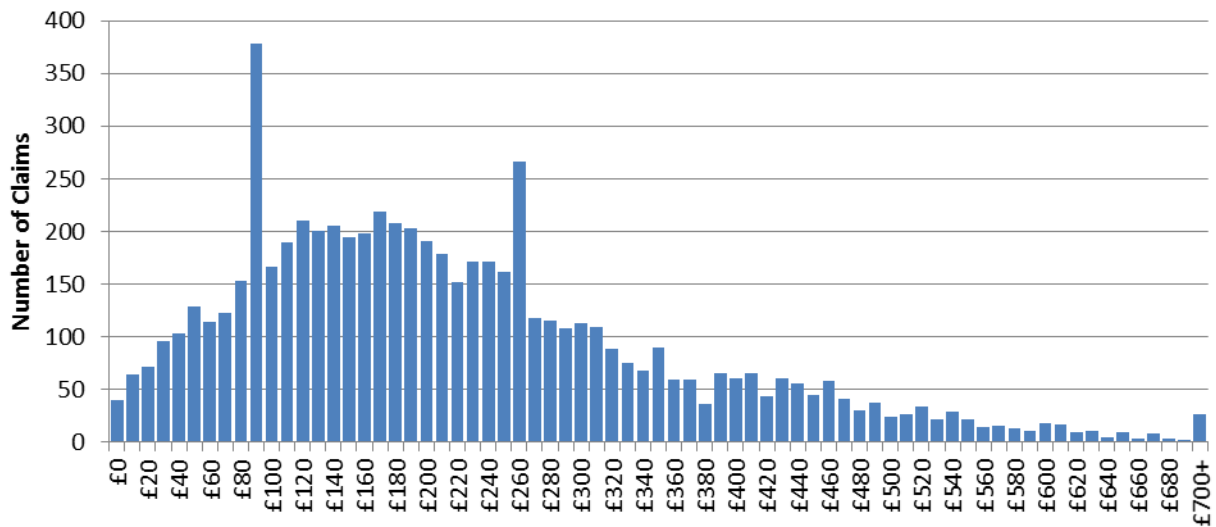


Figure 30: Weekly Income Support claim rate as at 31 December 2014 (rounded to the nearest £10)

- The large spike at £90–£100 per week represents the rate paid to a single adult living in a relative’s home and is principally made up of unemployed claimants aged between 19 and 24 who typically still live with their parents and are only able to claim the basic adult component of £92.12 per week.
- The smaller spike at £260 per week represents the most common rate paid to an unemployed single adult living in a one bedroom rented property.

At the end of 2014 there were 27 claims with a total weekly benefit above £700. These claims represent large households, many including a child or adult with a significant disability.

Total Household Income

Income Support tops up other household income. Many Income Support households receive income through earnings, pensions, other social security benefits, maintenance agreements and other income. 83% of Income Support households have some other form of income, with the remaining 1,000 (15%) of Income Support households being totally reliant on Income Support for their weekly income.

As household income from other sources increases, the Income Support benefit decreases until the family is fully self-sufficient. Depending on the source of income, a variety of incentives and allowances are provided to encourage Income Support families to support themselves as far as possible.

Table 30 indicates the average weekly income received from Income Support and from other sources for each of the household types at the end of 2014, as well as the percentages of the Income Support households that are wholly reliant on Income Support.

Household Type	Average Income Support Benefit £	Average Other Income £	Average Total Income £	Percentage of Households wholly reliant on Income Support
65+	£176	£218	£395	1%
Adult/s without children	£177	£150	£327	29%
Adults with child/ren	£296	£430	£726	4%
Single adult with child/ren	£359	£204	£563	17%
Total	£225	£219	£444	15%

Table 30: Total average (mean) weekly income based on claims as at 31 December 2014

Earnings

In 2014, Income Support households had total earnings of approximately £41 million. There is an earnings disregard of 23%⁸ (plus an additional 6% in respect of the cost of Social Security contributions) which is allowed against the Income Support calculation, providing a real incentive for low income families to take up and remain in work.

As at 31 December 2014, the distribution of adults with earnings amongst all claims consisting entirely of working age adults was as follows:

Working Age Household Type	No. of Claims with no Adult with Earnings	No. of Claims with at least one Adult with Earnings	Total No. of Claims	% of Households with no Adult with Earned Income
Adult/s without children	1,801	863	2,664	68%
Adults with child/ren	126	831	957	13%
Single adult with child/ren	514	584	1,098	47%
Total	2,441	2,278	4,719	52%

Table 31: Working age adults with and without earnings as at 31 December 2014

⁸ The earnings disregard increased from 20% to 23% on the 7th April 2014.

Pensions

The second largest source of income for Income Support households is pensions, worth a total of about £20 million in 2014. For pensioners aged 65 and above, a weekly allowance against pension income of £55.23 (first pensioner) and £35.77 (second pensioner) was provided as at 31 December 2014. These amounts are exempt from the Income Support calculation. For those aged below 65 and already receiving a pension, an allowance of 6% was provided. At the end of December 2014, 94% of the 65+ households receiving Income Support had pension income at or above the level of the allowance.

Household Type	Annualised Average of Total Annual Pension Income £000	No. of Claims that include Pension Income	% of all Households with Pension Income
65+	18,873	1,747	99%
Adult/s without children	1,023	172	6%
Adults with child/ren	37	10	1%
Single adult with child/ren	155	23	2%
Total	20,087	1,952	30%

Table 32: Annualised average total pension income in 2014 by household type as at 31 December 2014

Interest and Investment Income

Actual income received from capital assets is not included in the Income Support calculation. This includes bank interest, share dividends and rental income. However, the value of capital assets themselves is taken into account to produce a 'deemed' income in some cases (see Capital Assets on page 57).

Maintenance Payments

Following the breakdown of a relationship, maintenance may be paid for a child or ex-partner. In particular, if parents do not live together, the "absent" parent is expected to contribute towards the maintenance of their children. An allowance of 10% is provided against maintenance income. Just under half of claims that include a single adult and dependent children receive maintenance as part of the household income.

Household Type	No. of Claims that include Maintenance Income	Annualised average of Maintenance Income per claim £	% of all Households receiving Maintenance Income
65+	12	2,932	1%
Adult/s without children	60	2,967	2%
Adults with child/ren	121	3,158	13%
Single adult with child/ren	529	2,847	48%
Total	722	2,910	11%

Table 33: Annualised average maintenance income by household type as at 31 December 2014

Long-term Incapacity

Long-term incapacity allowance (LTIA) and invalidity benefit (INV) are contributory benefits for working age adults who have a loss of faculty. In many cases, this makes it difficult for the individual to support themselves through employment. Under the rules of invalidity benefit (which is no longer available to new claimants), individuals are not allowed to work. An allowance of 6% is provided against the value of these benefits in the Income Support calculation.

An estimate of the total annual income received by Income Support households from these two contributory benefits is £8.6 million.

Household Type	No. of Claims that include INV / LTIA Income	Annualised average of INV / LTIA Income per claim £	% of IS Households receiving INV / LTIA Income
65+	69	4,953	4%
Adult/s without children	1,077	6,276	40%
Adults with child/ren	173	5,056	18%
Single adult with child/ren	140	4,631	13%
Total	1,459	5,911	22%

Table 34: Annualised average INV / LTIA income by household type as at 31 December 2014

Other Income

Income Support households receive income from a variety of other sources, including Short Term Incapacity Allowance and income from lodgers. No allowance is provided against these types of income in the Income Support calculation.

An estimate of the total annual income received by Income Support households from other income is £2.1 million.

Charitable Income and Expense Payments

Income received from a charity and expenses paid in connection with voluntary work are not included in the Income Support calculation and do not affect the value of Income Support received.

Income by Household Type

Figure 31 – Figure 34 illustrate the relative weighting of different types of income on average, including Income Support, for each household type receiving Income Support as at 31 December 2014. Each figure identifies the value of income received by the household type, e.g. 52% of the total income received by 65+ households is in the form of pension income:



Figure 31: Type of income for 65+ Income Support households as at 31 December 2014

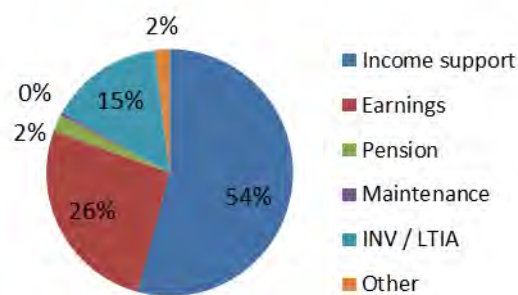


Figure 32: Type of income for 'adult/s without children' Income Support households as at 31 December 2014

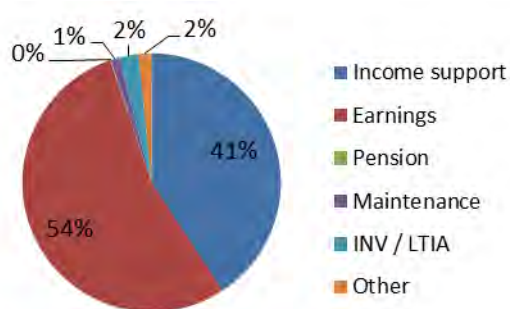


Figure 33: Type of income for 'adults with child/ren' Income Support households as at 31 December 2014

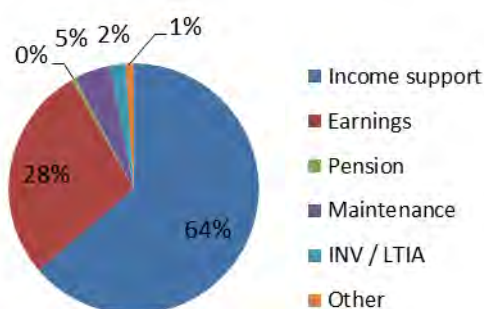


Figure 34: Type of income for 'single adult with child/ren' Income Support households as at 31 December 2014

Households with no income other than Income Support

A minority of Income Support households do not have any other income. Typically, this could be due to unemployment, a single parent with a young child and no maintenance agreement in place, or an individual with a long-established medical condition who does not qualify for any contributory benefit.

Household Type	No. of Claims Showing no Income on 31 December 2014	% of all Claims of this type
65+	16	1%
Adult/s without children	762	29%
Adults with child/ren	39	4%
Single adult with child/ren	183	17%
Total	1,000	15%

Table 35: Income Support households with no other income as at 31 December 2014

Capital Assets

If an Income Support claimant owns their own home, the value of the property is completely exempt from the Income Support calculation⁹. Other capital assets such as deposit accounts, stocks and shares up to a certain level are exempt from Income Support calculations. These levels are shown in Table 36. Claimants with capital assets above these levels can still receive Income Support but at a lower rate. Benefit is withdrawn at the rate of £1 per week for every £250 of capital assets above the exemption limit. This is achieved by adding a 'deemed' income of this amount to the claim.

Type of Household	Capital Exemption Amount £
Single person - aged 65 or over	13,706
Single person - with personal care component	13,706
Single person - other	9,137
Couple - aged 65 or over	22,718
Couple - at least one with personal care component	22,718
Couple - other	15,145

Table 36: Capital exemption limits as at 31 December 2014

Table 37 details the number of households that have capital assets either above or below the relevant exemption limit:

Household Type	No. of Claims with Assets below Capital Threshold	No. of Claims with Assets above Capital Threshold	Average Value of Excess Capital above Threshold £	% of all Claims of this type with Capital Assets above Threshold
65+	1,415	352	£10,709	20%
Adult/s without children	2,537	127	£9,247	5%
Adults with child/ren	903	54	£11,171	6%
Single adult with child/ren	1,066	32	£10,353	3%
Total	5,921	565	£10,404	9%

Table 37: Capital assets by household type as at 31 December 2014

Whilst 20% of 65+ households have some capital savings above the exemption limit, only 5% of other households have savings above these levels.

⁹ The value of the property is taken into account when assessing an Income Support Residential Care claim - see page 59.

Components

Income Support is designed to offer financial support for different day-to-day basic living costs. The amount of Income Support that a household receives will depend on the composition of the household and their current circumstances, such as household income and savings, ages, living arrangements, and any medical condition or care needs of a member of the household. To provide support tailored to specific family circumstances, Income Support is made up of a number of separate components to cover basic living costs, accommodation, childcare, carer, medical and care costs.

Basic Components

Adult components

The value of the adult component at 31 December 2014 was £92.12 per week.

The adult component is available to each adult included on the claim who satisfies the five year residency condition. For Income Support purposes, an adult is someone aged above compulsory school leaving age. From 1 August 2012 new claimants who did not satisfy the residency condition no longer received the adult component. For existing claimants who did not satisfy the residency condition the adult component was no longer available after the end of 2012.

Young adults above compulsory school leaving age continue to be included within the household of their parents if they are:

- Under 19 and actively seeking work (jobseeker).
- Under 25 and in full-time education.

There are additional rules for young people with disabilities.

Lone parent component

The value of the lone parent component at 31 December 2014 was £132.51 per week.

The lone parent component is available if there is a single adult on the claim and at least one child. In some circumstances the lone parent component is also paid if there is a second adult aged under 19 included on the claim. At the end of 2014 there were 119 claims in this category¹⁰.

Child component

The value of the child component at 31 December 2014 was £63.98 per week.

The child component is available for each child on the claim aged up to compulsory school leaving age.

As of 31 December 2014 there were 221 claims that included a child born in 2014.

Household component

The value of the household component at 31 December 2014 was £51.31 per week.

The household component reflects the fixed costs of a household, regardless of the number of people living together. These include some specific items such as household insurance and the cost of a TV licence, together with more general costs such as energy, household maintenance etc. It is not paid to individuals who live with another household (for example, a young unemployed adult aged 19 or above who remains living with his or her parents).

¹⁰ These claims are not included in the "single adult plus dependent children" (single adult with child/ren) category used throughout this report. If the household includes additional younger children, the claim will be identified in the 'two or more adults with dependent children (adults with child/ren)' category. Otherwise, the claims will be identified in the 'Working age adults with no dependent children (adults without children)' category.

Accommodation Components

Accommodation components are available to both tenants and owner occupiers. Since April 2014, the support provided for tenants reflects the policies approved by the States as part of the Housing Transformation programme. For private rented properties, maximum component levels are set for each size of unit and the component is only available up to this maximum level, regardless of the actual rent paid. If the rent paid is less than the maximum available, the component is set at the actual value of the rent. For social housing properties, the rent component reflects the actual rent paid in most cases. Owner occupiers have a smaller component available to assist with the cost of parish foncier (owner's) rates and building insurance. An accommodation component is not usually allocated to a claimant aged below 25. However, support is available in certain circumstances.

8% of Income Support claims were in respect of individuals living with other family members. These claimants do not receive accommodation or household components.

Table 38 shows the maximum weekly component available for each type of private dwelling as at 31 December 2014. Social housing rented property is paid according to the reasonable rent charge.

	Owner Occupier rate £	Private Tenant Maximum rate £
Hostel	N/A	80.64
Bedsit/Lodgings	6.02	125.30
One-bed flat	6.02	181.30
One-bed house	6.02	208.88
Two-bed flat	6.02	235.48
Two-bed house	6.02	273.56
Three-bed flat	8.54	242.20
Three-bed house	8.54	324.24
Four-bed flat	12.11	242.20
Four-bed house	12.11	341.25
Five or more-bed flat	12.11	242.20
Five-bed house	12.11	387.87
Six or more-bed house	12.11	387.87

Table 38: Weekly accommodation rates as at 31 December 2014

Table 39 sets out the number of Income Support households by tenure and property type as at 31 December 2014.

	Owner Occupier	States Rental	Housing Trust Rental	Private Rental	Other	Total
Hostel	0	0	0	0	63	63
Bedsit/Lodgings	0	224	18	350	116	708
One-bed flat	44	1,316	265	718	20	2,363
One-bed house	67	104	21	110	32	334
Two-bed flat	5	584	120	399	5	1,113
Two-bed house	28	261	56	229	6	580
Three-bed flat	1	41	16	27	0	85
Three-bed house	20	382	96	170	1	669
Four-bed house	6	59	10	27	0	102
5 or more-bed house	1	4	1	4	1	11
Other / None	0	0	3	3	452	458
Total	172	2,975	606	2,037	696	6,486

Table 39: Income Support claims by tenure and property types as at 31 December 2014

At the end of 2014, just over half of all Income Support households occupied a States or Housing Trust rental property. 3% (172) of Income Support households were owner occupiers.

Medical Components

Income Support medical components are available to assist with costs as follows: personal care components (three levels) provide additional support for individuals who have difficulty undertaking basic daily activities; mobility components (two levels) provide support for those who have significant mobility problems outside the home; and clinical cost components (two levels) provide additional support for those who need a higher than average number of GP visits to monitor an ongoing medical condition. Individuals can be eligible for one or more components depending on their particular condition.

34% of claims (2,185 claims in total) had at least one medical component included as at 31 December 2014.

Table 40 shows the weekly value of these components at 31 December 2014:

Medical Components	Clinical Cost (CC1)	Clinical Cost (CC2)	Mobility Non-Earner (MOB1)	Mobility Earner (MOB2)	Personal Care (PC1)	Personal Care (PC2)	Personal Care (PC3)
Weekly value £	3.15	6.30	22.96	45.92	22.96	101.15	145.25

Table 40: Medical component weekly rate value as at 31 December 2014

Table 41 shows the number of medical components included on claims as at 31 December 2014. Note that one claim may appear in more than one column.

Household Type	Clinical Cost (CC1)	Clinical Cost (CC2)	Mobility Non-Earner (MOB1)	Mobility Earner (MOB2)	Personal Care (PC1)	Personal Care (PC2)	Personal Care (PC3)
65+	429	523	545	1	254	183	170
Adult/s without children	339	352	350	6	226	130	170
Adults with child/ren	61	63	54	1	22	18	36
Single adult with child/ren	97	76	38	1	39	10	18
Total	926	1,014	987	9	541	341	394

Table 41: Medical components by household type as at 31 December 2014

Carer's Component

The carer's component is available to the main carer of an individual who has a significant disability (i.e. meets the requirements for the highest level of personal care component: PC3). The carer's component can be claimed by a carer of any age, and at 31 December 2014 had a value of £46.97 per week. The cared for person does not need to be living in the same household as the carer. There were 138 Income Support claims which included a carer's component as at 31 December 2014.

Child Care Component

The child care component is available to assist with the cost of registered childcare to allow a parent to return to employment. Three separate hourly rates are available depending on the age of the child.

As at 31 December 2014 the rates were: up to £6.27 per hour for children under 3; up to £4.90 per hour for children aged 3 and 4 and up to £4.85 per hour for children between 5 and 11.

At the end of 2014, there were 166 Income Support claims which included a total of 201 child care components.

Overall Cost of Components

As the value of Income Support paid to a particular household depends not only on the mix of components that it is entitled to, but also on the other income received by the household, it is not straightforward to report on the value of each component in the total expenditure for Income Support.

However, to enable an analysis of the total cost to be undertaken, a method of allocating costs within the various components has been developed. This method divides the actual Income Support benefit received by a household in proportion to the gross value of each of the components that the household is eligible for, to allocate a specific net value to each of the components.

Whereas most of the analysis provided in this report is based on a detailed analysis of the Income Support claims in payment on the last day of 2014, in order to compare the total spend in 2014 across the range of components, it is necessary to examine expenditure throughout the year. The mix of claims changes over time and the values of some components were increased during the year. The following analysis includes data taken from each month of the year to ensure that trends in the take-up of Income Support and rate changes during the year are represented, and provides approximate net values for the cost of each component group.

Household Type	Living £000	Accommodation £000	Other £000	Total £000
65+	7,059	6,298	1,979	15,336
Adult/s without children	12,379	9,779	2,273	24,431
Adults with child/ren	8,203	5,360	803	14,366
Single adult with child/ren	10,792	8,135	784	19,711
Total	38,433	29,572	5,839	73,844

Table 42: Analysis of net expenditure in 2014 by component and household type

Throughout this section, components have been grouped as follows:

- Living: adult, child, lone parent and household components.
- Accommodation: all accommodation components (tenants and owner occupiers).
- Other: all medical components, carer, and childcare.

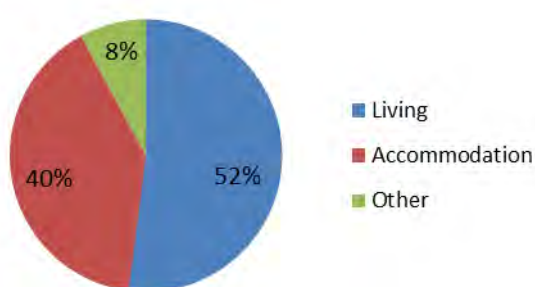


Figure 35: Distribution of 2014 net annual expenditure by component type

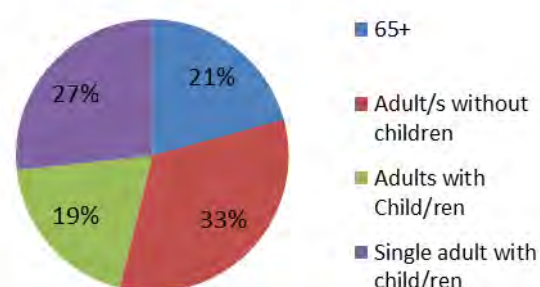


Figure 36: Distribution of 2014 net annual expenditure by household type

Income Support: Transition (Protected) Payments

In addition to weekly Income Support entitlement, some claimants continue to receive protected payments in respect of benefits that were replaced by Income Support in 2008. These payments are being phased out over a number of years.

The phasing depends on the type of claim as follows:

	Protection January to June 2014	Protection July to December 2014
Household includes adults previously receiving attendance allowance or adult disablement allowance or a child previously receiving child disability allowance	40%	20%
Household has high legacy entitlement ¹¹	20%	0%
Household includes adults over 65 or individual previously receiving disability transport allowance	0%	0%
Other households	0%	0%

Table 43: Transition (protected) payment phasing

Households that include a child previously receiving Attendance Allowance are not subject to any reduction in transition (protected) payments and these payments will continue until the child reaches compulsory school leaving age. At that point, the young adult is able to make a claim for Income Support in their own right.

On 31 December 2014, 48 households were receiving transition (protected) payments, without any underlying Income Support benefit. This is shown by household type in Table 44. A further 4 households were receiving both Income Support and transition payments.

Household Type	Number of Claims
65+	33
Adult/s without children	10
Adults with child/ren	5
Total	48

Table 44: Transition (protected) payments at 31 December 2014

The total cost in 2014 of transition (protected) payments was £421,000 down from £490,000 in 2013. This includes Income Support Residential Care transition payments that are legacy payments made to individuals who were receiving residential care prior to January 2008.

¹¹ This group is made up of households in which the difference between the value of the previous benefits received and the Income Support payable on 28 January 2008 was more than 25% of the total of the calculated income of the household and their Income Support benefit on that day.

Income Support: Residential Care

The Income Support system also supported individuals living in care homes who are unable to meet the full cost of their own care through till 1 July 2014 when it was replaced by the new long-term Care Scheme – see Section 5.

Up to 30 June 2014, these costs were supported up to the value of:

Care Level	2014 Maximum Weekly Fee Available £ (up to 30/06/2014)
Standard residential care	652.82
High dependency residential care	835.10
Nursing care	485.31 ¹²

Table 45: Maximum weekly fee for care homes

In addition to assistance with the care home fees, claimants also received a personal allowance of £33.39 per week.

People with housing assets but limited liquid assets could receive assistance through a property loan to pay for care. As at 30 June 2014 there were 67 active loans with a total value of £3.4 million.

At the end of June 2014, 585 individuals were receiving financial assistance with the cost of care.

Age	Standard Residential Care	High Dependency Residential Care	Nursing Care	Total
65 and above	139	227	90	456
Under 65	25	83	21	129
Total	164	310	111	585

Table 46: Individuals in receipt of financial support for care home fees as at 30 June 2014

The total cost of support for care home residents from January to June 2014 was £8,865,000.

Income Support: Special Payments

The weekly Income Support payments are designed to meet daily living costs. Income Support legislation also allows for larger one off costs to be met through special payment grants or loans. These cover a number of areas as shown in Table 47:

Description	No. of Payments as Grants	No. of Payments as Loans	Value £000
Essential household equipment	480	11	210
Rental deposit	7	282	343
Removal expenses	50	1	11
Medical expenses	1,301	190	950
Funerals	32	0	56
Total	1,870	484	1,570

Table 47: Special payments in 2014

¹² Individuals receiving nursing care in beds provided by Health and Social Services were required to pay a standard fee of £485.31 per week in line with the Hospital Charges (Long-Stay Patients) (Jersey) Law towards the cost of their care until 30/06/14. Income Support assisted with this fee on a means-tested basis and the remaining cost of the nursing care was met directly by the Health and Social Services Department.

Income Support: Cold Weather Payments

Cold weather payments are made to selected Income Support households during the winter months. Cold weather payments are calculated for the months of October to April if the temperature drops below a certain level. Payments are made in arrears, i.e. October's payment is made in the first week of November.

The cold weather payment for a month is made to any household receiving Income Support that, for the whole of the month, includes one of the following:

- someone over 65 years old,
- a child under the age of 3, or
- someone receiving personal care level 3 component.

In 2014, the following cold weather payments were made:

	Jan	Feb	Mar	Apr	...	Oct	Nov	Dec	Total 2013 Value
Value £	45.39	37.87	33.81	10.83		0.00	8.61	39.92	176.42

Table 48: Monthly cold weather payment values in 2014

In 2014, the total value of cold weather payments was £417,000 with an average (mean) of 2,348 households receiving a payment each month.

Income Support: Child Personal Care Benefit

In September 2014 the States Assembly agreed to introduce a new benefit whereby parents of children who meet the requirements for the highest levels of the impairment award can receive a payment in respect of the child, independent of parental income.

This came into force for children with personal care level 3 awards on 17th September 2014 and was extended to children with personal care level 2 awards on 1st January 2015.

On 31st December 2014 there were 34 children with level 3 personal care needs receiving a child personal care benefit of £145.25 per week, living in households that did not otherwise qualify for Income Support.

Income Support: Ministerial Exceptional Payments

The Income Support law provides a set of rules against which benefit decisions are made. Inevitably, from time to time an unusual situation will arise that is not covered by the standard rules and, in the event of an exceptional circumstance, the Minister has the power to make payments outside of the standard Income Support rules. Payments authorised under these powers in 2014 totalled £26,000; however, some payments may run across more than one calendar year. The cost of these payments is reported within the weekly Income Support costs.

Tax Funded Benefits – Christmas Bonus

The Christmas Bonus is a lump sum benefit of £83.73 (in 2014) that is paid to those who already receive certain benefits. It is paid by the 15 December to all local residents in receipt of:

- Old Age Pension,
- Widow's Benefit,*
- Widowed Father's Allowance,*
- Survivor's Benefit,
- Invalidity Benefit,*
- 100% Disablement Benefit,*
- 100% long-term Incapacity Allowance,
- Incapacity Pension,
- Income Support - personal care level 2 or 3,
- Home Carer's Allowance

* No new claims can be made for these benefits but they are still available to existing claimants.

The total Christmas Bonus cost for 2014 was £1,521,000.

Tax Funded Benefits – Food Costs Bonus

The States Assembly agreed a three year renewal of the Food Costs Bonus in June 2014. This Bonus is payable to any household that has an income too high to qualify for Income Support but too low to pay Income Tax. Only one Food Costs Bonus may be claimed per household and at least one member of the household must have been resident in Jersey for at least five years.

The Food Costs Bonus is an annual payment - £226.95 in 2014 - to help households with the cost of food and the Goods and Services Tax (GST) that is charged on food. In 2014, a total of 1,292 households received the Food Cost Bonus, of which 45 were for 2013, with a total payment for 2014 of £307,000.

The vast majority of these claimants were over 65 years old (89%) as illustrated in Figure 37.

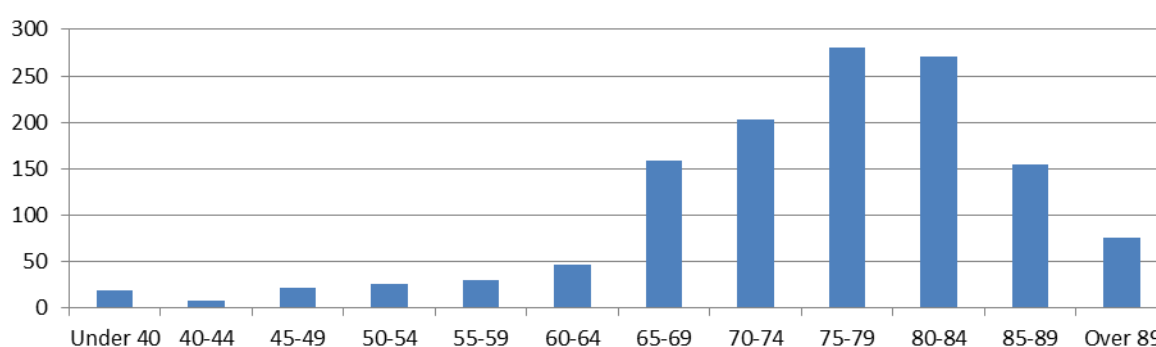


Figure 37: Number of Food Costs Bonuses paid in 2014 by age bracket

Tax Funded Benefits – Cold Weather Bonus

The Cold Weather Bonus eligibility criteria are similar to those for the Food Costs Bonus, except that it is only payable to households with at least one adult aged 65 years or over who is receiving a Jersey old-age pension. Following approval by the States Assembly of the new Social Security (Bonus) (Jersey) Law 2014, eligibility for the Cold Weather Bonus has been extended to adults aged 65 and above who do not receive a Jersey old-age pension, but have been living in Jersey for at least 10 years.

This Bonus is designed to help pensioner households with the cost of heating during the winter months and is paid in two instalments; once in May, for the months January to April, and then again in January, for the months of October to December.

The value of the Bonus is based on the monthly Cold Weather Payments made to Income Support claimants - £176.42 in total for 2014.

In 2014, 1,084 households received a Bonus for the months January to April and 1,057 received a Bonus for the months October to December. The total amount paid in 2014 was £132,000.

Tax Funded Benefits – 65+ Health Scheme

The Jersey 65+ Health Scheme subsidises dental, optical and chiropody costs and is available to those pensioners who do not pay income tax and have relatively low savings; up to a maximum of £20,000 for singles, £30,000 for couples (excluding the value of the family home). In 2014 the Scheme provided the following benefits, to assist people aged over 65 with the cost of check-ups and treatments as follows:

Optical

- every 2 years, up to £15 towards an eye test.
- every 2 years, up to £90 towards new prescription spectacles, lenses or contact lenses.

Dental

- every year, up to £22 towards a dental check-up.
- every 2 years, up to £500 towards dental treatments or dentures.

Chiropody

- every year, up to £90 towards the cost of chiropody treatment from a HCPC registered chiropodist.

As of 31st December 2014, there were 2,427 pensioners registered under the scheme. In 2014 there were 4,416 claims approved at a total cost of £250,000 exclusive of management fees.

Tax Funded Benefits – 75+ TV Licence Benefit

Those who are over 75 years old and have an annual income that is below £16,070 for single pensioners and £26,170 for pensioner couples, and fulfil certain other criteria, qualify for a payment equivalent to the cost of a full TV licence.

In 2014, nearly all the 1,994 people claiming the TV Licence Benefit received the full amount of £145.50 at a total cost of £299,000.

Tax Funded Benefits – other benefits

In 2014 there were four other benefits funded from taxation:

1. **The Jersey Dental Benefit Scheme** is available to help towards the cost of dental treatment for young people between the ages of 11 and 21 dependent on the existing health of their teeth and family income.
2. **Childcare Support** provides limited support with childcare costs for low income working parents whose children were born in Jersey but who do not qualify for Income Support on residency grounds.
3. **Housing Adaptation Grants** are made to assist those living in privately owned or rented accommodation to make adaptations to their property that will enable them to continue living independently at home where they have a particular clinical need, as assessed by the occupational therapy team.
4. **Non-Contributory Death Grants** are made where the deceased has not made sufficient contributions but was Jersey born and has been ordinarily resident in the Island for the 12 months prior to the date of his/her death; or if not Jersey born, have been ordinarily resident in the Island for a total period of at least 12 years at any time before death. Death Grants for those with sufficient contributions are funded from the Social Security Fund.
5. **Youth Incentive Payments** are for people aged 16 - 19 who successfully undertake work placements as part of their job seeking activities.

The table below shows the total value paid for each benefit in 2014 and 2013

Benefit	2013	2014
	£000	£
Dental Benefit Scheme	87	83
Childcare Support	44	39
Housing Adaptation Grants	17	20
Non-Contributory Death Grants	16	30
Youth Incentive Payments	-	39
Total	164	211

Table 49: Total value of other benefits administered using tax funding for 2013 and 2014

Departmental Administration Costs

The following table shows all of the costs not displayed on the previous pages which contribute to the total expenditure of £422.3 million for 2014.

	<i>2013</i>	2014
	<i>£000</i>	£000
Staff Costs	10,913	11,782
Non-Staff Costs	13,547	13,765
Total Administration Costs	24,450	25,547

Table 50: Social Security Department administration costs, 2013 and 2014

The increase in staffing costs was due mainly to the introduction of the Long Term Care scheme and the 4% pay award.

Section 7 – Financial Statements

The Social Security Department’s accounts are published as part of the States of Jersey Financial Report and Accounts. The tables within this Financial Statements section are extracts from this report.

The full accounts can be found on the States of Jersey website
<http://www.gov.je/Government/Pages/StatesReports.aspx?ReportID=1066>

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Net Revenue Expenditure – Service Analysis *Page 78*

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Social Security Fund : Statement of Comprehensive Net Expenditure for the year ended 31 December 2014

	2013 Actual £'000	2014 Actual £'000
Revenue		
Contributions	(156,415)	(160,388)
States Contribution	(62,200)	(63,700)
Sales of Goods and Services	(163)	(150)
Investment Income	(165)	(189)
Other Income	(308)	-
Total Revenue	(219,251)	(224,427)
Expenditure: Near Cash		
Social Benefit Payments	201,678	205,457
Supplies and Services	4,872	4,431
Administrative Expenditure	635	411
Premises and Maintenance	317	175
Other Operating Expenditure	1	-
Impairments of Financial Assets		
Finance Costs	39	39
Total Expenditure: Near Cash	207,542	211,398
Net Revenue Income: Near Cash	(11,709)	(13,029)
Non Cash Amounts		
Depreciation and Amortisation	659	596
Total Non Cash Amounts	659	596
Net Revenue Expenditure	(11,050)	(12,433)

Social Security Fund : Statement of Financial Position
for the year ended 31 December 2014

	2012 Actual £'000	2013 Actual £'000	2014 Actual £'000
Non-Current Assets			
Property, Plant and Equipment	7,170	6,735	6,291
Intangible Assets	1,148	1,110	1,110
Total Non-Current Assets	8,318	7,845	7,401
Current Assets			
Trade and Other receivables	56,436	58,789	57,377
Cash and Cash Equivalents	8,287	7,758	25,222
Balance due from the Consolidated and Other Funds	–	3,351	–
Total Current Assets	64,723	69,898	82,599
Total Assets	73,041	77,743	90,000
Current Liabilities			
Trade and Other Payables	(3,807)	(1,539)	(1,268)
Balance due to the Consolidated and Other Funds	(4,080)	–	(95)
Total Current Liabilities	(7,887)	(1,539)	(1,363)
Assets Less Liabilities	65,154	76,204	88,637
Revenue Reserves			
Accumulated Revenue Reserves	61,848	72,898	85,331
Revaluation Reserve	3,306	3,306	3,306
Total Revenue Reserves	65,154	76,204	88,637

Social Security (Reserve) Fund : Statement of Comprehensive Net Expenditure
for the year ended 31 December 2014

	2013 Actual £'000	2014 Actual £'000
Revenue		
Investment Income	(195,602)	(95,476)
Total Revenue	(195,602)	(95,476)
Expenditure: Near Cash		
Supplies and Services	328	-
Total Expenditure: Near Cash	328	-
Net Revenue Income	(195,274)	(95,476)

Social Security (Reserve) Fund : Statement of Financial Position
for the year ended 31 December 2014

	2012 Actual £'000	2013 Actual £'000	2014 Actual £'000
Non-Current Assets			
Investments held at Fair Value through Profit or Loss	962,143	1,157,731	1,253,208
Total Non-Current Assets	962,143	1,157,731	1,253,208
Current Assets			
Cash and Cash Equivalents	43	148	80
Total Current Assets	43	148	80
Total Assets	962,186	1,157,879	1,253,288
Current Liabilities			
Trade and Other Payables	(113)	(63)	(111)
Balance due to the Consolidated Fund	–	(122)	(8)
Total Current Liabilities	(113)	(185)	(119)
Assets Less Liabilities	962,073	1,157,694	1,253,169
Taxpayer's Equity			
Accumulated Revenue Reserves	962,073	1,157,694	1,253,169
Total Taxpayer's Equity	962,073	1,157,694	1,253,169

Health Insurance Fund : Statement of Comprehensive Net Expenditure for the year ended 31 December 2014

	2013 Actual £'000	2014 Actual £'000
Revenue		
Contributions	(28,573)	(29,297)
Sales of Goods and Services	-	(138)
Investment Income	(8,653)	(5,776)
Other Income	-	(55)
Total Revenue	(37,226)	(35,266)
Expenditure: Near Cash		
Social Benefit Payments	27,213	27,977
Supplies and Services	2,319	1,844
Administrative Expenditure	150	183
Premises and Maintenance	26	17
Other Operating Expenditure	2,000	6,000
Impairments of Financial Assets	-	169
Total Expenditure: Near Cash	31,708	36,190
Net Revenue Income	(5,518)	924

Health Insurance Fund : Statement of Financial Position

for the year ended 31 December 2014

	2012 Actual £'000	2013 Actual £'000	2014 Actual £'000
Non-Current Assets			
Property, Plant and Equipment	285	–	–
Investments held at Fair Value through SoCNE	70,085	78,739	78,514
Total Non-Current Assets	70,370	78,739	78,514
Current Assets			
Trade and Other receivables	8,874	9,111	9,303
Cash and Cash Equivalents	–	1	1
Balance due from Consolidated and Other Funds	2,940	193	–
Total Current Assets	11,814	9,305	9,304
Total Assets	82,184	88,044	87,818
Current Liabilities			
Trade and Other Payables	(1,648)	(1,989)	(1,975)
Balance due to the Consolidated and Other Funds			(728)
Total Current Liabilities	(1,648)	(1,989)	(2,703)
Assets Less Liabilities	80,536	86,055	85,115
Taxpayer's Equity			
Accumulated Revenue Reserves	80,536	86,055	85,115
Total Taxpayer's Equity	80,536	86,055	85,115

Long-term Care Fund : Statement of Comprehensive Net Expenditure for the year ended 31 December 2014

	2013 Actual £'000	2014 Actual £'000
Revenue		
States Contribution	(11,700)	(18,155)
Investment Income	(1)	(77)
Total Revenue	(11,701)	(18,232)
Expenditure: Near Cash		
Social Benefit Payments	-	16,899
Supplies and Services	-	1,220
Administrative Expenditure	-	23
Premises and Maintenance	-	8
Total Expenditure: Near Cash	(11,701)	18,150
Net Revenue Income	(11,701)	(82)

Long-term Care Fund : Statement of Financial Position
for the year ended 31 December 2014

	2013 Actual £'000	2014 Actual £'000
Current Assets		
Trade and Other Receivables	-	4,558
Cash and Cash Equivalents	11,701	10,463
Total Current Assets	11,701	15,021
Total Assets	11,701	15,021
Current Liabilities		
Trade and Other Payables	-	(1,785)
Balance due to the Consolidated and Other Funds	-	(1,453)
Total Current Liabilities	-	(3,238)
Assets Less Liabilities	11,701	11,783
Taxpayer's Equity		
Accumulated Revenue Reserves	11,701	11,783
Total Revenue Reserves	11,701	11,783

Tax Funded Benefits and Services: Net Revenue Expenditure – Service Analysis for the year ended 31 December 2014

2014 MTFP (Updated) £'000	2014 Final Approved Budget £'000		2013 Actual £'000	2014 Actual £'000
63,700	63,700	States Contribution to Social Security Fund	62,200	63,700
-	8,736	States Contribution to long-term Care Fund	11,700	13,383
		Income Support		
80,847	80,898	Social Benefit Payments	72,953	73,844
1,447	1,447	Staff Expenditure	1,210	1,570
19,414	10,678	Supplies and Services	16,722	8,865
697	697	Administrative Expenditure	695	417
683	683	Premises and Maintenance	490	421
103,088	94,403	Income Support	92,070	85,117
556	624	Health and Safety at Work	492	531
11,166	11,815	Employment Services	8,693	10,256
		Other Benefits		
1,469	1,469	Christmas Bonus	1,464	1,521
805	805	Food Cost Bonus	607	439
329	329	Jersey 65+ Health Plan	284	304
252	252	TV Licence	277	299
19	19	Non Contributor Death Grant	16	30
53	53	Social Fund	17	21
53	53	Child Care Support	44	39
102	102	Dental Benefit Scheme	120	122
3,082	3,082	Other Benefits	2,829	2,775
8,038	8,062	Staff Costs and Administration	7,750	7,464
1,033	1,033	Contingency	-	-
(4,044)	(4,044)	Social Security and Health Funds Payroll	(3,952)	(3,848)
186,619	187,411	Net Revenue Expenditure	181,782	179,378

Tax Funded Benefits and Services: Statement of Comprehensive Net Expenditure for the year ended 31 December 2014

2014 MTFP £'000	2014 Final Approved Budget £'000		2013 Actual £'000	2014 Actual £'000
		Revenue		
(4,044)	(4,044)	Sales of Goods and Services	(3,952)	(3,895)
(4,044)	(2,030)	Total Revenue	(3,952)	(3,895)
		Expenditure: Near Cash		
169,870	169,921	Social Benefit Payments	168,715	164,921
12,108	12,160	Staff Expenditure	10,913	11,782
1,685	1,725	Supplies and Services	2,309	2,078
187	187	Administrative Expenditure	151	241
122	122	Premises and Maintenance	441	302
215	215	Other Operating Expenditure	89	307
5,433	6,082	Grants and Subsidies Payments	2,971	3,641
–	–	Impairments of Financial Assets	135	(9)
10	10	Finance Costs	10	10
1,033	1,033	Contingency	–	–
190,663	191,455	Total Expenditure: Near Cash	185,734	183,273
186,619	187,411	Net Revenue Expenditure	181,782	179,378

Tax Funded Benefits and Services: Statement of Financial Position
for the year ended 31 December 2014

	2012 Actual £'000	2013 Actual £'000	2014 Actual £'000
Current Assets			
Trade and Other receivables	8,018	9,144	8,592
Total Current Assets	8,018	9,144	8,592
Total Assets	8,018	9,144	8,592
Current Liabilities			
Trade and Other Payables	(989)	(1,106)	(736)
Total Current Liabilities	(989)	(1,106)	(736)
Assets Less Liabilities	7,029	8,038	7,856
Taxpayer's Equity			
Accumulated Revenue Reserves	7,029	8,038	7,856
Total Taxpayer's Equity	7,029	8,038	7,856

Appendix: Summary of legislation approved or amended in 2014

Ref.	Link	Notes	Made/approved	Coming into force
R&O-028-2014	DISCRIMINATION (JERSEY) LAW 2013 (APPOINTED DAY) ACT 2014	Brings the Discrimination Law into force on 1st September 2014	18 March 2014	1 September 2014
L-43-2014	EMPLOYMENT (AMENDMENT NO. 8) (JERSEY) LAW 2014	Introduces family-friendly rights for employees	5 November 2014	1 April 2015 - Articles 1, 2, 7, 8, 9, 11 and 12; 1 September 2015 - remainder
R&O-013-2014	EMPLOYMENT (CODE OF PRACTICE) (DISCIPLINARY AND GRIEVANCE PROCEDURES) (JERSEY) ORDER 2014	Implements a new code of practice to help employees and employers deal with discipline and grievance matters in a fair and reasonable way	24 January 2014	1 April 2014
R&O-204-2014	EMPLOYMENT (MINIMUM WAGE) (AMENDMENT NO. 11) (JERSEY) REGULATIONS 2014	Increases the maximum amounts that may be counted towards minimum wage or trainee rate pay where an employer provides living accommodation, or living accommodation with food, to an employee	9 December 2014	1 April 2015
R&O-170-2014	EMPLOYMENT (MINIMUM WAGE) (AMENDMENT NO. 8) (JERSEY) ORDER 2014	Increases the minimum wage and trainee rates	17 October 2014	1 April 2015
R&O-196-2014	EMPLOYMENT (QUALIFYING PERIOD) (JERSEY) ORDER 2014	Extends qualifying period for protection against unfair dismissal to one year	5 December 2014	12 December 2014
R&O-143-2014	EMPLOYMENT (REDUNDANCY - MAXIMUM WEEKLY AMOUNT) (AMENDMENT NO. 2) (JERSEY) ORDER 2014	Increases the maximum value of a week's pay for the purpose of calculating a statutory redundancy payment	4 September 2014	1 October 2014
R&O-027-2014	EMPLOYMENT AND DISCRIMINATION TRIBUNAL (JERSEY) REGULATIONS 2014	Replaces existing Regulations to reflect the extended jurisdiction of the Employment and Discrimination Tribunal brought about by adoption of the Discrimination Law	18 March 2014	1 September 2014

R&O-061-2014	FOOD COSTS BONUS (JERSEY) REGULATIONS 2014	Renews tri-ennial regulations for a final 3 year period to cover 2014-2016	4 June 2014	1 July 2014
R&O-141-2014	HEALTH INSURANCE (PHARMACEUTICAL BENEFIT) (GENERAL PROVISIONS) (NO. 2) (AMENDMENT NO. 12) (JERSEY) ORDER 2014	Increases the dispensing fee for Tier-1 items, amends the discounting scale and reduces the claw-back	29 August 2014	1 October 2014
R&O-174-2014	HEALTH INSURANCE (PHARMACEUTICAL BENEFIT) (GENERAL PROVISIONS) (NO. 2) (AMENDMENT NO. 13) (JERSEY) ORDER 2014	Adds oral contraceptives to Schedule 4 to enable them to be prescribed for periods up to 90 days	28 October 2014	1 December 2014
R&O-022-2014	INCOME SUPPORT (AMENDMENT NO. 10) (JERSEY) REGULATIONS 2014	Amends the housing components payable under the Income Support Law to provide for changes agreed under the Housing Transformation Programme	18 February 2014	7 April 2014
R&O-072-2014	INCOME SUPPORT (AMENDMENT NO. 11) (JERSEY) REGULATIONS 2014	Makes minor amendments to Income Support Regulations to ensure references within Income Support legislation to individuals receiving long-term care are aligned with the Long-Term Care Law	17 June 2014	1 July 2014
R&O-150-2014	INCOME SUPPORT (AMENDMENT NO. 12) (JERSEY) REGULATIONS 2014	Ensures only adults are eligible to receive the Personal Care level 2 and Personal Care Level 3 components	10 September 2014	17 September 2014 - Regulations 1, 2 and 4 1 January 2015 - Regulation 3
R&O-031-2014	INCOME SUPPORT (GENERAL PROVISIONS) (AMENDMENT NO. 13) (JERSEY) ORDER 2014	Increases the disregard in respect of earned income available to claimants who are in paid employment. Also changes the way capital is disregarded in respect of motor vehicles and the level of capital disregard when one of the adults in a household passes away	28 March 2014	07 April 2014

R&O-044-2014	INCOME SUPPORT (GENERAL PROVISIONS) (AMENDMENT NO. 14) (JERSEY) ORDER 2014	Makes minor amendments to the Income Support (General Provisions) Order to ensure references within Income Support legislation to individuals receiving long-term care are aligned with the Long-Term Care Law	02 May 2014	01 July 2014
R&O-120-2014	INCOME SUPPORT (GENERAL PROVISIONS) (AMENDMENT NO. 15) (JERSEY) ORDER 2014	Amends terms relating to pensionable age in the Income Support (General Provisions) Order to reflect increase in pension age under the Social Security Law	31 July 2014	01 August 2014
R&O-159-2014	INCOME SUPPORT (GENERAL PROVISIONS) (AMENDMENT NO. 16) (JERSEY) ORDER 2014	Allows for households to continue to receive an appropriate capital disregard in respect of a member of the household who is a child qualifying under the Income Support (Special Payments) (Child Personal Care) Regulations	22 September 2014	23 September 2014 - Article 1(a)(i),(ii) and (b) and 2 1 January 2015 - Article 1(a)(iii) 1 October 2014 - Article 1(c)
R&O-149-2014	INCOME SUPPORT (SPECIAL PAYMENTS) (CHILD PERSONAL CARE) (JERSEY) REGULATIONS 2014	Creates a mechanism whereby parents of children who meet the requirements for the highest levels of the impairment award can always receive a payment in respect of the child, independent of parental income	10 September 2014	17 September 2014 - Regulations 1, 3 and 4 1 January 2015 - Regulation 2
R&O-151-2014	INCOME SUPPORT (SPECIAL PAYMENTS) (COLD WEATHER PAYMENTS) (AMENDMENT NO. 2) (JERSEY) REGULATIONS 2014	Allows an Income Support household with a child qualifying for Personal Care Level 3 to continue to qualify for the cold weather payments made under Income Support legislation	10 September 2014	17 September 2014
R&O-071-2014	INCOME SUPPORT (SPECIAL PAYMENTS) (LONG-TERM CARE) (JERSEY) REGULATIONS 2014	Provides fully means-tested support to individuals with long-term care needs who satisfy the residency test for Income Support but who are not covered by the Long-Term Care Scheme	17 June 2014	01 July 2014
R&O-074-2014	LONG-TERM CARE (BENEFITS) (AMENDMENT) (JERSEY) ORDER 2014	Makes minor amendments to confirm the initial benefit rates and other financial values to be used in the Long-Term Care Law	26 June 2014	01 July 2014

R&O-043-2014	LONG-TERM CARE (BENEFITS) (JERSEY) ORDER 2014	Provides detailed rules for eligibility for the long-term care benefit, long-term care (means-tested) support and long-term care property loans. Also includes indicative benefit rates.	01 May 2014	01 July 2014
R&O-075-2014	LONG-TERM CARE (GENERAL PROVISIONS) (JERSEY) ORDER 2014	Provides details of the process for making claims, making decisions and appeals against decisions, various types of approval and transitional provisions to be used within the Long-Term Care Law	26 June 2014	01 July 2014
R&O-062-2014	SAFEGUARDING OF WORKERS (MACHINERY AND WOODWORKING MACHINES) (REVOCATION) (JERSEY) REGULATIONS 2014	Revokes Regulations which are now obsolete	04 June 2014	05 June 2014
L-03-2014	SOCIAL SECURITY (AMENDMENT NO. 21) (JERSEY) LAW 2014	Allows surcharges to be levied in respect of late payments of long-term care contributions	05 March 2014	01 January 2015
L-49-2014	SOCIAL SECURITY (AMENDMENT NO. 22) (JERSEY) LAW 2014	Ensures constitution of the Medical Appeal Tribunal can be established under a subordinate Order in line with other Social Security appeal tribunals	10 December 2014	19 January 2015
R&O-073-2014	SOCIAL SECURITY (AMENDMENT OF LAW NO. 7) (JERSEY) REGULATIONS 2014	Increases the State Pension Age over a 12 year period starting in 2020.	18 June 2014	18 July 2014
R&O-110-2014	SOCIAL SECURITY (AMENDMENT OF LAW NO. 8) (JERSEY) REGULATIONS 2014	Allows women more flexibility in the time period during which they may claim maternity benefit and provides that Orders can be made to allow some work to be undertaken without ending the maternity allowance period	18 July 2014	01 January 2015
L-37-2014	SOCIAL SECURITY (BONUS) (JERSEY) LAW 2014	Ensures bonuses may be brought into payment by Regulations approved by the States Assembly without recourse to the Privy Council or repeated renewals of Triennial Regulations. Establishes	08 October 2014	24 October 2014

the cold weather bonus in permanent legislation.

R&O-212-2014	SOCIAL SECURITY (LONG-TERM CARE CONTRIBUTIONS) (JERSEY) ORDER 2014	Details classes of individuals who are not required to make long-term care contributions	19 December 2014	01 January 2015
R&O-119-2014	SOCIAL SECURITY (MISCELLANEOUS PROVISIONS NO. 3) (JERSEY) ORDER 2014	Amends terms relating to pensionable age in various Orders to reflect increase in pension age under the Social Security Law	31 July 2014	01 August 2014
R&O-213-2014	SOCIAL SECURITY (MISCELLANEOUS PROVISIONS NO. 4) (JERSEY) ORDER 2014	Supports changes to Maternity Benefit by prescribing details regarding applications, extension of benefit for late babies and 'Keeping in Touch' days	19 December 2014	01 January 2015
L-04-2014	SOCIAL SECURITY HYPOTHECS (JERSEY) LAW 2014	Provides for a new form of legal hypothec to allow a loan to build up in respect of long-term care costs and to be secured against the value of the family home	05 March 2014	21 March 2014

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