



Social Security Department Income Support 2011

Minister for Social Security

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Minister's Foreword

With total expenditure of just over £90 million in 2011, the Income Support scheme represents a major area of government expenditure and I am pleased to present the first annual report on this subject.

Income Support was established in 2008, replacing 14 separate income-related benefits and creating a single, comprehensive means-tested benefit system for local residents. The new benefit rules were developed during a time of relative prosperity in the Island and were very quickly put to the test as the initial impact of the global economic crisis was experienced in Jersey in that first year of operation.

The timely introduction of a unified benefit system has enabled the States to provide financial support to local families efficiently and with the minimum of additional administrative costs during this protracted period of economic contraction. The Council of Ministers, elected in late 2011, identified its main priority as getting people back to work. The structure of Income Support, which introduced a legal requirement for individuals to support themselves through employment whenever possible, is a key factor in achieving this strategic aim. The new benefit has also facilitated close cooperation between employment services, including the Back to Work team, and the provision of financial assistance.

This report is based on a detailed analysis of Income Support claims in payment at the end of 2011 and includes background information on the design of Income Support, including the components that are available and the way in which income is assessed.

This report will be published on an annual basis. I welcome feedback on this first version of the report and suggestions for additional analysis or information to be included in future editions.

The bedding down of Income Support during this difficult economic time has been challenging, and I am continually impressed by the professionalism and positive attitude of the departmental staff. I would like to record my gratitude to the Income Support teams and to the staff throughout the Department for their hard work and dedication over the last year.



Senator Francis Le Gresley, MBE

Introduction

The Social Security Department is responsible for three separate funding sources which are used to provide different benefits and services to the public.

The Department delivers a range of “tax-funded” benefits and services that are funded directly by the States of Jersey. It also collects contributions that are paid into two ring-fenced funds – the Social Security Fund and the Health Insurance Fund. A variety of “contributory” benefits and pensions are paid from these two funds. Surpluses from the Social Security Fund are transferred to a separate fund – the Social Security (Reserve) Fund.

Table 1 summarises the funding streams for 2011:

	Social Security Fund £000	Health Insurance Fund £000	Tax-Funded £000
Income	214,632	29,915	3,244
Expenditure	190,312	32,918	167,677

Table 1: Funding stream summary for 2011

The income for the ring-fenced funds is made up of contributions, investment income, bank interest and a States Grant towards the cost of supplementation. Further details of the performance of the funds is available in a separate report.¹

Tax-funded benefits and services cover a wide range of activities as shown in Table 2:

Tax-Funded Benefit / Service		2011 Spend £000
Benefits:	Income Support	90,067
	Invalid Care Allowance	2,637
	Christmas Bonus	1,530
	Food Costs Bonus	275
	TV Licence Benefit	264
	Jersey 65+ Health Scheme	224
	Dental Fitness Benefit Scheme	99
	Housing Adaptation Grants	31
	Non-Contributory Death Grants	19
Services:	Employment Services	2,974
	Employment Relations	501
	Health & Safety at Work	464
States Grant	Contribution to Supplementation – Social Security Fund	65,348
Net Expenditure		164,433

Table 2: Social Security tax-funded expenditure 2011

Further information on tax-funded activities can be found in the annual States accounts.²

1. Social Security Department: Minister’s Report & Financial Statements – 2011

2. R.74/2012

Income Support

Introduction

With expenditure in 2011 of over £90 million, the Income Support benefit is by far the largest tax-funded benefit provided by the Social Security Department. Within that total, support is provided to households and individuals in a variety of different circumstances.

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. Income Support also provides financial assistance to people living in care homes.

An analysis of the £90 million spent in 2011 is as follows:

Category	2011 £000
Income Support: Weekly Benefit	66,940
Income Support: Transition (Protected) Payments	2,004
Income Support: Special Payments	1,430
Income Support: Cold Weather Payments	345
Income Support: Residential and Nursing Care Fees	16,613
Administration	2,735
Total	90,067

Table 3: Categorized 2011 Income Support expenditure

This report considers each of these benefit areas in turn, providing a range of facts and figures based mainly on an analysis of Income Support claims that were being paid as at 31 December 2011.

Income Support: Weekly benefit

This section covers the support provided to individuals and families living in the community who need financial assistance with basic living costs.

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 5 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 married or unmarried partner and dependent children.

For Income Support purposes, children are defined as those aged below compulsory school leaving age.³

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 in respect of young people with disabilities.

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 2011, a total of 6,387 households were receiving Income Support. These households were made up of 11,355 individuals: 8,177 adults and 3,178 children.

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

- 65 years and above (**65+**): all households that include one or more adults aged 65 or above
- Working age adults with no dependent children (**Adult/s without Children**): one or more adults all aged below 65, with no dependent children
- 2 or more adults with dependent children (**Adults with Child/ren**): 2 or more adults aged below 65 with one or more dependent children
- Single adult with dependent children (**Single Adult with Child/ren**): a single adult aged below 65 with one or more dependent children

3. 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.

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+	1,771	2,148	1.2	16	0
Adult/s without Children	2,698	3,122	1.2	–	–
Adults with Child/ren	901	1,890	2.1	1,621	1.8
Single Adult with Child/ren	1,017	1,017	1.0	1,541	1.5
Total / Overall Average	6,387	8,177	1.3	3,178	0.5

Table 4: Number and average number of adults and children on Income Support claims as at 31/12/2011

Well over half of all Income Support households consist of a single adult without children: 2,329 adults aged up to 65 (36% of all claims), and 1,396 adults aged 65 and above (22% of all claims). Table 5 provides more detail:

Household Type	Number of claims that include				Total No. of claims
	1 Adult	2 Adults	3 Adults	4 or more Adults	
65+	1,396	373	2	–	1,771
Adult/s without Children	2,329	320	44	5	2,698
Adults with Child/ren	–	821	72	8	901
Single Adult with Child/ren	1,017	–	–	–	1,017
Total No. of claims	4,742	1,514	118	13	6,387

Table 5: Number of claims that include an adult by size and type of household as at 31/12/2011

Table 6 details the number of children on Income Support claims, by household type:

Household Type	Number of claims that include				Total No. of claims
	1 Child	2 Children	3 Children	4 or more Children	
65+	6	5	–	–	11
Adult/s without Children	–	–	–	–	–
Adults with Child/ren	407	323	124	47	901
Single Adult with Child/ren	624	291	80	22	1,017
Total No. of claims	1,037	619	204	69	1,929

Table 6: Number of claims that include children by size and household as at 31/12/2011

54% of claims with children include just a single child. There are 69 claims which include four or more children. This represents less than 4% of all claims including children, and 1% of all Income Support claims.

The Census in March 2011⁴ collected information on household groups. The following charts compare the total number of households⁵ in Jersey with Income Support claims by household type. This comparison is only approximate as there are some differences in the definition of Income Support households compared with the Census definition of a household.

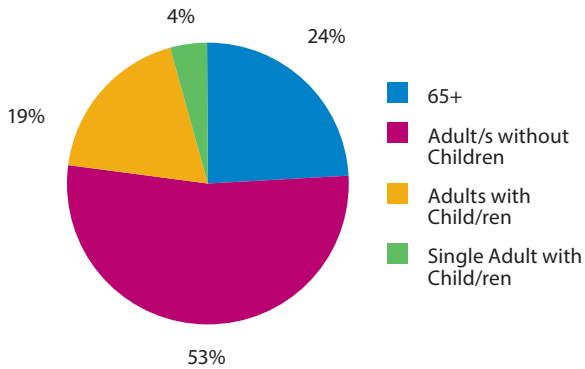


Figure 1: Census data by household type on 27/03/2011

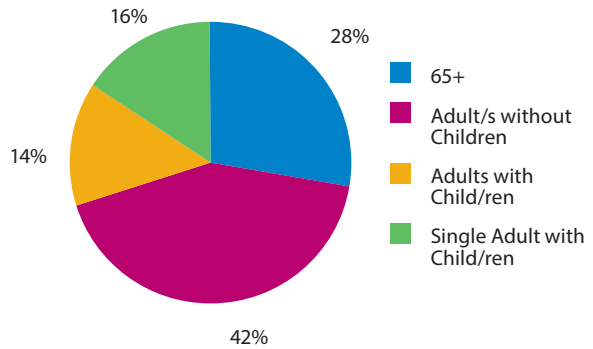


Figure 2: Income Support claims by household type as at 31/12/2011

The Census also collected information on nationality and Figures 3 and 4 compare the nationality of those on Income Support, where information on nationality is available,⁶ with the information contained in the 2011 Census:

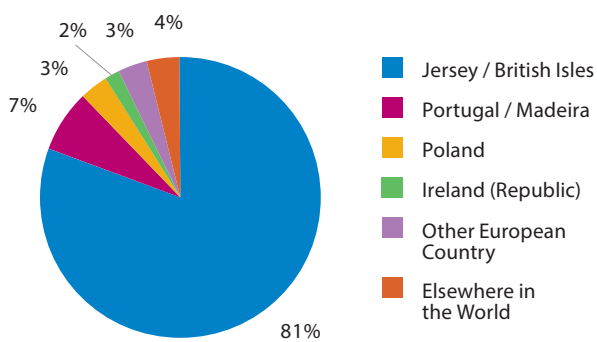


Figure 3: Population by place of birth, Census 27/03/2011

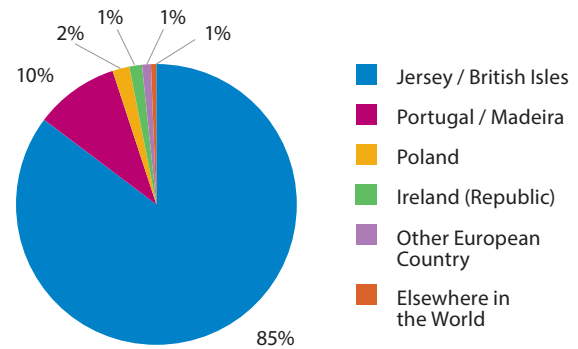


Figure 4: Nationality of individuals on Income Support as at 31/12/2011

4. R.104/2012

5. Households occupying 'private dwellings'.

6. Nationality information is not necessarily required for Income Support purposes, so these figures represent only those claims where nationality is known: 836 individuals in receipt of Income Support had no nationality recorded.

Finally, we can look at the ages of people receiving Income Support compared to the age distribution of the whole population using the data from the 2011 Census. Figure 5 shows a higher percentage of children and women aged 70 and above in families receiving Income Support compared to the population as a whole. In addition, more women are in families that are in receipt of Income Support than men in comparison to Census data.⁷

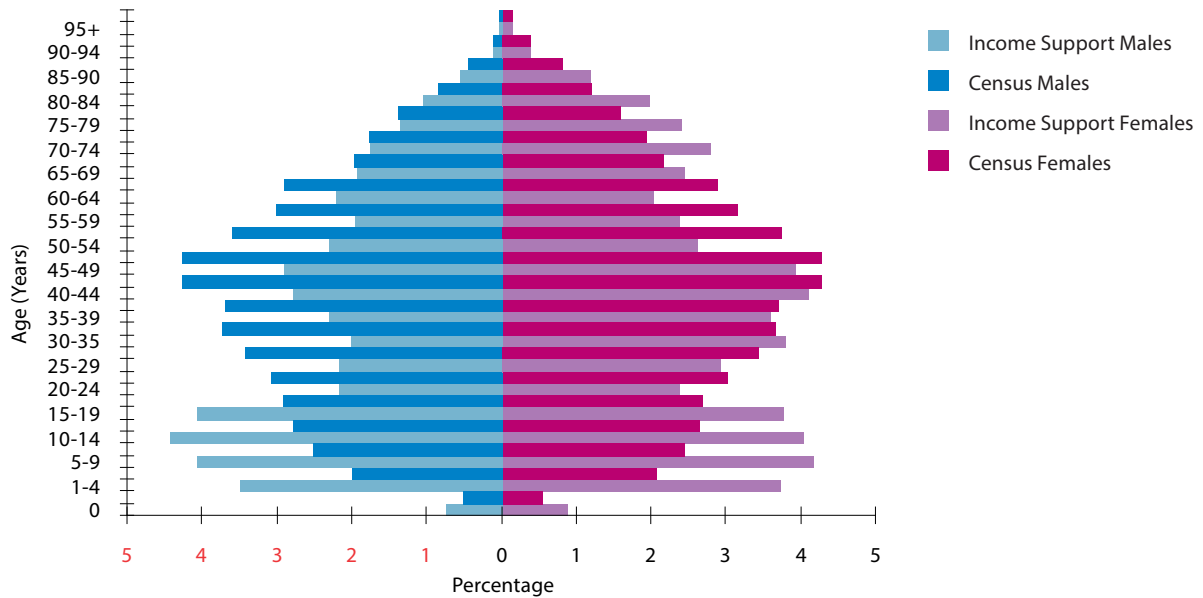


Figure 5: Comparison of age distribution of those on Income Support (31/12/2011) with Census population data (27/03/2011)

Overall Claim Rate

For the 6,387 Income Support claims in payment on 31 December 2011, the average (mean) weekly claim rate was £208, with a median value of £172 per week.⁸ The spread of Income Support weekly claim rates is shown below:

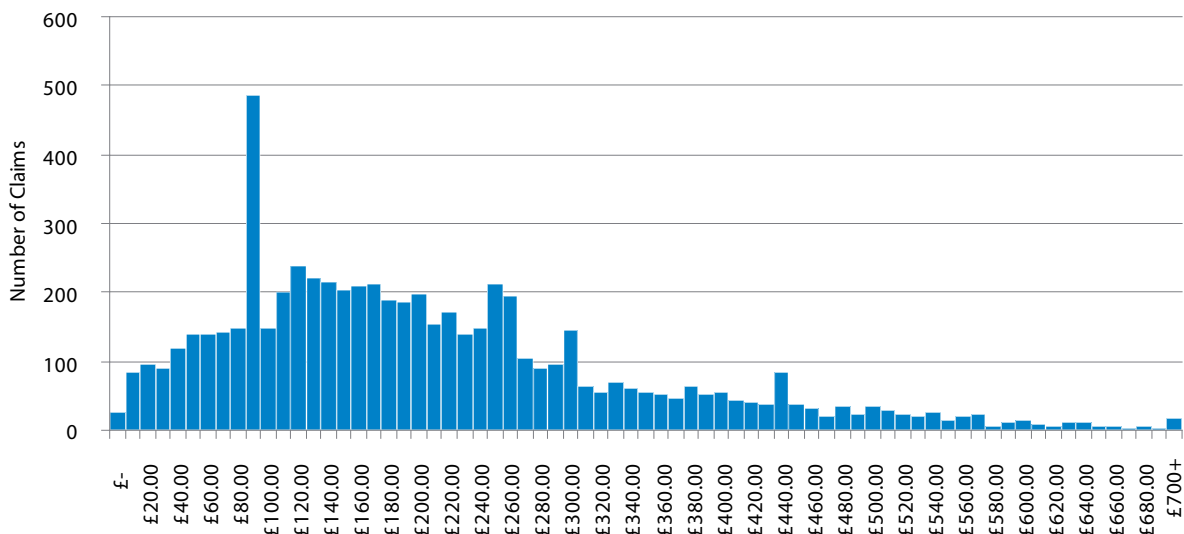


Figure 6: Weekly Income Support claim rate as at 31/12/2011 (rounded to the nearest £10)

7. Note that the Census data used in Figures 3 and 5 is based on the whole population, including people who do not live in 'private dwellings'.

8. The mean value is calculated by adding the value of all the claims and dividing by the number of claims; the median value is found by ordering all the claim rates from lowest to highest and taking the middle value in the ordered list.

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.

At the end of 2011 there were 17 claims with a total weekly benefit above £700. These claims represent large households, many including a child or adult with a severe 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. 80% of Income Support households have some other form of income, with the remaining 1,296 (20%) 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 7 indicates the average weekly income received from Income Support and from other sources for each of the household types at the end of 2011.

Household Type	Income Support Benefit £	Other Income £	Total Household Income £
65+	158	202	360
Adult/s without Children	166	130	296
Adults with Child/ren	288	385	673
Single Adult with Child/ren	333	177	510
All Claims	208	193	401

Table 7: Total average weekly income based on claims as at 31/12/2011

Earnings

In 2011, Income Support households had total earnings of approximately £32 million. There is an earnings disregard of 20% (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 2011, 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	2,012	686	2,698	75%
Adults with Child/ren	189	712	901	21%
Single Adult with Child/ren	550	467	1,017	54%
All Working Age Households	2,751	1,865	4,616	60%

Table 8: Working age adults with and without earnings as at 31/12/2011

Pensions

The second largest source of income for Income Support households is pensions, worth a total of about £19 million in 2011. For pensioners aged 65 and above, a weekly pension allowance of £42.28 (first pensioner) and £27.23 (second pensioner) was provided as at 31 December 2011, and 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 2011, 93% of the 65+ households receiving Income Support had pension income at or above the level of the allowance.

Annualised Average of Total Annual Pension Income	2011 £000
65+	17,534
Adult/s without Children	1,206
Adults with Child/ren	77
Single Adult with Child/ren	135
Total	18,952

Table 9: Annualised average total pension income in 2011 by household type as at 31/12/2011

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 Claims of this type receiving Maintenance Income
65+	18	£3,455	1%
Adult/s without Children	64	£3,075	2%
Adults with Child/ren	126	£3,925	14%
Single Adult with Child/ren	456	£3,258	45%
Total	664	£3,372	10%

Table 10: Annualised average maintenance income by household type as at 31/12/2011

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 at the same time as claiming invalidity benefit. 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 £9 million.

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 £2.2 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.

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 page 13).

Figures 7–10 illustrate the relative weighting of different types of income, other than Income Support, for each household type as at 31 December 2011. Each figure identifies the value of income received by the household type, e.g. 94% of all the income received by 65+ households is in the form of pension income:

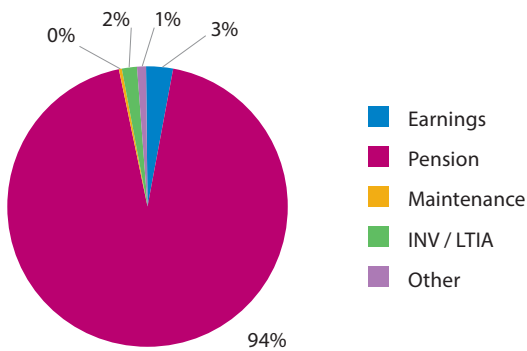


Figure 7: Type of income for 65+ households as at 31/12/2011

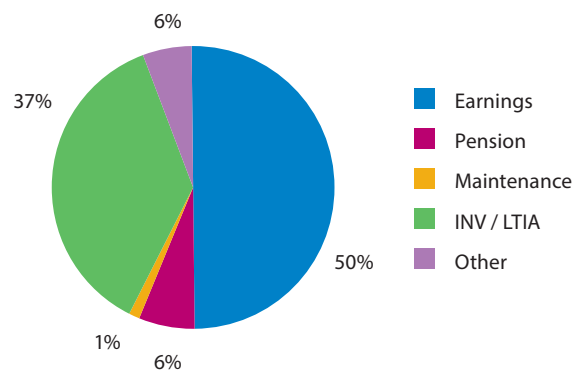


Figure 8: Type of income for 'Adult/s without Children' households as at 31/12/2011

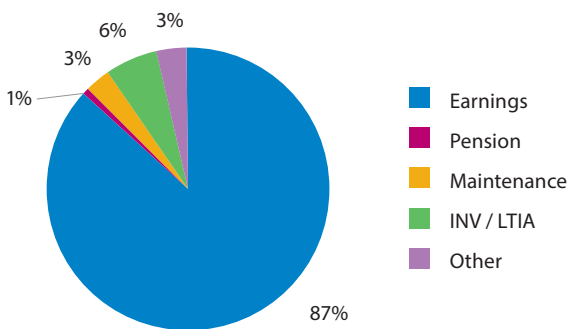


Figure 9: Type of income for 'Adults with Child/ren' households as at 31/12/2011

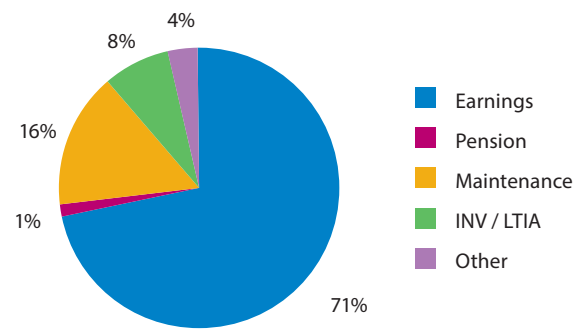


Figure 10: Type of income for 'Single Adult with Child/ren' households as at 31/12/2011

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 with no maintenance agreement in place, or an individual with a congenital condition, who does not qualify for any contributory benefit.

Household Type	No of Claims Showing no Income on 31/12/2011	% of all Claims of this type
65+	84	5%
Adult/s without Children	939	35%
Adults with Child/ren	62	7%
Single Adult with Child/ren	211	21%
Total	1,296	20%

Table 11: Income Support households with no other income as at 31/12/2011

Capital Assets

If an Income Support claimant owns their own home, the value of the property is completely exempt from the Income Support calculation. 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 12. 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 above	£13,706
Single person – with personal care component	£13,706
Single person – other	£9,137
Couple – aged 65 or above	£22,718
Couple – at least one with personal care component	£22,718
Couple – other	£15,145

Table 12: Capital exemption limits as at 31/12/2011

Table 13 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 Capital above Threshold	% of all Claims of this type with Capital Assets above Threshold
65+	1,469	302	£12,093	17%
Adult/s without Children	2,554	144	£10,015	5%
Adults with Child/ren	854	47	£11,563	5%
Single Adult with Child/ren	974	43	£14,085	4%
Total	5,851	536	£11,648	8%

Table 13: Capital assets by household type as at 31/12/2011

Whereas 17% of 65+ households have some capital savings above the exemption limit, around 5% of other households have savings above this level.

Income Support: 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 2011 was £92.12 per week.

The adult component is available to each adult included on the claim. For Income Support purposes, an adult is someone aged above compulsory school leaving age.

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 2011 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 2011 there were 241 claims in this category.⁹

Child component

The value of the child component at 31 December 2011 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 2011 there were 184 claims that included a child born in 2011 (17% of all births in the Island¹⁰).

9. 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.

10. R.97/2012

Household component

The value of the household component at 31 December 2011 was £49.56 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 parish rates 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).

At 31 December 2011, approximately 11% of Income Support claims were not receiving a household component.

Accommodation Components

Accommodation components are available to both tenants and owner occupiers. For 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. 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.

Table 14 shows the maximum weekly component available for each type of dwelling as at 31 December 2011.

Weekly Maximum Rates	Owner Occupier £	Tenant £
Hostel	N/A	76.30
Bedsit / Lodgings	5.67	109.41
One-bed flat	5.67	156.31
One-bed house	5.67	177.59
Two-bed flat	5.67	196.63
Two-bed house	8.05	231.28
Three-bed flat	8.05	223.37
Three-bed house	11.41	258.02
Four-bed flat	11.41	236.88
Four-bed house	11.41	279.16
Five or more-bed flat	11.41	245.77
Five-bed house	11.41	303.73
Six or more-bed house	11.41	318.29

Table 14: Weekly accommodation rates as at 31/12/2011

Table 15 sets out the number of Income Support households by tenure and property type.

	Owner Occupier	States Rental	Housing Trust Rental	Private Rental	Other ¹¹	Grand Total
Hostel	0	0	0	3	54	57
Bedsit / Lodgings	1	220	9	233	155	618
One-bed flat	40	1,255	269	696	25	2,285
One-bed house	88	74	7	92	30	291
Two-bed flat	10	665	147	271	2	1,095
Two-bed house	43	226	28	147	3	447
Three-bed flat	1	59	20	25	1	106
Three-bed house	38	432	115	142	3	730
Four-bed flat	0	0	1	0	0	1
Four-bed house	9	79	19	26	0	133
Five or more-bed house	3	3	1	7	3	17
Other / none	3	0	4	7	593	607
Total	236	3,013	620	1,649	869	6,387

Table 15: Income Support claims by tenure and property types as at 31/12/2011

At the end of 2011, just over one third of all Income Support households occupied a one bedroom flat. 4% of Income Support households were owner occupiers. 9% of Income Support claims were in respect of individuals living with other family members: these claimants do not receive an accommodation component.

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.

Table 16 gives the weekly value of these components at 31 December 2011:

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	£3.01	£6.02	£22.96	£45.92	£22.96	£101.15	£145.25

Table 16: Medical component weekly rate value as at 31/12/2011

11. Includes living with relatives, parish rentals, hostels and accommodation provided by the employer.

Table 17 shows the number of medical components included on claims as at 31 December 2011. 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+	597	484	663	2	378	172	177
Adult/s without Children	272	376	418	9	227	161	175
Adults with Child/ren	103	59	75	1	49	38	39
Single Adult with Child/ren	187	73	43	0	30	19	20
Total	1,159	992	1,199	12	684	390	411

Table 17: Medical components by household type as at 31/12/2011

In all, 4,847 medical components were included on a total of 2,381 separate claims as at 31 December 2011.

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 2011 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 121 Income Support claims which included a carer's component as at 31 December 2011.

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.

Age of Child (years)	Hourly Rate (£)
0-2	6.12
3-4	4.78
5-11	4.73

Table 18: Child care rates as at 31/12/2011

At the end of 2011, there were 100 Income Support claims which included a total of 118 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 they are 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 2011, in order to compare the total spend in 2011 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	Accommodation £000	Living £000	Other £000	Total £000
65+	5,311	6,807	1,878	13,996
Adult/s without Children	8,098	12,406	2,217	22,721
Adults with Child/ren	4,206	7,750	406	12,362
Single Adult with Child/ren	6,810	10,572	479	17,861
Total	24,425	37,535	4,980	66,940

Table 19: Analysis of net expenditure in 2011 by component and household type

Throughout this section, components have been grouped as follows:

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

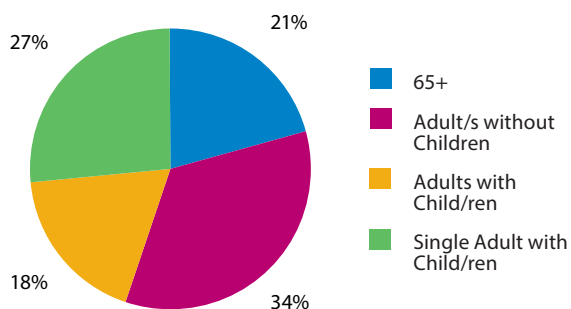


Figure 11: Distribution of 2011 net annual expenditure by household type

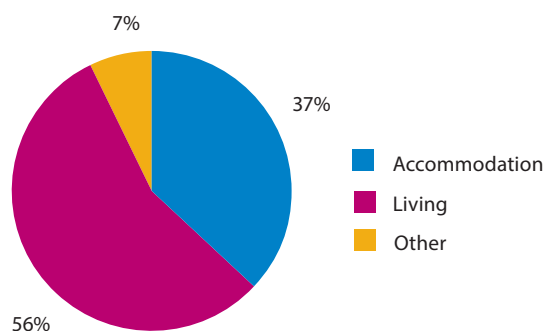


Figure 12: Distribution of 2011 net annual expenditure by component type

Using the same data but looking at net component costs by tenure:

Tenure Type	Accommodation £000	Living £000	Other £000	Total £000
Owner Occupier	45	958	385	1,388
States Rental	13,719	18,791	2,267	34,777
Housing Trust Rental	3,101	4,040	381	7,522
Private Rental	6,799	9,084	623	16,506
Other	761	4,662	1,324	6,747
Total	24,425	37,535	4,980	66,940

Table 20: Analysis of net expenditure in 2011 by component and tenure type

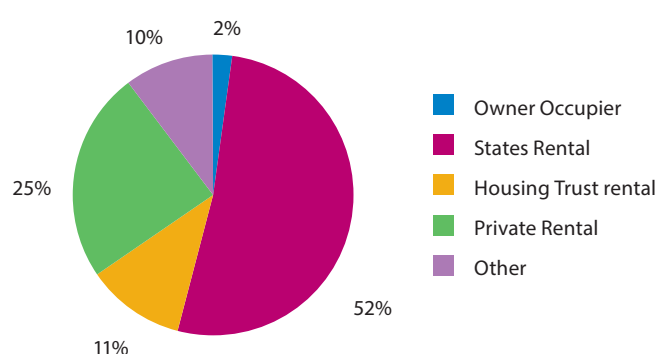


Figure 13: Distribution of 2011 net annual expenditure by tenure type

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 2011	Protection July to December 2011
Household includes adult previously receiving attendance allowance or adult disablement allowance or child previously receiving child disability allowance	100%	80%
Household has high legacy entitlement ¹²	80%	60%
Household includes adult over 65 or individual previously receiving disability transport allowance	75%	50%
Other households	66%	33%

Table 21: Transition (protected) payment phasing

12. 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 28/01/2008 was more than 25% of the total of the calculated income of the household and their Income Support benefit on that day.

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 2011, transition (protected) payments were being paid to 645 households:

Household Type	No. of Claims
65+	299
Adult/s without Children	279
Adults with Child/ren	47
Single Adult with Child/ren	20
Total	645

Table 22: Transition (protected) payments at 31/12/2011

The total cost in 2011 of transition (protected) payments was £2 million.

Residential Care

The Income Support system also supports individuals living in care homes who are unable to meet the full cost of their own care. During 2011, these costs were supported up to the value of:

	2011 Maximum Weekly Fee Available £
Standard Residential care	614
High Dependency Residential care	785
Nursing care	456 ¹³

Table 23: Maximum weekly fee for care homes

In addition to assistance with the care home fees, claimants also received a personal allowance of £31.36 per week.

At the end of 2011, 556 individuals were receiving financial assistance with the cost of care.

Age	Standard Residential care	High Dependency Residential care	Nursing care
Under 65	19	86	16
65 and above	160	166	109

Table 24: Individuals in receipt of financial support for care home fees as at 31/12/2011

The total cost of support for care home residents during 2011 was £16.6 million.

13. Individuals receiving nursing care in beds provided by Health and Social Services are required to pay a standard fee of £456 per week in line with the Hospital Long Stay Charges Law towards the cost of their care. The Income Support scheme assists with this fee on a means-tested basis and the remaining cost of the nursing care is met directly by Health and Social Services Department.

Special Payments

The weekly Income Support benefit is 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 25:

Description	No. of Payments	Value £000
Essential Household Equipment	531	181
Rental Deposit	202	187
Removal Expenses	49	8
Employment Related Expenses	20	10
Medical Expenses	1,623	991
Health & Safety	1	~
Funerals	34	53
Total	2,460	1,430

Table 25: Special payments in 2011 (~ non zero value less than £1,000)

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 2011, the following cold weather payments were made:

Month	Jan	Feb	Mar	Apr	...	Oct	Nov	Dec	Total 2011 Value
Value (£)	£53.17	£30.24	£32.17	£0		£0	£1.77	£34.74	£152.09

Table 26: Monthly cold weather payment values in 2011

In 2011, the total value of cold weather payments was £345,000 with an average (mean) of 2,271 households receiving a payment each month.

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 legal framework. This is provided for as the Minister has the power to make payments outside the Income Support rules, in the event of an exceptional circumstance. Payments authorised under these powers in 2011 totalled £68,000; however, some payments may run across more than one calendar year. The cost of these payments is reported within the weekly Income Support costs.

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