



XXVI
2013

BILLET D'ÉTAT

WEDNESDAY 11th DECEMBER 2013

POLICY COUNCIL - SOCIAL WELFARE
BENEFITS INVESTIGATION COMMITTEE

BILLET D'ÉTAT

TO THE MEMBERS OF THE STATES OF THE ISLAND OF GUERNSEY

I hereby give notice pursuant to Rule (1)(4) of the Rules of Procedure of the States of Deliberation that the item contained in this Billet d'État which has been submitted for debate will be considered at the Meeting of the States of Deliberation already convened for **WEDNESDAY, the 11th DECEMBER, 2013.**

R. J. COLLAS
Bailiff and Presiding Officer

The Royal Court House
Guernsey
6th December 2013

POLICY COUNCIL

SOCIAL WELFARE BENEFITS INVESTIGATION COMMITTEE

1. Introduction

- 1.1 The Social Security States Report entitled “*Benefit and Contribution Rates for 2014 and Modernisation of the Supplementary Benefit Scheme*”¹ was considered by the States of Deliberation in October and November 2013. On 14th November 2013, the States of Deliberation resolved to form a new Special States Committee to be known as “*the Social Welfare Benefits Investigation Committee*” (“the Committee”), with a mandate to examine all aspects of Supplementary Benefit and all relevant aspects of the current States Housing Laws, in order to “*develop and form a single and comprehensive Social benefits model capable of fulfilling and balancing the social and fiscal objectives of the States*”. For ease of reference, the Committee’s full mandate (“the Mandate”) is set out in Appendix 1 of this report.
- 1.2 The Policy Council recognises that the Committee is tasked to undertake its work within a challenging time frame, given the States direction for the Committee to return to the States with its proposals by March 2015. Furthermore, Resolution 28 stated that the Committee be formed “at their January, 2014 meeting”. Having considered the Committee’s mandate and the complexity of the future Committee’s work, the Policy Council is of the unanimous view that this matter should be considered by the States at the earliest possibility and before the end of this year.
- 1.3 Consequently, the purpose of this report, in line with the principles of Resolution XI of 14th November 2013 (“the Resolution”), is to:
 - (a) form the new Committee and elect its Chairman and one other member;
 - and
 - (b) address any consequential resource implications under Rule 15(2) which may arise as a result of the Committee discharging its role;

in December 2013, instead of January 2014, by rescinding paragraph 28 of the Resolution.
- 1.4 Paragraph 29 of the Resolution states that the Committee shall comprise “2 members of the Social Security Department”; “2 members of the Housing Department” and “1 member of the Treasury and Resources Department”; all to be “determined” by each respective Department. Therefore this report does not contain any recommendations relating to these Committee members.

¹ Billet XX September 2013

2. Selection of Chairman and One Member of the Committee

- 2.1 Paragraph 29 (a) of the Resolution proposes the election of “*A Chairman elected by the States who shall not be a member of Housing, Social Security or Treasury and Resources Departments*”.
- 2.2 In addition, Paragraph 29 (e) proposes the election of “*one other Member elected by the States who shall not be a member of the Housing, Social Security or Treasury and Resources Departments*”.
- 2.3 At the time of writing this report, the Policy Council is seeking expressions of interest from States Members who would be eligible candidates.

3. Funding the Review

- 3.1 At this stage, it is the Policy Council’s view that it is unlikely that additional resources will be required in order for the Committee to carry out its mandated functions and the Committee may be supported by existing officers with the necessary expertise in the subject matter.
- 3.2 Nor does Policy Council anticipate the Committee requiring the use of consultants to assist with this review.
- 3.3 At the date of writing this report, the Chief Executive of the States is in discussions with relevant Chief Officers and is in the course of identifying experienced officers who would be well-suited to assist the Committee with this task.
- 3.4 However, given the complexity of the subject matter, the Policy Council is mindful of the possibility that the Committee may, once it has commenced its work, find that reasonable additional resources and a bespoke budget are required to fund this important Review.
- 3.5 Under the Rules of Procedure any proposition which may have the effect of increasing revenue expenditure requires an indication of how such an increase could be funded. Therefore, the States are also being asked to authorise the Treasury and Resources Department, if required, to approve a transfer from the Budget Reserve to establish a budget for the Committee in 2014. The States are also being asked to direct the Treasury and Resources Department to take into account the Committee’s funding requirements when recommending Cash limits to the States for 2015, should the Committee’s work continue during that budgetary period.

4. Consultation with Law Officers of the Crown

- 4.1 The Law Officers have reviewed and provided advice to the Policy Council on this States report.

5. Principles of Good Governance

5.1 The proposals in this report accord with the six principles of good governance.

6. Recommendations

6.1 The States of Deliberation are asked to agree:

- (a) to rescind paragraph 28 of States Resolution XI of 14th November 2013;
- (b) to form, at their December 2013 meeting and in accordance with Rule 18 of the Rules relating to the Constitution and Operation of States Departments and Committees, the Social Welfare Benefits Investigation Committee as a Special States Committee, with the mandate as resolved by the States of Deliberation on 14th November 2013;
- (c) to elect a Chairman who shall not be a member of the Housing, Social Security or Treasury and Resources Departments;
- (d) to elect one other member of the Social Welfare Benefits Investigation Committee who is not a member of the Housing, Social Security or Treasury and Resources Departments;
- (e) to authorise the Treasury and Resources Department, if required, to approve a transfer from the Budget Reserve to establish a budget for the Social Welfare Benefits Investigation Committee in 2014; and
- (f) to direct the Treasury and Resources Department to take account of the funding requirements of the Social Welfare Benefits Investigation Committee when recommending Cash Limits for 2015.

P A Harwood
Chief Minister

2nd December 2013

Deputy J P Le Tocq
Deputy Chief Minister

Deputy G A St Pier
Deputy R Domaille
Deputy D B Jones

Deputy A H Langlois
Deputy K A Stewart
Deputy M H Dorey

Deputy R W Sillars
Deputy P A Luxon
Deputy M G O'Hara

Appendix 1

The Mandate of Social Welfare Benefits Investigation Committee:

- a) To examine all aspects of the Supplementary Benefit (Guernsey) Law, 1971, as amended, and relevant aspects of the States Housing (Tenancies, Rent and Rebate Scheme) (Guernsey) Law, 2004 in order to assess the appropriateness or otherwise of the legislation and associated policies in view of the economic and social changes since their inception.
- b) To develop a single, comprehensive social welfare benefits model to replace the Supplementary Benefit (Guernsey) Law, 1971, as amended, and relevant aspects of the States Housing (Tenancies, Rent and Rebate Scheme) (Guernsey) Law, 2004, which single, comprehensive model shall be capable of fulfilling and balancing the social and fiscal objectives of the States.
- c) To ensure that during the formulation of a single, comprehensive social welfare benefits model, and in order to develop an objective rationale for the determination of assistance that is both socially just and financially sustainable, detailed consideration is afforded to the circumstances of, inter alia, the aged, the sick, the disabled, families on low incomes, families with three or more dependent children and persons with no further reasonable expectation of employment due to age or ill health.
- d) To ensure that during the formulation of a single, comprehensive social welfare benefits model consideration is afforded to the policy letters of the Social Security Department laid before the States in Billet d'État V of 2012 and Billet d'État XX of 2013 and the letters of comment attached to those policy letters by other committees of the States.

(NB The Treasury and Resources Department recognises the desirability of electing the Social Welfare Benefits Investigation Committee and allowing it to start work as quickly as possible given the challenging timeframes established. However, this speed has necessarily meant that it has not yet been possible to identify the resource requirements associated with the operation of the Committee. The Department acknowledges that resources will be required to support the work and recommends that this should be achieved through appropriate budget transfers from the Social Security and/or Housing Departments in the first instance. The Treasury and Resources Department also acknowledges that, even if no additional budgetary allocation is required for this Committee, it will inevitably lead to resources being diverted from other Departmental work which has the potential to impact on the progression and completion of further initiatives.

The Budget Reserve should only be used should additional resource requirements be identified which cannot be met from existing allocations. Should such an application be made, the Treasury and Resources Department will, in accordance with its standard practice, require a detailed financial case demonstrating the appropriateness and proportionality of such a request. It should, however, be noted that there are likely to be significant pressures on the Budget Reserve in 2014.)

The States are asked to decide:-

I.- Whether, after consideration of the Report dated 2nd December, 2013, of the Policy Council, they are of the opinion:-

1. To agree to rescind paragraph 28 of States Resolution XI of 14th November 2013.
2. To agree to form, at their December 2013 meeting and in accordance with Rule 18 of the Rules relating to the Constitution and Operation of States Departments and Committees, the Social Welfare Benefits Investigation Committee as a Special States Committee, with the mandate as resolved by the States of Deliberation on 14th November 2013.
3. To elect a Chairman who shall not be a member of the Housing, Social Security or Treasury and Resources Departments.
4. To elect one other member of the Social Welfare Benefits Investigation Committee who is not a member of the Housing, Social Security or Treasury and Resources Departments.
5. To authorise the Treasury and Resources Department, if required, to approve a transfer from the Budget Reserve to establish a budget for the Social Welfare Benefits Investigation Committee in 2014.

6. To direct the Treasury and Resources Department to take account of the funding requirements of the Social Welfare Benefits Investigation Committee when recommending Cash Limits for 2015.