

# STATES OF JERSEY



## **INCREASE IN ASSETS AND SAVINGS THRESHOLD FOR THE AFFORDABLE HOUSING GATEWAY (P.26/2025): COMMENTS**

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**Presented to the States on 16th April 2025  
by the Minister for Housing**

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**STATES GREFFE**

## COMMENTS

It is my aim to encourage more Islanders to access social housing, and the many benefits it can afford them. Islanders, particularly in their older age, will benefit from security of tenure, high-quality lifetime homes, and the services provided by a professional landlord. I do not, therefore, disagree with the principle of Deputy Warr's proposition; older age households should be encouraged to access social housing where it provides a suitable housing option for them. This is particularly important where it can present opportunities for households to "right-size," consistent with the aims of my [Right-sizing policy](#).

However, it is important to highlight that the proposition presents a false argument. It conflates the Minimum Wage and state pension, which are fundamentally different and do not represent a "tolerance" of pensioner poverty. I find the notion that we tolerate pensioner poverty to be particularly offensive, given my long record in the Assembly of supporting measures to alleviate poverty in Jersey. I also do not believe it is an effective tactic to progress our political dialogue on how to reduce poverty by posing arguments in such a way that pits the needs of one group that is vulnerable to poverty against the needs of another.

The state pension is not designed to be the sole source of household income or financial resilience in older age. Many Islanders, when they reach retirement age, will receive private pension income and have savings that they can use to meet their living costs and participate in the community. Similarly, many older people are what might be considered "asset rich, cash poor," when they own property outright whilst receiving a low pension income; in such cases, the pensioner will be almost entirely sheltered from the high cost of housing, unlike those workers living on the Minimum Wage.

Lower income pensioner households who do not have access to these forms of income or other forms of financial resilience are usually eligible to receive additional financial support through Income Support and a range of other pensioner benefits, in addition to their state pension.

Deputy Warr argues that a savings limit of £70,000 for social housing is "a huge barrier to lifting many pensioners out of poverty," but the argument ignores that savings are a source of funds that could be used to meet living costs in older age, particularly where a person might have significant savings up to £200,000 – compared to a lower income household who may have no savings at all. A person will also be expected to pay rent when living in social housing and draw on their savings to meet their rental payments, as they will not receive Income Support in the case of having significant savings and assets available to them.

I do not believe that this proposition would lift pensioner households out of poverty. Instead, I believe that this proposition could instead place genuinely low-income households at a disadvantage, including older persons who are homeless or at risk of experiencing homelessness. As an unintended consequence, it creates the risk that households who have significant savings, which could reasonably be used to access alternative accommodation in the private sector, are given the same priority on the Affordable Housing Gateway as those who have an urgent need for social housing, whilst facing genuine financial hardship.

Nevertheless, I would like to thank Deputy Warr for raising this important subject, as it has informed my annual review of the eligibility criteria for social housing, which was being undertaken anyway. As a result, I have decided to remove the capital and other capital assets limit under the eligibility criteria for social housing. In these circumstances, applicants who meet all other eligibility criteria will be placed in a priority Band (Band 1, 2 or 3) based on an assessment of their housing needs.

Where an applicant has savings or other capital assets above £80,000, their application will be placed in Band 3, unless the Affordable Housing Gateway determines that there are other health, care or social needs that warrant their application being placed in a higher band (for example, the need to use any savings above £80,000 towards meeting health, care or other social needs). The revised figure is broadly in line with the increase in RPI, since the savings limit was introduced in the then Minister for Housing's [Fair Rents Plan](#) in April 2022.

I believe that the policy change removes a potential obstacle for Islanders who might wish to access the many benefits of social housing – such as the security of tenure it might afford them – whilst still enabling applicants to build up savings and supporting their financial security.

At the same time, this policy change ensures that households in greatest housing need – such as Islanders who have low incomes, are homeless or at risk of experiencing homelessness, or have an urgent medical condition – continue to receive appropriate prioritisation in Bands 1 or 2.

I have also taken the opportunity to increase the maximum income thresholds for social housing alongside the removal of the savings and other capital assets limit. This policy change would have otherwise been implemented as part of the annual review of the eligibility criteria.

The maximum income thresholds have been increased by the rate of RPI since the last change of the thresholds in September 2023, ensuring that social housing is accessible to households who may need assistance with their housing costs. The policy changes can be found in the [Eligibility Criteria for Renting Social Housing](#).

The Affordable Housing Gateway anticipates that it will be able to manage any potential increase in the demand for social housing as a result of the changes from within existing officer capacity.

I must also reiterate my support for measures to encourage right-sizing in older age, ensuring that Islanders can continue to access a home suitable for their needs. My [Right-sizing policy](#) sets out a range of measures to incentivise right-sizing, including the provision of homes for right-sizing on rezoned sites, and requiring social housing providers to develop their own right-sizing policies.

I therefore ask the Assembly to reject Deputy Warr's proposition on the basis that the policy changes addressing his concerns have been implemented, and in a manner that achieves fairness of access and prioritisation to social housing.