

**WRITTEN QUESTION TO THE MINISTER FOR SOCIAL SECURITY
BY DEPUTY S.Y. MÉZEC OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 8th SEPTEMBER 2015**

Question

Could the Minister provide a detailed annual breakdown for the past five years outlining -

- (a) the total expenditure for the accommodation component of Income Support
- (b) how much of this was paid directly to Andium Homes/ the Housing department; and,
- (c) how much of this was paid directly to private landlords?

Answer

In interpreting this answer, it is important to establish from the outset that the total expenditure of the accommodation component of Income Support is not the same as the total amount of expenditure on accommodation on the part of households receiving Income Support. Neither does it equate to the total value of payments made directly to landlords.

(a) Whilst the accommodation component of Income Support reflects the rent charged to the tenant, only a minority of Income Support claimants will receive the full value of the accommodation component in their weekly benefit. If the household receives income from wages, pensions or other benefits, then the Income Support payment is reduced proportionately. The Department has developed a method of allocating costs within the various components, which allows an analysis of total cost to be carried out. This is achieved by dividing 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. This figure has been reported in annual reports, which have been published since 2011¹.

Year	2011	2012	2013	2014
Accommodation £'000	24,425	26,688	28,123	29,572

(b) and (c) The payment system of Income Support is designed to prioritise the direct payment of rent above other allocations of benefit entitlement. Most IS households will have their own income which is supplemented by Income Support. If the weekly Income Support amount is less than the weekly rent, the full value of Income Support will be paid to the landlord. For example, a family with one adult working full-time, and living in a three-bedroom property with Andium homes, might hypothetically qualify for a weekly Income Support payment of around £100, based on the working adult's income. In this situation, the full weekly value of their Income Support would be paid direct to Andium Homes.

Direct payments to landlords may also include expenses that are not included in the accommodation component but are nonetheless due to the landlord, such as service charges and fees for parking spaces. These are paid direct from benefit for the convenience of both the customer and the landlord.

In a small minority of cases, other benefit payments (such as Invalidity Benefit) are also paid to Andium. For these reasons, it is not possible to make any direct correlation between the payments made to Andium and other housing providers, and the value of the accommodation component within Income Support.

¹ This calculation was first undertaken in 2011 and it would be difficult to replicate this calculation in respect of the historic data held for 2010.

Whilst the great majority of Andium tenants will have some or all of their Income Support benefit allocated directly to Andium, this is not case with private sector tenants. These claims are treated on a case-by-case basis, with some landlords receiving direct payments and in other cases, the payment is made to the tenant.

Year	2010	2011	2012	2013	2014
Direct payments to Andium £'000	22,371	22,814	23,689	24,220	24,781
Direct payments to private landlords £'000	1,835	2,287	3,056	3,701	4,103

- These figures show payments made during each year and are not directly comparable to the accounts. They do not include refunds or any accounting accruals.
- Direct Payments to Andium Homes can include service charges.
- Private landlords includes direct payments to all other landlords, including Housing Trusts and Parishes.