

**WRITTEN QUESTION TO THE MINISTER FOR HOUSING  
BY DEPUTY D.J. WARR OF ST. HELIER SOUTH  
QUESTION SUBMITTED ON MONDAY 18th NOVEMBER 2024  
ANSWER TO BE TABLED ON MONDAY 25th NOVEMBER 2024**

**Question**

“Further to the November [House Price Index](#) report which cited a 2% drop in advertised private sector rental prices during the year ending Quarter 3 2024 compared with the year ending Quarter 3 2023, will the Minister advise –

- (a) whether social housing sector rents will lower in line with the private sector;
- (b) what, in his assessment, will the implications be for social housing tenants currently paying 80% market rent when private sector rental prices are falling;
- (c) the financial implications for Andium Homes of a falling rental market; and
- (d) the number of households in the social housing rental sector likely to benefit from a falling rental market?”

**Answer**

The Deputy’s question is based on a false assumption that the House Price Index report on ‘*advertised* rents’ is synonymous with ‘*actual* rents’.

Statistics Jersey does not collect data on actual rents. The figure they have published in the House Price Index will not reflect what experience the many thousands of existing tenants have had with their rents. Many tenants will have rent increase clauses in their contracts (which are often based on RPI or another metric, which will often not include provision for rents to reduce), and others will renew their tenancy contracts at higher rents (which are not advertised).

Andium’s system for calculating the equivalent market rate for their properties from which to derive the actual rent they may charge (capped at 80% of the market rate) is therefore not based on the data that the Deputy has assumed it is.

The answers to the Deputy’s specific questions are therefore:

- (a) No.
- (b) N/A. The Deputy makes an assumption that “private sector rental prices are falling”, citing evidence that does not say what he is claiming it says.
- (c) Andium’s business plan has long term stability built into it, so that it can withstand changes in the market. Due to the rent freezes applied in 2021 and 2022 (when advertised rents increased significantly), most Andium tenants are charged rents which are well below the cap, and will take some time to catch up.
- (d) N/A.

As an aside, I intend to bring forward a new mechanism to collect data on actual rents in the new Residential Tenancy Law, which I hope to publish soon. This will provide a much more sound basis for understanding actual rent levels in the private rental sector.