

4.1 Deputy M. Tadier of St. Brelade of the Minister for Social Security regarding the level of Income Support rental component received by Andium Homes and other housing associations: [1(489)]

Can I just inform the Assembly I will be absent from 10.15 a.m. for a funeral of a family friend. I just asked to be excused for that period, if that is okay. Thank you. Will the Minister provide the total sum of payments, and the mean average payment, made to 27 per cent of Andium tenants on post-April 2014 tenancies who receive the income support rental component; as well as the number of recipients of the rental component in the other housing associations and the private sector and the total sum of payments, and the mean average payment, made to those recipients?

[9:45]

Deputy S.J. Pinel of St. Clement (The Minister for Social Security):

Firstly, I think this is unsuitable as an oral question given its complexity and the time permitted to collate the information. I am disappointed that it is the first question of this new season. In addition, most of this information can be found in our most recent annual report, which was published earlier this year. Using this information I can report that the total amount of income support allocated to rental payments for Andium tenants in 2016 was £16.5 million across 2,884 tenants. This figure relates to all Andium tenants who receive income support. It is not possible to identify post-April 2014 tenancies from pre-2014 tenancies within the timescale allowed for an oral question. The total amount of income support allocated to rental payments for other trust tenants was £3.3 million across 590 tenants. The total amount of income support allocated to rental payments for private sector tenants was £9.5 million across 1,868 tenants. On average the income support claim of an Andium tenant included £110 per week towards rental payments. For trust tenants this was very similar at £109 per week, and for private sector tenants the average was a little less at £98 per week.

4.1.1 Deputy M. Tadier:

The Minister seems a lot more distant to me today than usual. I am not sure why that is and I am sure if she has an issue with this being an oral question, not a written one, she will take it up with the Greffe or P.P.C. (Privileges and Procedures Committee) as it has been approved and it is in order. But I thank her for the response nonetheless. Does the Minister agree that there is an inherent unfairness at the heart of the new rental policy where all social rental components are covered for those in receipt of the maximum component if they are in social rented housing, but for individuals who are still in the same situation but not in social rented they face a shortfall? Deputy Southern circulates figures, and the Minister will be aware of those figures, that there is, on average, in some cases, at least a £3 shortfall that the poorest in our society have to make up. In some cases, if we look at the maximum rent in Andium properties, it is some £47 above what would be allocated under the income support component. Can the Minister explain these disparities and whether she is comfortable with those?

Deputy S.J. Pinel:

Firstly, Andium's job, as the Deputy will know, is to house the most vulnerable people in Jersey and that means that these households are likely, on average, to have a low income and to include more families with young children and people with disabilities. Therefore the households will get higher levels of support and so the average benefit rate will be higher. The States agreed in 2013 to make a significant investment in improving the quality of housing and we are already seeing the benefits of that policy. The rent policy that Andium set was so that we can pay back the loan of £250 million that we needed to fund this work. Tenants pay rent at below market

value of 90 per cent of the market rate and enjoy a secure tenancy and the extra support that Andium provides.

The Bailiff:

Minister, I am conscious that you have had problems with your leg, which is why you are sitting where you are. If you prefer to address the Assembly sitting down, that is absolutely fine.

4.1.2 Deputy G.P. Southern of St. Helier:

Can the Minister explain, given the 90 per cent of private sector rent policy, how come the new rent of a 2-bed in Pomme D'Or Estate, for example, at £259 is higher than the maximum support available to those in the private sector at £256? How can that exist when we have got a policy that says we are supposed to be at 90 per cent of the average private sector rent?

Deputy S.J. Pinel:

June this year was the latest R.P.I. (retail price index). It was 2.5 per cent so rents have been increased as agreed in the H.T.P. (Housing Transformation Programme) by 0.75 per cent above the R.P.I. In a lot of cases the rents will go up by 3.25 per cent until they reach the 90 per cent of market rates. The exception, which I don't know if the Deputy may be referring to, is if the tenant is under-occupying their property and has not applied to downsize. They will still get the general increase in income support but will need to pay the difference themselves.

4.1.3 Deputy G.P. Southern:

In response to the answers given earlier that the average payment from Social Security to Andium tenants was £110 per week, will the Minister explain whether those receiving the average or less will have to pay extra rent from their income elsewhere in order to meet any rises in rents in Andium Home?

Deputy S.J. Pinel:

I am not quite sure whether the Deputy is referring to rents elsewhere as being the private housing trusts or private landlord situation but, as I have already said, with Andium Homes the rent is paid for them up to ... part of the rent component, part of their income support up to 90 per cent of the market rate. If in other situations in trusts or private landlords then the rent is paid, as I have already detailed, is £108 a week or £98 a week and if they wish to stay in the situation in the private sector where they have been for a long time perhaps then any additional rent to that component will be paid out of their other income.

The Bailiff:

Before we go any further can we just be clear that questions to the Minister for Social Security should be focused on Social Security matters, not on rent payments, which would be for the Minister for Housing.

4.1.4 Senator S.C. Ferguson:

The Minister for Social Security will recall that pensions for old-age pensioners have gone up by the cost of living and I have cases where the rents have gone up by the cost of living. Does her department communicate with Andium about these matters because what is the point of your pension going up and your rent goes up the same?

Deputy S.J. Pinel:

As I have already mentioned in my opening comments, the Housing Transformation Programme, which was agreed by the States in 2013, agreed that the rental components would

go up by R.P.I. plus 0.75 per cent. The rental components being paid to Andium tenants and the pension went up in October by R.P.I. of 2.8 per cent.

4.1.5 Deputy G.P. Southern:

A point of clarification from the Minister. When she answered, as if I had asked about rents when I was actually talking about income, if a person is receiving £110 a week towards their rent when the rent goes up how do they pay the remainder of their rent? Out of their income? Does the rent take priority? How much comes out of their pocket and how much comes from Social Security? That is the question.

Deputy S.J. Pinel:

I think I did answer that, and in the case of Andium tenants then the rent component up to 90 per cent of market rates is paid for by income support rental component.

4.1.6 Deputy M. Tadier:

The Minister earlier said that the most vulnerable in our society, presumably financially vulnerable, are okay because they are covered by social rented and trust housing. But does she accept that some of the most vulnerable in our Island, due to the narrow criteria applied by Housing, and the shortage of social housing, are not covered by her income support components and therefore does she agree that it is not a satisfactory situation to have some of the most vulnerable people in Jersey, who are waiting for social housing, not having their full rent cost and therefore making the gap in their rental to be made up by their own living component?

Deputy S.J. Pinel:

No, I do not accept that. That is the whole idea of income support, to be the safety net and support the most vulnerable in Jersey. I think we are all very well aware that there is a very great need for additional social housing which the Minister for Housing is doing her best to meet the demand.