

**WRITTEN QUESTION TO THE MINISTER FOR SOCIAL SECURITY
BY DEPUTY G.P. SOUTHERN OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 30th APRIL 2013**

Question

Will the Minister advise what measures, if any, he will take to protect those in receipt of the rent component of Income Support (IS) from the impact of the rent increases outlined in the figures contained in Appendix 2 of P.33/2013 Amd.(2) which show the rental income of the proposed Housing Company increasing at rates much greater than inflation from £40m in 2013 through £55.6m by 2018 to £75m in 2023?

Despite the assumption of static numbers of IS claimants contained in the Housing Transformation Programme, does the Minister consider that, when faced with weekly rent rises of between £35 and £80 over the next 5 years, more social housing tenants will be eligible and apply for IS, and if not why not?

Answer

I can assure members that tenants of the proposed Housing Company in receipt of Income Support will be fully protected from the impact of the rent increases as set out in P.33/2013.

Regulations will be brought to the States Assembly towards the end of 2013 setting out the specific changes required to the Income Support rental components, and these will be brought into force at the same time as the new rental policy is introduced. This is currently planned for April 2014.

The Minister for Treasury and Resources has confirmed that the additional cost of higher Income Support rates following the change in social rental policy will be fully reflected in additional funding for Income Support on an annual basis.

The Housing and Social Security Departments have investigated the household incomes of existing Housing Department tenants who do not receive Income Support, using existing sources of information. This analysis identifies that a small proportion of tenants are likely to become eligible for Income Support in the future, following a change of tenancy which will result in the 90% rent being charged for the new property.

As noted above, additional Income Support costs resulting from the proposed rent policy will be met by the Treasury through an additional budget allocation to the Social Security Department. (See, for example, R.15/2013 section 1.5.5)