

**WRITTEN QUESTION TO THE MINISTER FOR SOCIAL SECURITY
BY DEPUTY M. TADIER OF ST. BRELADE
ANSWER TO BE TABLED ON TUESDAY 24th FEBRUARY 2015**

Question

Will the Minister inform members how many claims for Income Support (IS) are subject to a reduction in rental component because of under occupation?

Of those claims subject to this reduction how many are:

- a) pensioner households where the adult children have left;
- b) non-pensioner households where the family has left home;
- c) households where there are adult children still resident;
- d) households where there are health, disability or other needs which require an extra room?

Is it still the case, as previously with the Housing Department that in a) and b) above the under occupation is disregarded if the tenant has applied to downsize?

In this context how many Andium one bed properties become available for downsizing annually?

In c) if the family separated in order to release a 2 or 3-bed property, what proportion would result in an increase in IS paid as one rent component became 2 or 3 separate claims?

Answer

The Income Support rental accommodation component is designed to help towards the reasonable rental costs faced by low income households who qualify for this benefit. The levels of this component are reviewed regularly, and were most recently increased in April 2014 to better reflect the costs of housing in the Island.

A household claiming Income Support receives an accommodation component at a level according to the size and type of property that is appropriate to its members; in practice this is calculated by looking at the number of bedrooms required by those people who are included on the Income Support claim. In cases where the household occupies a property that is larger than it needs, the Income Support system contains a mechanism to restrict the amount of accommodation component that is paid. This is essential to protect the Income Support budget and prevent the taxpayer from subsidising people who live in inappropriately large properties.

However, this is not to say that households will immediately see limits to their accommodation component if they suddenly have an additional bedroom because a family member leaves home, or that all households in this situation are suddenly placed into a situation where they are unable to meet the cost of their rent.

Households on the social housing transfer list, for example, because adult children have left home, will continue to be supported at the full accommodation component whilst they await a suitable property to move into. For private sector tenants in the same position, they are given a reasonable period of time (up

to 12 months) to downsize to more appropriate accommodation and they may also qualify for assistance with the costs of that move.

Anybody who requires an additional bedroom for well-established medical reasons will also receive an accommodation component that includes the extra room.

There will also be situations where the amount of accommodation component paid changes because a person in the household no longer qualifies for help from Income Support. This typically happens when an adult son or daughter who has previously been included in the Income Support claim of the parents whilst the young adult is a jobseeker and is then removed from the Income Support claim because they have found full-time work, but have remained living in the family home.

For example, a couple with two children, one aged 14 still at school and an 18-year-old jobseeker are receiving Income Support in recognition of their costs in occupying a three bedroom house. The 18 year old then finds full time work, and is removed from the Income Support claim of the parents. The accommodation component included on the parents' claim will be reduced and the eldest child who is now earning an income of their own and remains in the family home will be expected to contribute towards the cost of rent. In this example, the total household income has increased, and the level of Income Support needed has reduced. The remaining members of the Income Support claim continue to receive a reduced accommodation component, so it is the case that Income Support continues to pick up a reasonable proportion of the total rental costs of the household.

This concept is also applied where one or more adults who share a rental property qualify for their own separate Income Support claim; the total value of the accommodation component will always reflect the number of bedrooms required by people receiving Income Support.

In a minority of cases, an Income Support household will choose to rent a property that is larger than required for the number of people in the household. This is known as under occupation. In this situation, the rental component available to the household will be capped at a rental level appropriate to the size of the household. It will be up to the household itself to meet any additional rental costs. As noted above, if the household wishes to move to more appropriate accommodation, assistance may be available with the cost of a deposit and/or removal expenses. There will always be a minority of people who simply choose to occupy a property that is larger than their needs, and it is right that the support given in these cases is restricted.

As noted above, there are a variety of situations in which the size of the property does not match the size of the household but the household will continue to receive a full rental component. Although the Department keeps detailed information on Income Support claimant households, it does not continue to track people who leave the Income Support system. It is therefore not possible to differentiate automatically between a household receiving a reduced rental component due to true under occupation and a household receiving a reduced rental component because the accommodation is being shared with a family member (or someone else) who is not receiving Income Support. Establishing the precise reason for the reduced rental component in each case would require checking on a claim by claim basis.

Andium Homes Limited have confirmed that an average of 154 one bed units have been available to let each year over the last five years. It should be noted that not all these units will have been let to households that are moving from larger properties.

Social Security officers work closely with Andium to ensure that low income households are funded to live in suitable, good quality homes. The largest part of this involves financial assistance towards reasonable rental costs, but there are also situations where the Department assists people into moving into new homes so that Andium can make its properties available to those who most need them. When a person is required to downsize following a reduction in the size of the household, the higher rent will continue to be supported for up to twelve months.

In situations where adult children continue to receive Income Support, the accommodation component continues to recognise the need for extra bedrooms. In such cases the accommodation would continue to be supported at the full reasonable rate. If an adult child is unable to continue living in the former family home, Income Support will consider assisting them with the reasonable rent for their own independent property. Any change in the total value of Income Support provided would depend on the circumstances of all the various family members.