

**WRITTEN QUESTION TO THE MINISTER FOR HOUSING
BY THE DEPUTY OF ST. JOHN
ANSWER TO BE TABLED ON TUESDAY 2ND MAY 2017**

Question

Following implementation of the policy of charging 90 per cent of market rents in social housing, will the Minister advise what data is used to assess the movement in rental rates in the housing market on an annual basis and whether the 90 per cent rent policy is being applied appropriately?

Answer

Social housing providers (Andium Homes and the housing trusts) charge rents in accordance with the States of Jersey rents policy, which was approved by the Assembly in P.33/2013 *'The Reform of Social Housing'*.

Social housing providers are required to set rents with a view to achieving the following:

- Rent for accommodation is set at a level that is no more than 90% of the estimated market rent for the accommodation.
- Rent for accommodation increases each year by an amount that is no more than RPI +0.75% until the rents reaches the 90% limit.
- Rent for accommodation is reset based on a new valuation each time a new tenancy commences for the accommodation.

Social housing providers set rents by obtaining independent valuations from reputable estate agents who will conduct a valuation of social housing properties against comparable properties in the private rented sector. Social housing providers will also carry out a review of the valuations against comparable properties in their housing stock in order to determine an appropriate rent level for a property.

Since the 3rd quarter of 2015, the Statistics Unit has also produced a Private Rented Sector Rental Index. The Index now provides additional data to inform the assessment of market rent when a new tenancy commences for a property.