

**WRITTEN QUESTION TO THE MINISTER FOR HOUSING
BY DEPUTY G.P. SOUTHERN OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 14th MAY 2013**

Question

Notwithstanding his answer to my written question No. 7600 of 30th April 2013, will the Minister provide the figures on which he bases the £11.89 for the weighted average for rent rises and will he further produce a table showing rents for bedsits, 1, 2 and 3-bed flats and houses and the weighted average at 69% (current average), 80%, 90% and 100% of current market rents along with the current fair rent levels for these properties?

Answer

As noted in my answer to the Deputy's question (7600), the Department has operated a policy of uplifting rents for new tenancies to more appropriate levels following refurbishment and the proposed policy would add, on a weighted average, a further £11.89 or 6% on new tenancies. The £11.89 is calculated by taking the weighted average rents at 90% of market rents (£205.27) less the weighted average rents at current fair rent levels (£193.38) which are noted in the table below, along with the analysis requested.

	Weighted average				
	2012	Fair rent	80% market	90% market	100% market
	£	£	£	£	£
Bedsit	98.21	110.95	104.94	118.06	131.18
1 bedroom property	137.29	155.14	142.84	160.69	178.54
2 bedroom property	178.36	207.20	202.01	227.26	252.51
3 bedroom property	229.25	258.37	239.57	269.52	299.47
For all general Social Housing stock	169.76	193.38	182.46	205.27	228.08

Also noted in my answer to the Deputy's question (7600), it was recognised in 2010 that States rentals had fallen significantly behind market, the proposed policy aims to bring rent levels from the 2010 weighted average of 69% of market to 90% of market. By the end of 2012, weighted average rentals had risen from 69% to 74% of market due to fair rents being charged on new properties and new tenancies. During the same period the private sector rental market has seen only modest increases.

Again, as noted in my answer to the Deputy's question (7600), considering the impact on the tenant of the average change in rent levels is meaningless. The change in rent for existing tenants moving to new tenancies is dependent on a wide range of circumstances such as where the tenant is moving to and from and for what reason. Indeed, many tenants downsize and so their rent could actually decrease.

Furthermore, as I have said, all tenants on low incomes and receiving Income Support will be fully protected and only those tenants who move will be subject to the proposed policy.