

2015.01.20

4.11 Deputy J.A. Martin of the Minister for Social Security regarding the allocation of Income Support components:

Can the Minister advise whether the income support legislation permits the department to lower an income support claimant's rental component due to over-occupying, leaving the decision as to the use of the remaining living components to top-up the rent difference to a determining officer, which could result in people having little or no income for food and other weekly bills?

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

Just as a small matter of clarification for Members on what appears to be a typing error, the question asks about over-occupying, which should be read as under-occupying. Accommodation costs make up nearly 40 per cent of all weekly support expenditure. In 2013 this was a total of £28 million. Income support claimants are supported with the full cost of renting an appropriately-sized home from a social landlord. Revised income support legislation in this area was discussed and approved by the States Assembly just under a year ago as part of the implementation of the Housing Transformation Programme. If a tenant chooses to live in a property that is larger than needed for their family size, the income support scheme will only cover the rent in respect of the correct-sized unit. This calculation is set out in regulations. I should make it clear that people will only have a reduced rental component if they choose to occupy a property that is bigger than they need. Where a household is made smaller, for example, because adult children leave home, the department can continue paying the rent for a larger property for up to a year. This allows people plenty of time to find a smaller appropriate home. In cases where somebody needs an extra bedroom, because of a severe illness or disability, or because they are separated parents having a child stay over, our guidelines also allow us to assist. This policy is fair and absolutely necessary. I am aware of cases where people have seen their benefit reduced because they are refusing to downsize from a 2 or 3-bedroomed house in the limited social housing stock. It is not right for the taxpayer to fund people who live in houses that are larger than they need.

4.11.1 Deputy J.A. Martin:

Supplementary. The Minister completely did not answer the part about the living component and she uses the word: "These tenants are choosing to stay in and under-occupying." There is a massive, massive wait to get the right accommodation. That is the first point. Secondly, the difference between the rent of a 1-2 or 2-3 is not then given to the person. They are topping-up the rent account with their living expenses, i.e. in the Micawber rule, you have got more money going out, and it is all going out to housing, and you have got none coming in to pay food, electricity, other living expenses, doctors, which you did have last week. I have emailed the Chief Minister, so Social Security knows, that I have picked up 3 cases in the first week back at work. So if I can pick up 3, how are people living? Does the Minister agree that the living component, if they are over-occupying, should still go to the people or what are they supposed to live on?

Deputy S.J. Pinel:

I agree with the Deputy, there is a large waiting list for appropriate housing and mainly concerned around 2 and 3-bedroom properties which is why there is the necessity not to under-occupy. The benefit rental component is paid directly to the landlords as it is this Government's - and I think anybody reasonable - priority to keep a roof over people's heads. So the rental component is always paid directly to the landlord and the remaining income support benefit is then directed to the claimant.

[11:15]

4.11.2 Deputy G.P. Southern:

Is it not the case in the examples quoted by Deputy Martin that the rule is that the rental component may be reduced for under-occupying but that rental component will not be charged for under-occupying if the tenant has applied for and is seeking appropriate housing which is downsized? Is it the case that in this case the Social Security Department has jumped the gun and has made a decision without talking to the Housing Department about what rules they are applying about downsizing and the fact that you are on the waiting list to downsize says: “Okay, you are making the effort, we will not charge you the full rent” and therefore Social Security in not supplying the full rent will not be causing any harm?

Deputy S.J. Pinel:

Yes, in answer to both Deputy Southern and Deputy Martin, the rental component for the existing property, be it a 3-bedroomed or a 2-bedroomed and the claimant is on the waiting list for a one-bedroom property, the rental component for the higher value 2 or 3-bedroom property will be paid for the first year for as long as these people are on the waiting list providing that they do not unreasonably refuse alternative accommodation.

4.11.3 Deputy J.A. Martin:

What the Minister has replied in her answer and what is actually happening, to my understanding, is totally different. What I would like the Minister to go away and then confirm back to the Assembly is that there is no part of living components going across to the Housing Department or any other private rental where there are firstly ... well, it is anybody but especially where there are children in the home. As I say the living component is being topped-up and I am told from the department it is now down to the determining officer to decide where that money is best spent. So I would like the Minister to check her facts and to come back and confirm no children or other families are left with no component for food and other bills.

Deputy S.J. Pinel:

As I have already explained, the rental component is paid direct to the landlord, be it social or private housing, and if a family is waiting to downsize ... so it would not affect a family where there are children concerned because they would be in the relevantly appropriate accommodation of 2 or 3 bedrooms depending on the size of the family; it is only when they become adult children and leave the home to set up in separate accommodation. I know that the Deputy is referring to particular instances and I cannot speak on individual cases.

The Bailiff:

Very well, that concludes oral questions on notice. Just before we move to questions without notice, can I inform Members of a lodging, Projet 8, Law Revision Board: appointment of member, lodged by the Chief Minister.