

4.6 Deputy G.P. Southern of the Minister for Housing regarding recent changes to rent levels set by Andium Homes and how those changes met policy in respect of rent levels: [1(486)]

Is the Minister aware of changes to rent levels of 2-bedroom flats recently communicated to Andium tenants and, if so, taking into account information provided on the Social Security website about the support available for private rents and on the website of Andium Homes about minimum, average and maximum rent levels, will she explain how such changes meet the policy of setting social rents at 90 per cent of private rents?

Deputy A.E. Pryke of Trinity (The Minister for Housing):

Yes, I am aware of changes to rent levels recently communicated to Andium tenants. The rent increase is in accordance with the approved States Rents Policy which allows rents to be adjusted annually by R.P.I. plus 0.75 per cent. A cap is applied where the increase would take a tenant's rent above 90 per cent of the market equivalent rent. Tenants living in social housing who receive income support are fully assisted with the full amount of their rent providing that the property size is appropriate to the household needs.

4.6.1 Deputy G.P. Southern:

Is the Minister aware that the rent charged on a 2-bed flat in, for example, Pomme d'Or Estate, a new tenancy post 2014, therefore supposedly set at 90 per cent of the private sector rent, is £259 and some pence, which compares to the maximum private sector support available from Social Security of £256. How can this rent, £259, be higher than the maximum available in the private sector, which is bigger, higher rent, than Andium Homes, how can that be greater? How can that £259 be greater than the £256 allowable for private sector?

The Deputy of Trinity:

As the Deputy knows, I am sure, that all the flats are independently assessed and obviously do minimum and maximum, and the average rent depends on the state of the flat; whether they have been refurbished or not refurbished, where they are, *et cetera*. So it does vary and that is why on the Andium website it gives very clear indications.

4.6.2 Deputy G.P. Southern:

How then does the Minister account for the information on the Andium website updated this year that the maximum rent for Andium is £303, which is 18 per cent higher than any figures being charged at Pomme d'Or Estate?

The Deputy of Trinity:

It really depends on where they are living. Each flat is independently assessed so therefore someone living, as I said, in a recently refurbished flat will pay more than a flat that has not been refurbished.

4.6.3 Deputy G.P. Southern:

Will pay more than a flat that has not been refurbished I can accept. Will pay more than the maximum rent support available through Social Security in the private sector; is that a statement she is happy to affirm?

The Deputy of Trinity:

Nobody pays more than 90 per cent rent. If they reach the cap of 90 per cent then that is the maximum that they will make. Andium, as you know, have got just under 3,000 tenants but only 29 per cent of Andium Home tenants have moved on to the 90 per cent market rent policy.

4.6.4 Deputy T.A. Vallois of St. John:

Could the Minister for Housing advise what work, if any, that her department have done in terms of assessing the actual market rental on a regular basis to ensure that the 90 per cent rent policy that we apply is sufficient and accurate?

The Deputy of Trinity:

I have got no problems that Andium do the assessing accurately, and as I said, it is independently verified. I know that is one of the points that will be raised in the Social Housing Regulation, which is due to be lodged fairly soon.

[10:30]

That is one of the points that will come up there. But overall the average rent levels that Andium tenants pay are 77 per cent of the market value.

4.6.5 Deputy G.P. Southern:

Could the Minister confirm that she says 20 per cent of Andium tenants are now in refurbished accommodation? Is it not the case that that figure should be 27 per cent of some 4,500 tenants? Is that a more accurate figure?

The Deputy of Trinity:

Just to correct what the Deputy said: I said 29 per cent of Andium Home tenants have moved on to the 90 per cent market rent policy.

4.6.6 Deputy G.P. Southern:

Of how many tenants total in Andium Homes now? Does the Minister know?

The Deputy of Trinity:

I have not got the exact figure but I think it is just under 3,000, as I just said previously.

The Bailiff:

Solicitor General, the Greffier's charity fund will look forward to receiving your contribution shortly.