

**WRITTEN QUESTION TO THE MINISTER FOR HOUSING
BY DEPUTY G.P. SOUTHERN OF ST. HELIER
ANSWER TO BE TABLED ON MONDAY 19th MARCH 2018**

Question

Given that the standard form of tenancy agreement used by Andium Homes since 1st January 2017 requires the payment of rent monthly, in advance and by Direct Debit, will the Minister –

- (a) advise what assessment, if any, has been undertaken to determine whether this form of agreement is appropriate for all tenants or whether such an agreement requires some tenants to borrow or to rely on Income Support, thereby compounding debt problems facing these tenants; and
- (b) agree to direct Andium Homes to change its standard tenancy agreement to allow for weekly Direct Debit payments and, if not, will she explain why not?

Answer

- 1. The payment of rent monthly in advance is a standard requirement with Andium Homes and all the housing trusts and, indeed, in the private rented sector. Andium Homes is more generous than some other housing providers who also require the payment of a deposit (often a month's rent equivalent) in addition to the payment of a month's rent in advance.
- 2. This is not a new requirement at Andium Homes. The requirement to pay rent in advance has been a requirement of tenancy agreements since 2010 (with an additional option of Standing Order) for tenancies commencing before 2017. Andium Homes' tenants who signed agreements prior to 2010 still have the option to pay their rent in arrears.
- 3. As mentioned, paying rent in advance is standard practice in the private rented sector and, in the majority of cases, private sector landlords will be holding and returning deposits to tenants making the transition to affordable housing.
- 4. Income support is the appropriate mechanism established by the States to assist households who may experience financial difficulties, and, crucially, this assistance is provided on an appropriately means-tested basis.
- 5. There have not been any complaints made to Andium Homes or the Minister for Housing regarding the difficulty of paying rent in advance, and no offers of a tenancy have been refused by prospective tenants on the basis that they do not have the means to pay their rent in advance.
- 6. The Minister has been advised that, in the event a tenant experienced a genuine difficulty in paying rent monthly in advance, Andium Homes would look at the option of weekly Direct Debit payments being made available to that tenant. However, as this has not been a problem to date, the Minister is not minded to request Andium Homes or the housing trusts to change their tenancy agreements.
- 7. It should be noted that the Memorandum of Understanding between the Minister for Treasury and Resources and Andium Homes does not enable the Minister for Housing to issue a direction to the company. This is a matter for the Minister for Treasury and Resources as guarantor. However, the Minister for Housing will be writing to Andium Homes and the housing trusts in order to seek their reassurance in relation to these matters.