

23.05.02

11 Deputy R.J. Ward of the Minister for Social Security regarding repayment of carpet loans by Andium Homes tenants (OQ.81/2023)

Will the Minister advise how many Andium Homes tenants are repaying special payment loans to Social Security for the provision of carpets? What is the total cost to income support of these loans?

Deputy E. Millar (The Minister for Social Security):

This question is similar to a written question that was answered on Monday, 6th February 2023 and public information is also available through an F.O.I. (Freedom of Information) request answered last year. It is estimated that there are approximately 114 households who are currently Andium tenants and are repaying a special payment loan for carpets. As explained in the response to the written question, only an estimate is possible because of the way loans are recorded. Where relevant, loans are consolidated for the convenience of the individual as a household could be repaying more than one loan; for example for carpets and whitegoods. It is not, therefore, possible to guarantee that the loan amount is wholly in respect of carpets without manually checking each income support claim. In addition, some households may have had loans prior to becoming Andium tenants. Our estimate of the total value of loans being repaid through income support is £108,000.

4.11.1 Deputy R.J. Ward:

Does the Minister feel that loan payments for carpets in a social housing provider could be removed if simply the housing provider put carpets into the home in the first place?

Deputy E. Millar:

That is a matter for the housing provider. Andium, for example, provides homes on a completely unfurnished basis. One advantage of them doing that is that it means they do not need to take a security deposit from the tenant to replace or renew damaged goods. By not taking a deposit, people will have funds available to pay for the carpets. It also allows people to choose what they want in their own homes rather than have to live with what a provider has placed in the house.

4.11.2 Deputy M. Tadier:

Is the Minister aware of her department providing loans for carpets to any members of the public on income support who are not in Andium, so renting in the private sector? What would her response be if somebody came to the department saying: "Can I have a loan to pay for carpets in my private rental accommodation?"

Deputy E. Millar:

Any income support tenant who requires a loan to buy carpets or whitegoods can obtain that regardless of the landlord.

4.11.3 Deputy M. Tadier:

Is the Minister concerned that Andium, as far as I know, seems to be the only housing provider, private or public, in Jersey, that do not provide their tenants with flooring? It is not just carpet. It could be that they move into a kitchen with concrete on it, rather than having laminate flooring. Is she concerned that this sends a signal out to other landlords that it is acceptable for them not to provide carpets because the Social Security Department will provide loans so that the tenants can pay for it themselves?

Deputy E. Millar:

I cannot account for what decisions housing providers or landlords make. Loans are available if people need flooring. It allows people choice in what they do in their own homes. Someone may come in and say they have a green sofa and the last thing they want is a red carpet. It matters to people that they have choices about their environments. It is entirely right that we provide loan funding to people to allow them to buy carpets or whitegoods where that is required. It does not matter who the landlord is; landlords make a choice and sometimes it is convenient for landlords. People may also decide they want to put wood or laminate flooring down in their homes.

4.11.4 Deputy G.P. Southern:

Given that the Minister has responsibility for the actions of her own department, would she agree that there has been a change in emphasis over the past few years, such that £1.2 million, given as grants, used to be the practice, £0.4 million is now given for whitegoods as a grant? The emphasis has gone from grants to loans. If you are living on income support it is very difficult to pay back that loan because you are living on the minimum possible for your circumstances and an extra £5 a week or £10 a week coming off your income.

The Bailiff:

This does have to come to a question.

Deputy G.P. Southern:

It does indeed.

The Bailiff:

Pretty well straightaway really.

Deputy G.P. Southern:

Well it was earlier. Is it not the Minister's responsibility to oversee proper behaviour on loans versus grants?

Deputy E. Millar:

I am not sure I understand the question. I believe the decision to move to loans rather than grants was a decision of this Assembly some time ago. My department are there to implement the decisions of this Assembly. We do not make it up as we go along.

Deputy G.P. Southern:

I would be grateful for a reference to where this Assembly agreed to such a move.

4.11.5 Deputy S.Y. Mézec:

The Minister has on previous occasions referred to a review of the benefit system. Could she explain to Members whether it is the case that this particular support mechanism is included in that review?

Deputy E. Millar:

I do not believe that has been picked up as something we need to review just at the moment.

4.11.6 Deputy R.J. Ward:

My supplementary question has changed given the answers given. Can I ask the Minister whether she would support a move back to a grant system, away from a loan system, for the least able to repay a loan in our community?

Deputy E. Millar:

That is quite a big question. There are cases where people are given grants. For example, care leavers are sometimes given grants for a number of things to help them set up homes. Otherwise, loans are repaid over quite a long period. People may move off income support and be paying loans because repayment schedules are agreed with the customer over a period of time, such that they can afford it within in their living. It is a matter for the States Assembly to change that.