



News Release

5 December 2014

Public sector housing rents to rise by 5% from April 2015

The annual review of rents for public sector housing has concluded following consultation with the Island's 18 housing authorities. An increase of 5% has been agreed by the Council of Ministers and will come into effect from 6 April 2015.

5% represents an overall average increase of less than £4 a week. Tenants on housing related income benefits will not be affected. Despite the increase, public sector rents remain significantly lower than the cost of the equivalent private sector housing on the Island.

Minister for Health and Social Care, Howard Quayle MHK, said: "Government is committed to continuing to assist in the provision of public sector housing across the Island, to ensure this vital resource is available to those who need it most. Significant investment, either through refurbishment or rebuild, has been made over recent years to a significant proportion of existing stock in order to meet modern standards.

"This year's increase has been developed to strike a balance between the need for more significant rent increases to address growing costs while recognising the difficult financial times faced by many on fixed incomes with growing household expenditure."

The cost of providing public sector housing – which includes maintenance, refurbishment and replacement – outstrips the income received through rents. The Department of Health and Social Care is required to fund the difference, placing pressure on the Department's finances.

The Minister continued: "Our approach to social housing must be equitable and rooted in meeting the needs of the most vulnerable in our community. Those most in need are already shielded from the effects of rent increases through social security income related benefits.

"I am firmly of the view that public sector rents should be set at a more realistic, sustainable level that more closely reflect the true cost of providing housing as well as the continued investment in new and existing stock.

"I believe that we need to establish a link between a tenant's income and their level of rent if Government is to carry on providing good quality accommodation for those in need. However we have to get this right, making sure we avoid unnecessary bureaucracy or hardship. The Department is working closely with Treasury to develop a robust and transparent mechanism that can achieve this."

Average rent increase shown below:

Property Type	Average Weekly Public Sector Rent 2015/16	Weekly Increase (from 2014/15)
1 Bed Flat	£52.84	£2.51
2 Bed Flat	£72.33	£3.44
2 Bed House	£76.57	£3.64
3 Bed House	£90.32	£4.30
4 Bed House	£112.34	£5.35

Ends

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Notes for editors:

- For further information on public sector housing click [here](#)
- For further information regarding the Department of Health and Social Care click [here](#)
- For photographs visit the Department's photostream on Flickr click [here](#).

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