



Environment, Housing and Infrastructure Scrutiny

Panel

Quarterly Public Hearing

Witness: The Minister for Housing

Wednesday, 3rd July 2024

Panel:

Deputy A Curtis of St. Clement (Acting Chair)

Connétable D. Johnson of St. Mary

Deputy D.J. Warr of St. Helier South

Witnesses:

Deputy S.Y. Mézec of St. Helier South, The Minister for Housing

Ms. N. Day, Head of Strategic Housing and Regeneration

Ms. H. McManus, Critical Support Team Manager (Affordable Housing Gateway, the Housing Advice Service and Safeguarding), Customer and Local Services

Ms. M. Humphreys-Foott, Head of Regulatory Improvement and Licensing

[11:00]

Deputy A. Curtis of St. Clement (Acting Chair):

Thank you, Minister and everyone, for coming and welcome to this quarterly hearing with the Minister for Housing. The first remarks I should make are that the Chair and Vice-Chair of the panel send their apologies. They are working on States business today, so you have me to chair this meeting. We will start with some introductions on this and then I will go through a bit more housekeeping and then hopefully we can ask some questions and start the hearing. On our side, I am Deputy Alex Curtis, a panel member acting as chair.

Deputy D.J. Warr of St. Helier South:

Deputy David Warr.

Connétable D. Johnson of St. Mary:

David Johnson, the Constable of St. Mary and panel member.

The Minister for Housing:

Deputy Sam Mézec, Minister for Housing.

Head of Strategic Housing and Regeneration:

Natasha Day, Head of Strategic Housing and Regeneration.

Critical Support Team Manager, Customer and Local Services:

Heather McManus. I am the Critical Support Team Manager from Customer and Local Services.

Head of Regulatory Improvement and Licensing:

Michelle Humphreys-Foott. I am Head of Regulatory Improvement and Licensing.

Deputy A. Curtis:

Fantastic. Just for everyone's awareness, this is, like all quarterly public hearings, streamed live. I can say that we believe, should everything be going well, this is the first time this is being streamed live on YouTube as well, so welcome to those tuning in on the YouTube platform.

The Minister for Housing:

A date for the history books.

Deputy A. Curtis:

We are making history. For those who have been here less frequently, could all devices be off or on silent? I ask that the members of the public who have arrived today do not interfere with proceedings and of course when we finish the meeting if you could just leave straightaway. When we do speak again for the first time if you could present your name, just so that people who cannot see it on the screen are aware. With that, Minister, we will move on to a few questions, if you do not mind. The first one is around the Government Plan. Of course we are getting very close, we believe, to the lodging of the Government Plan and we are really interested in how successful you feel you have been in securing the necessary funding arrangements to address your ambition of solving and addressing Jersey's housing crisis.

The Minister for Housing:

Well, we are not done yet. It has not been lodged, it is not finished, so I reserve an ultimate view until then. What I can say though is that following the C.S.P. (Common Strategic Policy) being adopted and constructed, that has been a driving force for the agenda that the Government have been focusing on in recent weeks and guiding, of course, the Government Plan process as well. There is lots of very good stuff in there that I am very pleased to support, not just in my portfolio but across Government, and I am very pleased to be able to do that. It is a slightly cop-out answer but we will have to wait and see exactly what is in there. I cannot give away spoilers at this point.

Deputy A. Curtis:

No spoilers at all.

The Minister for Housing:

Indeed, but I have had good conversations with the Chief Minister, including very recently, about some of the priorities I am looking to pursue, but I would just iterate though that a lot of the stuff that I am focusing on is not stuff that is particularly expensive. The stuff that I am focusing on in terms of law changes, regulation changes, et cetera, that is stuff that does not cost a lot to deliver. It is not massive expenditure or anything like that. It is more about how we do housing. That is my priority.

Deputy A. Curtis:

Okay, but that is to say you have looked to bring in a conversation to the Government Plan debate or workshops that does look for larger funding as well or has it been a breadth? The panel, I think, is interested to know from a policy perspective where you ideally are trying to direct some kind of plan for 2025.

The Minister for Housing:

The big ticket items are not my portfolio. The expensive stuff that is going to be the kind of things that people spot right away because of the size of the number next to it is not stuff to do with my portfolio. I think a lot of our time has been spent focusing on those items. The living wage in particular is obviously a hugely important one so we have spent a reasonable amount of time on that. The housing stuff, to be perfectly honest, I do not think we have spent a huge amount of time around the table debating it because it is not particularly contentious politically, whatever politics you are on, that we need to deliver more homes. The stuff that probably is a bit more politically contentious is the policy stuff and that is not a big expensive item or anything. That is about how we do things rather than what amount of money we are spending.

Deputy A. Curtis:

It sounds like a lot of the things you are asking for are lower ticket items from the cost. Do you feel you have been successful in articulating the bang for buck that you are trying to get with that by moving a dial on the housing crisis? Do you think you have been successful in articulating that message to Ministers?

The Minister for Housing:

I feel so at this point. I mean, we are not finished yet and, to be perfectly honest, having been through this process a lot of times previously, putting Government Plans together, I think, to be perfectly honest, the moment that the Government Plan is passed and agreed I think lots of people do not realise what they are signing for often and when the detail eventually comes, that is when the heat starts. A great example of that was the rented dwellings licensing scheme where there were successive Government Plans that were adopted that had all the funding put aside for delivering on that and multiple times the Assembly went on to say no to doing those things even though it had been part of the wider plan that we would go on and deliver that. To be honest, I think the heat comes later than the Government Plan itself, yes.

Deputy A. Curtis:

I was hoping to ask what kind of funding that Islanders might expect to see in the Government Plan. It sounds like you said you will be a little coy for now.

The Minister for Housing:

I am afraid I will be, yes.

Deputy A. Curtis:

But given you said that a lot of it will be the lower budget element and a lot of policy, do you see within your portfolio a longer-term element of planning for successive Government Plans that might require higher funding? Have you looked at what those proposals maybe for the Government Plan 2026 might be?

The Minister for Housing:

No.

Deputy A. Curtis:

So you are not looking that far forward?

The Minister for Housing:

Not me, no.

Deputy A. Curtis:

Before we move on to some of the topics that we have given you headings for, we would love to have, as a panel, a bit more information about the approach you have decided to take on your policymaking and your engagement with the public. Would you be able to share, perhaps, an overview as to what your approach is for engagement?

The Minister for Housing:

I have made the effort to engage on a kind of informal, sometimes one-to-one level as often as I can with stakeholder groups that I think will be interested. I have spent a large amount of my time since taking office meeting all sorts of various different groups, some of those with connections to government, some of those less so. I have also been keen to be as transparent as possible about what the changes I am looking to deliver look like so that I am clear with the public this is what I stand for and not: "Here is a bunch of ideas and I am not going to tell you what I think about them or not nail my colours to the mast." I obviously a few weeks ago published a statement on where we have got to with the residential tenancy law. The purpose of that for me was to be absolutely clear this is what we are looking at right now so this is how I am framing the debate and I have gone out and made the case for those things. I have not let it out to see how it lands. I have let it out and then have gone and advocated for it. One example of that was that I attended the Jersey Landlords Association A.G.M. (annual general meeting). I spoke at that. I made the case for my policy programme and then took questions after. I think engaging those kinds of fora is a thing that I am very willing to do and excited to do. If you are looking for something to do next week, I will be at the guest speaker at the Chamber of Commerce lunch as well and I will be doing the same thing there.

Deputy A. Curtis:

I think we would like to touch more on some of that engagement on the residential tenancy law in a later section, if that is okay. We would like to move on to the delivery of new homes and we did ask about this last quarter. As we are approaching the end of the second quarter of this Government, how successful would you say the Council of Ministers has been in progressing the delivery of new homes for Islanders?

The Minister for Housing:

There is a lot of homes that are currently being delivered right as we speak and I have had the pleasure of seeing some of the homes that have been under construction for a while come online and people starting to move into them, The Limes in particular. I have had the pleasure of showing Government representatives from the Isle of Man that as well to show them how we do this. That has been a success. People are moving into those homes, some for rent, some for buy. Andium is still on site delivering 619 homes. The vast majority of those are in town around about the same kinds of areas. I have been engaging with the States of Jersey Development Company about the

homes that they have the ambition to build anyway but what we can do to make sure that they are safeguarded for the right people, to make sure we get the best use out of them and direct those who most need them to them. I am pleased with how that is going. I will still be a bit coy on that as well because on some of that we are not ready to make the announcements but I have dedicated a reasonable amount of time to doing that. We, of course, also get developers from the private sector who are seeking to build homes as well who are required in some instances to engage with us about what homes they are delivering. You want to do that thing as quickly as you can so they have got certainty and they can get on with it but you also want to make sure the feedback you are providing is the right feedback to get the best outcomes for Islanders. To be honest, we perhaps have a slightly easier time of this than we otherwise might have because the context we find ourselves in today is quite different to when the Bridging Island Plan was approved in terms of the projections there were for what kind of housing need we required and what pressure we would inevitably be under to deliver an amount of homes. That pressure is a bit softer now because of the population situation being reasonably different from where it was when that plan was put together. That has its issues on both sides but it does kind of make this a little bit easier to deliver homes at a speed that is right for the Island that would have been difficult if the population position had not changed from where it was a couple of years ago.

Deputy A. Curtis:

We do want to pick up on just one of the elements of the Bridging Island Plan that links into you in just a minute, but I want to understand your thoughts on what opportunities lie from perhaps either that mismatch between the expectations of the Bridging Island Plan for what quantity of homes need to be delivered versus what we need. The Bridging Island Plan specifies a lot about the increasing density in town and you, Minister, have spoken about ensuring good quality homes, the right provision of homes around the Island and the right safeguards around all sorts of things from residential space to amenity space. Do you think you need to be having conversations with the Minister for the Environment about the suitability of the plan given the changing demographics? How do you see that?

The Minister for Housing:

My input into that would be an important part of that process. He will obviously lead on that and propose what he thinks the best way forward is in terms of what we do next on an Island Plan type of document. He is also required to put supplementary planning guidance forward as well and sometimes I want to input into that and not just me but other areas might want to do that as well. I do not think I have had a formal meeting with him to kickstart that part of that process with me but I know that that is something on his agenda that he is working on and I will be ready to feed into it when the time comes. We have had the odd meeting about particular issues in sites, so there is some dialogue going on there anyway.

Deputy A. Curtis:

The Minister for Housing is not referenced a huge amount in the Bridging Island Plan. As you say, the lead is the Minister for the Environment, but one place it is in proposal 22, which is the residential delivery and management strategy which says: "The Minister for Housing and Communities will also explore with others as appropriate how developments of new homes might be expedited, including the use of prefabricated methods of construction." The panel is interested in a review of how these proposals more widely with the Minister for the Environment are being progressed. How are you progressing on that or where do you see opportunities? Have you had the support you need?

The Minister for Housing:

Being perfectly honest, that is not an area that I am enthusiastic to spend huge amounts of my time on. I think that the people who are physically developing homes will be far better informed on that kind of thing than I will. My approach, I guess, is let them get on with it. Andium obviously at The Limes used new methods of construction with that to test how it works and I think that has been really successful. The feedback I have had from people who have moved into those homes - and I have been round them myself - has been really positive. If Andium, having been through that experience building homes in that kind of way, want to roll that out a bit more widely then they would have my support for that.

[11:15]

I have never quite felt that is right for the Minister for Housing, a politician, to be telling people who are the ones on the ground with the spades in their hands what to do there. I think it is better to listen to them and if there are things getting in the way of them doing more of that kind of thing, that is the point that we listen.

Deputy A. Curtis:

You are quite clear that how you build is something that perhaps the developers know and is not a worthwhile use of government officials' time to be exploring too much?

The Minister for Housing:

Not a huge amount. Again, it is one of those things that is not going to be that contentious. Who is going to argue that we ought to build homes more slowly and more expensively when there are other options? Nobody is going to make that political argument and when developers are perhaps experimenting or looking into new ways of doing it, it is better for Government to support them where possible but they know better than we do on that.

Deputy A. Curtis:

There is a wider element to this proposal as well. That is the construction methods but it is still within your remit or purview as to how can you expedite the delivery of homes, which could be elements far more in government control. Have you had conversations with the Minister for the Environment in line with his reforms to the planning service whether there is an element that you want to see changed there to expedite home delivery?

The Minister for Housing:

I think not necessarily as a general thing but on particular sites there are conversations that are happening about what is the best vision for those sites. The sooner you have that vision the sooner you then get on and go ahead with it. It has been a big frustration, certainly in previous years, where Government have not been clear about what they want for a particular site and sometimes even have been clear and then at the 11th hour have changed their minds on what has happened with a site. Particularly for our delivery agents like Andium, that can be hugely frustrating for them because they can dedicate resource to a particular vision or a plan for a site only to then have the Government change their priorities or even not change them but put a question mark over it temporarily. A great example of this was Ann Court, Cyril Le Marquand Court as it is now, where they really were ready to put spades in the ground when the then Government said: "What about putting the new Government office there instead?" So I spend a reasonable amount of my time trying to manoeuvre through that and try to keep people steady and make sure that Andium gets certainty so that it gets best use of its time going ahead with all that.

Deputy A. Curtis:

You mentioned this being specific sites, Ann Court being an historic example. To what extent do you see that specific site lens being on just States-owned entities, rezoned housing sites or privately-owned sites? That could be what one might call a windfall site where new development can occur. Could it be all of them? Would you want to support looking at expediting private developments outside of rezoned sites?

The Minister for Housing:

Yes. Most of that would be the Minister for the Environment who would have the power to do the things that would make that easiest but then there are sites that they do have to have the feedback from the Minister for Housing in terms of the tenure of homes or the types of homes. When that feedback is required, we have got to make sure we do that as quickly as possible and are clear of our expectations in whatever we feed back to them as well so that they are not inadvertently going down a path just misunderstanding what we might have expected from it.

Deputy A. Curtis:

Then touching on those powers, you say that the Minister for the Environment holds those powers. At the last panel meeting you mentioned looking to meet with the Minister for Infrastructure and Environment to progress some of the obstacles preventing new home delivery on rezoned sites in particular. How have those conversations gone?

The Minister for Housing:

I do not think they have been in particular in too much depth. I think subsequent to that the Minister for the Environment did put something out on the planning changes that he was driving forward but I was happy to say: "Yes, great, get on with that." He does not need to slow that down until he has got my permission or anything like that. They have not been too in-depth, to be honest.

Deputy A. Curtis:

Are you going to continue putting pressure on Ministers who have power to, in essence, release sites? Especially the Minister for Infrastructure I think is one you have highlighted.

The Minister for Housing:

Yes, but to be honest, I think that he is quite keen to do that himself anyway, so we are kind of singing from the same hymn sheet there.

Deputy A. Curtis:

Okay, great. I will pass over to the Connétable.

The Connétable of St. Mary:

Under the general heading of delivery of homes, you have recently stated that the Regeneration Steering Group would be re-established. If it has, what is the membership of that group, please, and can you give us an indication of how any initial discussions went?

The Minister for Housing:

I have not attended anything from it yet. Do you know the membership?

Head of Strategic Housing and Regeneration:

I can confirm that the Regeneration Steering Group has been re-established under its original terms of reference, which relate to P.73/2010. It is articulated in that decision the membership. It does not directly include the Minister for Housing as part of its day-to-day membership and neither does it include the Minister for the Environment. That is a key difference to the R.S.G. (Regeneration Steering Group) today to what was the Future Places Ministerial Group that the previous Government established that did have a wider remit.

The Connétable of St. Mary:

Leading on from that, are you seeking to amend its constitution or its constituent members so you do have an involvement?

The Minister for Housing:

I am not personally pushing for that but I expect that I will be tapped into from time to time from it. There was a reference in the Waterfront proposition in the Assembly the other day about that group and myself, so I would imagine that from time to time there would be collaboration.

The Connétable of St. Mary:

You do not see your absence or your non-presence as being a handicap to its work?

The Minister for Housing:

No.

The Connétable of St. Mary:

Okay. On another group, something called the Housing Crisis Emergency Taskforce, which was established in February this year, it did at one time, we are told, meet weekly. Is that still the case?

The Minister for Housing:

It is still the case, yes, generally. I think there has been maybe one or 2 where we have not.

The Connétable of St. Mary:

Earlier on in this meeting you referred to that you were not under as much pressure as before. Does that apply equally to that committee?

The Minister for Housing:

No. That focus is not as much getting into the granular detail of sites and delivery of homes on those sites. A lot of that focuses on the policy elements that we need to get changed and need to get in force. It regularly feeds back to me on how the licensing scheme has been introduced and any issues that are coming up from the regulation team. I get data presented to me at every one of those meetings so we can look to see if there are particular problems arising that we need to react to. The Housing Advice Service as well feeds into that every week, so again if there are - I will call them - little emergencies, particular pockets of problems that need a response or need direction on, those are fed into that meeting every time.

The Connétable of St. Mary:

The licensing scheme, is that the standards?

The Minister for Housing:

The Rented Dwelling Licensing Scheme, yes.

The Connétable of St. Mary:

Yes, okay. You are involved in that to a certain extent. It is not entirely the Minister for the Environment?

The Minister for Housing:

He is the one with the powers and the one who officially makes all of the decisions but I have been actively supporting him in that I have been advocating for the scheme and I have attended the ... there were public meetings at some of the parish halls that I made sure to attend and be available for. There was a good meeting with the Landlords Association, which I attended as well. It is the Minister for the Environment's scheme but I completely support it and have just offered my voice or any action I can, but also not everybody out there recognises it as a scheme that belongs to the Minister for the Environment. Plenty of people think it belongs to the Minister for Housing so I do get people come to me with those issues, so it is important that I can I link into that and direct that. Also different types of landlords have just needed clarity on that scheme. There is your ordinary landlords but then there are types of corporate landlords. There is the parishes act as landlords as well sometimes. Some of that has ended up coming to me, so I can use that as a forum for getting that dealt with too.

The Connétable of St. Mary:

Going back to your general meetings, as it were, are they recorded formally? How are they published and how can the public know what decisions are made?

The Minister for Housing:

We have minutes. I do not think they are published. That will be something to consider. I do not think they are published. No, okay.

The Connétable of St. Mary:

As we are on that theme, do you have any objection to them being published?

The Minister for Housing:

Not particularly, but then we might at that point want to think about an A and B agenda kind of situation because there will be lots of policy under development that is discussed there and some of that is not appropriate to be put in the public domain while it is ...

The Connétable of St. Mary:

A vision?

The Minister for Housing:

Yes.

The Connétable of St. Mary:

Moving on to a different item, the Les Sablons site, the Chief Minister indicated that agreement had been reached with the developer that would allow development of the site to progress. Is that the case and can you provide any information as to the form of the agreement?

The Minister for Housing:

We have agreed in principle and liaising is going on just to cross the t's and dot the i's for a planning obligation agreement. That will then be the moment where that is 100 per cent formally agreed and they can legally go on with it. We met in person and discussed the various different options there were for satisfying the intentions behind the policy on affordable housing on that site and we came to a common view on a good way to deliver that. I am cautious about saying exactly what that involves because it has not been signed and it is their agreement too, so we want to agree with ourselves when we spill the beans on the exact detail of that, but it satisfies the requirements in the policy on delivering affordable housing.

The Connétable of St. Mary:

Thanks for that. As you are getting near to the conclusion of the planning obligation agreement, are you able to indicate when that might be signed, at which time the public will know what is in it?

The Minister for Housing:

Is it the end of the month we have got to formally sign that off? It is hopefully imminently.

The Connétable of St. Mary:

You have already indicated talks with other developers but can you provide examples of steps that have been taken to work with developers to bring forward new homes? Are there any particular ones or is it just a general agenda you have of chasing them up?

The Minister for Housing:

Some of them proactively approach us because they know that they need to. I got a handful of those quite early on in this where it was required that I fed into that process. Some of that was coming directly to me, where I think that kind of thing is appropriate to start at an officer level rather

than coming straight to me, and that has gone well. Some of those have been approved. There is consistently most weeks stuff getting put on my desk to do with that that I have to go through and either tweak or approve as it is, but that is a business as usual kind of thing that is frequently coming up.

The Connétable of St. Mary:

In the context of what you were saying earlier that you are quite ... relaxed is the wrong word but you are pleased with development and liaison with developers as to bringing forward new sites?

The Minister for Housing:

Yes, generally. I think you do get the odd one that you look at and think: "This has probably missed the mark here a bit" and have to provide that feedback, which may or may not be welcome. Generally speaking, I have seen some stuff that I have been quite pleased with, especially when there were policies introduced in the Bridging Island Plan like play space for children, that kind of thing. I have been reasonably pleased at what developers have been coming up with anyway on that. I do provide feedback on things like room layout, whether places are designed to give the best quality of life. I sometimes look at a floor plan and think: "Where does the telly go?" little things like that if a room is not designed in a way that you can enjoy the space, that kind of thing. I have also had ones very recently where a developer has been conscious of their affordable housing obligations and they have come forward very proactively on that and said: "This is what we think we can do." That expectation permeating that way is a good thing for developers to come and know this is what the deal is now.

The Connétable of St. Mary:

In fact you have partially answered my next question. It was about the influence you might bring on the mix of the housing in particular. That is a major part of your input presumably that you are able to influence that?

The Minister for Housing:

Yes, definitely and comments are provided on that, yes.

Deputy A. Curtis:

Could I just jump in and ask about what proportion of ... especially on those sites where developers are coming to you because they are rezoned sites, I think roughly was it 16 or so sites were rezoned. How many are outstanding where dialogue has not started yet?

The Minister for Housing:

Most of them.

Deputy A. Curtis:

Are outstanding?

The Minister for Housing:

Yes.

Deputy A. Curtis:

Does that concern you?

The Minister for Housing:

It does not necessarily concern me because I know that none of this happens overnight anyway. No, it does not. We will see where we go with it but I did not expect everything to come forward on day one. That was never going to happen.

[11:30]

Deputy A. Curtis:

The Bridging Island Plan does indicate a timeline for achieving this. In the policy it says: "Sites that have not brought forward applications within 3 years of the commencement of the plan may be liable to compulsory purchase." Would you be supportive of that if sites are clearly not coming forward to deliver on homes?

The Minister for Housing:

Yes. There is a reason that is in the plan. It is because it is a reasonable option if it needs to be. I would not suggest doing it for the sake of it or doing it arbitrarily when a good solution might just be a little bit further around the corner. You have to think about each of those specifically but it is in the plan for a reason.

The Connétable of St. Mary:

Turning to financing of new homes, can you outline any conversations you have had with the Minister for Treasury or maybe even with mortgage providers about terms that are being offered to borrowers or is that not within your remit?

The Minister for Housing:

Are you looking at ordinary people buying homes?

The Connétable of St. Mary:

Yes.

The Minister for Housing:

We have not all sat together round a table following some of the feedback we had about the mortgage situation. That will ultimately be the Ministers with responsibility for financial services. Again, I think we are on the same page on that but we have not yet sat around a table to say: "Is there anything the Government specifically need to do on that?"

The Connétable of St. Mary:

Leading on from that, what about the Minister for Treasury, has she been in touch with lenders as to possible terms as well? Are you aware of that or are you involved?

The Minister for Housing:

I am not specifically aware. I would have to ask her.

The Connétable of St. Mary:

Going back to your earlier answer, would it be helpful for the Ministers involved in the provision of finance to have a common policy, to sit around the table as you suggest?

The Minister for Housing:

Yes, I think that would be a useful thing to do, yes, and I am happy to propose that to them and say: "Can we catch up properly on this?"

Deputy A. Curtis:

We are going to move on to a new topic, which is the residential tenancy law. We have got a few questions and the Connétable will pick up again.

The Connétable of St. Mary:

Yes, you have got me again unfortunately. As you are aware, Minister, the panel will be conducting a full review of the tenancy law when it is lodged but we would first like to explore some of the policy areas contained in the document published earlier. There you commit to consulting in a focused way with a clear purpose in mind so the contribution people make can inform the contents of the new law. You have already touched on this but can you again elaborate on the engagement you have with the people that will be involved in the law?

The Minister for Housing:

Yes. Landlord stakeholders are obviously a key part of that. I have been in regular dialogue with the leadership there to say where my thoughts were going on this and I have been, I think, quite

open with them as those thoughts have been developing and sometimes changing along the way as well. I have got a no surprises position with them and I shared with them the statement that I put out before it was officially out so they were ready for that. I am in early stages of discussions with other groups that may want to feed into that process as well. I had a good meeting with Shelter Trust recently where I want a bit more feedback from them on this as well. It is not a big open opinion poll or anything like that. It is specifically me targeting those who I think will have a constructive contribution to make and sitting with them and saying these are the policies and I am the Minister, I am the one with the democratic mandate and that is the direction to go in, but in terms of the particulars and some of the finer detail underpinning, that is the area that I want the feedback from them on.

The Connétable of St. Mary:

Have you identified any major concerns from any particular group?

The Minister for Housing:

There are plenty of different opinions and I think lots of misunderstandings about some of what is proposed in there as well. The main issue that particularly landlords will be concerned about is: "When the time comes and I need to get possession of my property back, how do I do it?" That is the key thing and I need to construct something within the policy that I put together that aims to be as clear as possible so that those who are renting out homes know what that framework is and know what the rules are and how they would go about addressing an issue if they came up with it. In constructing that system, I need to speak with them to say: "What are the clauses you might need put in there to give you that certainty? What are the exemptions that might need to be made for particular things?" That is a totally understandable area of concern for them and I imagine that a big part of the focused engagement I have will be on that issue of how does a landlord get a property back when the moment comes and they need it back.

The Connétable of St. Mary:

That has been on the agenda for the Landlords Association for a long time. How near have you got in developing that to something which you think might be, let us say, acceptable or understandable?

The Minister for Housing:

I am not after acceptable. I believe that what I propose will not command universal support. There will be people out there who like the free for all that the current system provides and I am making a political direction that I do not want that free for all. I want the abolition of no-fault evictions and revenge evictions and that means changing the rules. So I expect there will be an element of contention in there, so my mission is to be clear in any of the misunderstandings can be dealt with. Apologies if I brought this up at the last hearing but there is an anecdote I often refer back to where

a landlord approached me, very friendly but said: “I could not support your policy because that, if it were implemented, would stop me from repossessing my property which I intend to retire into later in my life.” Then I explained to him that retiring into your property would be one of the exemptions I am planning to put in law so you would be allowed to reclaim your property. That guy was: “Oh fine, okay, no problem then.” With a minute-long conversation I managed to explain to someone what I was actually proposing and what it meant for them and he was pretty relaxed about it afterwards. There will be lots of those kind of conversations and those practical examples that I will have to show how what I am proposing applies to that so people get clarity for it. There will be instances where people will not like what I propose and I am just going to have to make the political case for it.

The Connétable of St. Mary:

Given that there are ongoing concerns and there will be until the draft legislation is produced, when do you propose to update the Assembly and certainly ourselves on the basic proposals?

The Minister for Housing:

I put that statement out a few weeks ago specifically to be clear about what I am looking at. That is the new tenancy type that would be without a specified end date as default but with a potential fixed term at the start of it, if that is what either side wants to do. That is now on the table and I am clear that that is what I think the solution to this is. The discussions are now around that and the detail around it. I am open about that now. That was relatively recent so I do not anticipate the next thing will be imminent. That may be a couple of months or something like that before we are ready to say this is the next point of how you implement that and some of the more finer detail underpinning that.

The Connétable of St. Mary:

By the end of the summer recess we might see a draft proposition likely?

The Minister for Housing:

A draft proposition or draft legislation?

The Connétable of St. Mary:

Draft legislation, yes.

The Minister for Housing:

Draft legislation I think might be a bit longer than that.

Deputy A. Curtis:

Before the Connétable continues, could I just check in on that? You mentioned your ideas and proposals will not be universally adopted but you felt you had a democratic mandate to pursue this. How have the conversations gone with the Council of Ministers on your proposals? Do they support your mandate, as you say? Have you got their unanimous support or is it equally not universally supported?

The Minister for Housing:

I am not expecting it to be unanimous. The Council of Ministers discussed the statement before it was published and we went through it and had questions and it was a really good discussion. Members unanimously supported my right to put that statement out and go ahead with it. I did not look at every face around the table and say: "When it comes to it, will you be voting in favour of this?" That is not quite the approach that the new Chief Minister is taking politically. He is not holding the whip as firmly as some political leaders might choose to. I have not asked and I do anticipate there will be people who are with me on some subjects who will not be on all of this. I would quite like to present things in such a way where it is not a take it or leave it for all of it. I think if there are elements that can stand alone where I might build one coalition in support of this part and another coalition in support of this part, that might be part of how I seek to go about implementing it.

The Connétable of St. Mary:

Returning to the security of tenure that you referred to where you said that you anticipate problems, have you identified all the potential problems and your remedies to appease around all this? Is that an ongoing discussion? Is there much more to do on that? I would have thought by now maybe all the problems might have been identified.

The Minister for Housing:

Maybe they have. Maybe no more will come up from this point but I am still open to that discussion. I do have another meeting I think with the Landlords Association in the diary relatively soon. I cannot remember exactly what day. I think it is next Wednesday I am due to meet them again, so we will go through a bit more at that point too. I am not expecting to come up with a package that commands universal support from every stakeholder group but I am going to do my bit to say I have done everything I can to address every potential loophole, every potential concern in this and I will make a political case for it at that point.

The Connétable of St. Mary:

As you have further meetings, I am not sure we can do much more on that one. It is probably a non-point now in a way. Over the period you mentioned one example where you managed to satisfy a

concerned landlord. Are there many examples like that where the attitude of the landlord has been able to be appeased or accommodated?

The Minister for Housing:

Yes. I have lots of conversations with various people and I like to think that I am persuasive and can make the case for my policy. When other people caricature my policy, that hurts and that makes things more difficult because people then have a misunderstanding of what is being proposed that they can get entrenched on because they are worried, which is totally understandable. But when I go and I say: "No, this is what it means. Your particular concern, this is how that would apply in the framework that I am proposing", I do find the more I have those conversations the more people understand what is being proposed and the more they come to say: "Okay, that is not too bad." I am also in the fortunate position tomorrow in that whoever wins the U.K. (United Kingdom) election has the same policy as me when it comes to no-fault evictions because both the main parties in the U.K. are proposing abolishing section 21 of the Housing Act in the U.K. and I am suggesting an equivalent thing here. It being on the agenda up there probably helps as well.

Deputy A. Curtis:

I think, Minister, you have already started covering some of the areas I wanted to dive into. I would like to see if we can still explore some of the approach to frameworks and you have mentioned the caricature is quite challenging but when you explain it to people your experience has been that most people are quite happy. How is that forming into a framework? What process are you following to say ... you gave the example of this concept of exemptions and if that is what you are going to pursue we really want to, as a panel, understand more the look and feel. You are not ready, obviously, to show us legislation. We really want to know what that process feels like for you feeling out what is appropriate, forming the framework into something that clearly for you now is so clear that when you speak to someone that allays their fears.

The Minister for Housing:

I am not entirely sure I understand the question.

Deputy A. Curtis:

Your mind on these exemptions on the framework for how a tenancy can be ended or can conclude is quite clear in your mind, it feels.

The Minister for Housing:

Yes.

Deputy A. Curtis:

But it sounds like to most people it is not. That is frustrating for you when it gets caricatured and you go: "I have this clear idea. I think it is fair, I think it is appropriate." What I am trying to ask is can you explain to us how that looks and feels in the same way you could to someone else, given you mentioned loopholes, nuances, bona fide reasons? How is this all going to come together?

The Minister for Housing:

There will eventually be legislation that says this is what the Jersey tenancy looks like, this is what it must include, this is what it cannot include, this is what the terms look, which we already have to a degree in the current residential tenancy law.

[11:45]

It is just that what I will be proposing will be different to what is in that current law. We still need to get advice on the best way of putting that on paper but it may well be that there is a schedule attached to the legislation that says: "In these circumstances this is what you would do to go about ending a tenancy and these are the reasons you must cite. When you issue notice, this is the form that it needs to take." The law already says that at the moment but it would be slightly different under what I would be proposing. I am due to receive a paper by the end of this week that has some of the options on what particular legal mechanism we take to get some of that in force. Then I will have it a bit clearer in my head exactly what those mechanisms look like and, therefore, when I am resolved on that, when I am having those conversations engaging with stakeholder groups and whatever, I can then be a bit clearer to say: "We have done a bit more of the work on this. This is what that process will look like. How does that sound?"

Deputy A. Curtis:

Hopefully by our next quarterly hearing or a briefing on the matter you will be in a position to update us as to how that feels.

The Minister for Housing:

Yes, definitely.

Deputy A. Curtis:

In your mind at the moment do you see it as appropriate to provide appeals to Ministers? Have you thought about the logistics as to how to make this align with making government processes smooth and low bureaucracy such as the C.S.P. says? Have you thought about appeals, have you thought about handling where a schedule would not offer every case foreseeable?

The Minister for Housing:

Yes. The rent tribunal is obviously part of that package of measures and that would be a point for, whether they are disputes or something else, that would be the specified route to that. We would need to be clear about what those issues that you take to that body are, who is on the body, how you approach them, what is the email address or whatever. I think it has been clear for a while that a body of some sort that people go to would be the known place.

Deputy A. Curtis:

Do you envisage the rent tribunal perhaps having some powers over, for example, the ending or closure of a tenancy in arbitrating against the schedule?

The Minister for Housing:

Honestly, early on, no. At the moment the Petty Debts Court is the body that deals with eviction cases and would deal with disputes. That body is already competent to do that. We might change some of the rules or specifications but they are already doing that job and could theoretically do that for longer. The job I think in the shorter term that would be more likely to be taken on by the rental tribunal would be the rent stabilisation stuff. I am proposing that a mechanism is put into law that specifies the maximum amounts that rents can go up and how often they can go up, but there will need to be exemptions from time to time. Having a body that can adjudicate on that, that is probably the first part of getting that up and running. That is the thinking at the moment.

Deputy A. Curtis:

That rent tribunal, have you looked to put provision for funding for that in the forthcoming Government Plan?

The Minister for Housing:

I do not think so. Where are we on that?

Head of Strategic Housing and Regeneration:

I think it really comes down to what form of body it is. In looking at the original housing tribunal proposals that were being pursued under the last Government, it was quite clear that that was becoming quite an unwieldy, potentially very bureaucratic large function. Now that we have a narrower focus on the rent tribunal, it serving a purpose in testing rent stabilisation, you can think about what is the appropriate format for that body. Tribunal in the traditional sense you would think about the Tribunal Service and the functions that align to that service, but a body that tests the appropriateness of rent levels does not need to be necessarily a tribunal. It can be a group of professionals who are drawn on from time to time. It may even have political representation on that group. What we are working through at the moment is just the format of rent stabilisation measures

and how that best translates into an adjudicating body to test those stabilisation measures. It may not come with a cost at all once that is put in.

The Connétable of St. Mary:

Just picking up from the Chair's point, there are 2 points. The rent tribunal, it strikes me that has not been - I do not mean it rudely - thought through to the end if you are thinking about professional bodies rather than tribunals. One concern I have is the Chief Minister is reviewing the ombudsman situation on the basis of cost, or partly on that. I just wonder whether the rent tribunal is too costly for the moment.

The Minister for Housing:

We can do something low cost at the moment if we choose to. The Petty Debts Court, that is an existing body, existing funding, doing the same job but citing a different law. That is competent to do elements of that. We can, if we choose to, set up a rent tribunal. Call it a tribunal but it might sit with the rest of the Tribunal Services. That would also be low cost because that would have officers supporting it who are already in government doing a job and you could, if you wanted to, have professional volunteers to do that. There are ways of doing it low cost that get something up and running and working and then if you wanted in the future to consolidate it differently, you have got the breathing space to do that and time to come back if it is going to have funding consequences but you ...

The Connétable of St. Mary:

You anticipate it not being an independent body, independent of government, is what you are saying?

The Minister for Housing:

I would anticipate it being led by people who are independent from government but they would be appointed in the same way that we appoint lots of people to various tribunals that exist.

The Connétable of St. Mary:

My final point on this - and I may well be out of date - certainly when I practised law in the U.K. the rent tribunal there did not have jurisdiction where the property was valued at more than a certain amount on the basis, I think, that they were there to protect those at the lower end of the scale in rental terms. Have you considered anything like that on the basis that if they are wealthy enough they can afford their own legal representation rather than having to rely on a tribunal and would that cut out some of the work?

The Minister for Housing:

No, I do not quite understand how that would work in the Jersey context. The point is for it to be not an adversarial body and a body that people can freely choose to go to. Whether it is the landlord who needs an exemption from rent stabilisation or a tenant who feels they have had a rent rise imposed on them that is not in line with the rules, they can approach that but for that to be as user friendly as possible. I would not want people turning up with advocates to that kind of thing. You would want it to be as ...

The Connétable of St. Mary:

On the basis that what you are really trying to protect is those perhaps less able to represent themselves. You could have a rental agreement with a 2(1)(e) person who might not possibly be your first concern on the basis that they can afford and may well, by virtue of the value of the property, exempt themselves from the service offered. But you are not contemplating that?

The Minister for Housing:

No, I do not think so. I do not think I would want people exempted from it. The only potential alternative there might be social housing where there might be a framework because social housing has a specific rents policy that has elements to it that you would not copy in the private sector. How social housing fits into it I think is the only exemption I am thinking about at this point.

The Connétable of St. Mary:

Okay, thanks.

Deputy A. Curtis:

Turning to a few other things in your proposals and, as you say, the looking forward letter, you mention notice periods. Would you be able to provide a bit more detail on the changes you anticipate to notice periods?

The Minister for Housing:

Yes. I have had a long-held position that if you are living in a home that is your long-term home then the arrangements for security of tenure that you have in that home ought to reflect the fact it is your long-term home and not somewhere that you are just stopping off at for a few months or a year. I think that if you have lived somewhere for a long time in a rental home that has become the place you have brought your children up, the place you have all of your caring responsibilities dealt with, the neighbourhood that you are involved in, et cetera, if a reason occurs that you cannot live there any longer because the landlord needs to take possession of it back, the notice period that is offered to you should be commensurate to how long you have lived in that property so that you have got the extra time that you need to re-establish your life somewhere else, which if you have lived somewhere for a long time can be a difficult thing to do. I think if you have lived somewhere for a decade, being

given 3 months' notice is not that much and in other jurisdictions they offer longer notice periods the longer somebody has lived there. If you are a landlord that is seeking to take possession of your property back for a legitimate reason, which might be that you need to refurbish it significantly and nobody can live in there while it is happening, it might be because you are choosing to retire into it yourself, et cetera, you can plan to do that. You can book that well in advance in the diary if you need to and the longer notice period is not an inconvenience in the same way that a short notice period might be for somebody who all of a sudden out of the blue has been told their life is being turned upside down by their home no longer being available for them.

Deputy A. Curtis:

You see this playing hand in hand with the element of, as you say, protecting no-fault eviction. Regardless as to when that tenancy will end, when it ends you want to see a longer notice period.

The Minister for Housing:

Yes, indeed. Not obviously for people who have broken their tenancy agreements and are trashing the place or refusing to pay rent or whatever. That is a false eviction as far as I am concerned, but if you are someone who was just living your life and it is just your landlord's circumstances have changed, there ought to be justification for it and a notice period that is commensurate to the inconvenience and difficulty that it will cause you.

Deputy A. Curtis:

You mentioned other jurisdictions do this and you said you liked what they do, I think. Where does it and what kind of schedule do they work towards? Is it one month for every year? What have you seen that you like that has given you inspiration?

The Minister for Housing:

Ireland has a very clear schedule. It is based on how long you have lived there. If you have lived there X number of years, your notice period is X number of months, et cetera. In European countries there are quite wide differences on the specifics. There are some places where you have quite a generous set of reasons why a tenancy can be ended and some places that have less generous ones. In some places you can end the tenancy because the landlord is intending to sell the property. In some jurisdictions you cannot do that. You are expected to either sell it to another landlord or sell it to the tenant who is living there but that itself is not grounds for ending a tenancy. Just whoever buys it has to respect the fact that there is already a tenancy there. Different jurisdictions have different reasons and some are more generous than others. For Jersey I have got to come up with a list of those reasons that is right for us and hopefully will command at least enough support for people to be confident that it is fair across the board.

The Connétable of St. Mary:

Depending on which model you use, is there an unforeseen circumstance in the sense that if a landlord feels that the longer a tenant is going to be there the more difficult it will be to remove them, you might as a matter of course look for a new tenant every 2 years or so, which would be self-defeating, would it not?

The Minister for Housing:

No, because that would not be ... what I am proposing of the tenancy that has no end date as default or an initial fixed term with the ability to then renew on to a tenancy with no fixed end date but not to renew to another fixed term. You have one fixed term. If you are renewing it, at that point you are renewing it to one without a fixed term. It strikes me as a load of faff to have to kick out a tenant every couple of years and go through the expense and difficulty of finding a new one all because you do not like the fact you would have to specify a reason when you did eventually want that tenant to go out even though that tenant will be paying you rent that whole time. It just does not strike me as a logical thing for a landlord to do. It would strike me as being against their own interests to be so convoluted like that.

The Connétable of St. Mary:

I hear what you say. I will leave it at that.

The Minister for Housing:

That is the feedback I get. When I spoke at the Landlords Association, the number one bit of feedback that they said to me was: "We want long-term tenants because they are paying the rent, we get good relationships with them and everybody is happy from that." They do not want to have a large turnover of tenants because it is a hassle for them and they get less money from it. The problem is that now we do not have the legal framework that provides long-term tenancies whereas if we have that framework then you get certainty on both sides and you squeeze out those landlords who adopt bad practice under that framework because they can.

[12:00]

Deputy A. Curtis:

Do you see an upper limit to notice periods potentially, say for very longstanding tenants?

The Minister for Housing:

Yes. I do not know what that is yet. That is one of the details that I want to discuss with landlords and say: "Right, what should that upper limit for that initial fixed term be?" I am open to that. I want a bit of feedback and what I think we settle on as reasonable will probably be what we go for.

Deputy A. Curtis:

I think the panel would be interested to hear how that goes. One example comes to my mind, being an owner of property needs to potentially redevelop or to extend, to make better provision. Permission from Planning would only be for 3 years, so they would need to know - if a period were greater than 3 years - they would be able to get permission, know they needed to move a tenant on for significant works, demolition or similar, but by the time the tenant left, permission would have been lost. You can see examples like that where you have to work within other legislative reasons for why - your exemptions - they would also be coming into effect.

The Minister for Housing:

Definitely, and none of that is insurmountable within what I am proposing. If you have a property that is empty that you want to let out and you know: "In 2 years' time I have to vacate this, I have to have this property vacated because there is work I need to do, I am under a deadline or I know that is the time I can get the builders in," you are absolutely free to say to an incoming tenant: "For the record, I am giving you the fixed term tenancy of 2 years and I will not renew it at the end for this reason." Then the tenant knows from the outset: "That is the deal I am getting, fine, no problem." It will end and the law allows it to end, fine, but if they were on the open-ended iteration of the tenancy, having to conduct a refurbishment of a property, during which a tenant cannot live in the property because of the nature of the work taking place, that will be a ground for ending tenancy as well. At that point, you could issue notice and you would know in advance what that notice period will be. It might be 3 months if it has been a relatively short tenancy; if it has been 9 years, it might be 6 months or something like that, but you know. You plan for when you get the builders in to do that work. The legal framework will allow you to do that.

Deputy A. Curtis:

Okay, great. Moving on to perhaps the last area of that letter and in your proposals, rent stabilisation, Minister. Could you provide some more detail around the stabilisation measures you are proposing and the conversations you have had about those?

The Minister for Housing:

Yes. As part of the natural order of rent adjustments, it should not be the case that a tenant can experience an unexpected inflationary rent increase that will be unjustifiable and cause them hardship, which they are forced to accept because the alternative is that they lose their home and incur all the difficulties and expenses that come with that. There ought to be a presumption that is provided for in law that rent adjustments are within the bounds of reasonableness. The proposal is that we would limit how much rent can go up in a year. We would impose a mandatory notice period that must be given before a rent increase can take effect and that there would be an ordinary cap

on how much rent could go up in one go. The work is still to be done as to what exactly that cap would be, what metric we peg that to. There are different options. There is R.P.I. (the Retail Price Index) being the obvious one, which is not so bad today but would have been pretty rubbish in recent years when R.P.I. has been very high. Average earnings is one metric as well. So, some work to be done on what exactly that metric would be but then that would give landlords and tenants a degree of certainty that, for the course of this tenancy, there is not going to be a sudden, unexpected and unreasonable rent increase. However, we do have to take into account the fact that from time to time something may happen that requires a more drastic rent adjustment that falls without that framework. It might be because there has been a massive investment in a property, its value has gone up and it is reasonable that rent is readjusted at that point. The suggestion is that there will be a process for going through that and not simply a letter saying: "Update your standing order, your rent is going up by this huge amount next week." There would be a process and that would likely go through the rent tribunal where you would have to justify why that is happening to get approval for it before you could enact it, rather than just presume you could do whatever you like.

Deputy D.J. Warr:

As a matter of interest, I fully take on board that the tenant should not be faced with unforeseen costs but I would have assumed that the vast majority of landlords build in something which would refer to an increase limited to the cost of living indexing. Do your proposals come out from experiences where there are a large number of people that are going to have that benefit?

The Minister for Housing:

Definitely. You are right that lots will build it into their contracts already. Lots of landlords will already be under voluntary rent control, because that is just part of the contract. Some might choose to offer it anyway. It is also already part of the Jersey standard tenancy agreement, which exists somewhere on a government website.

Deputy D.J. Warr:

We do not quite know where, though, do we?

The Minister for Housing:

Sorry?

Deputy D.J. Warr:

I am not sure we know where, do we? That came up in States, sorry ...

The Minister for Housing:

Yes, you can Google it and it will come up somewhere. It is a journey to get to it, but it does exist and if you want to copy and paste it and use it as your tenancy, you are free to do so and it has a rent control clause in it. That would be what you could use.

Head of Regulatory Improvement and Licensing:

Minister, as a point of clarity, it is on the landlord toolkit on gov.je. There is a link to the model tenancy agreement.

Deputy D.J. Warr:

Thank you. There was a bit of uncertainty about it when it came up at the debate.

The Minister for Housing:

Yes, indeed. It does exist and landlords are free to use it and I am sure that some do. For the vast majority of landlords that already have some kind of process built into their contracts, whether it is the standard one or a bespoke one, they will not notice my policy change that I am proposing because they are already voluntarily under some kind of scheme. But it is the case that I frequently get constituents coming to me to say: "I have had a sudden rent increase imposed on me at short notice and I have 2 choices. I either lose my home or I impoverish myself to carry on staying here; is there nothing I can do about this?" When they email me and ask that question: "Is there nothing I can do about this?" my answer to them is: "Yes, there is nothing you can do about it. You either have to try to negotiate, in which case you hold none of the cards in your hands there, or good luck and try and find somewhere cheaper." So, we would provide that certainty that it would apply across the board and people would not be faced in that terrible situation. Just for the record, I am aware of instances of landlords raising their rents more than once a year, which currently - as long as it is in line with their contract - they are allowed to do. I know of people that are only getting one pay rise a year - if they are getting one at all, they are only getting it once a year - to then get 3 rent increases, some of which I believe were issued with one week's notice. This behaviour does go on.

Deputy A. Curtis:

Okay, great. You mentioned, Minister, rent control in that sentence. Could you identify the difference between rent stabilisation and rent control just for the panel to ...

The Minister for Housing:

They are words that mean the same things. They mean whatever you want them to mean. Even the term "rent stabilisation" means whatever you want it to mean. If you say rent control, some people envisage a government bureaucrat turning up with a clipboard and telling you the maximum rent you are allowed to charge. That is, I suppose, one iteration it could be. But on the very other end of things, it is just a bit of law that caps how much rent you can increase in one go but provides

an exemption route when it is necessary. That is the softer end of it. You can call it rent control if you like; what I am proposing is very much the softer end of rent control.

Deputy A. Curtis:

You have decided rent stabilisation is a good phrasing. It is better than rent control in your view, because you have chosen it, but I am just trying to understand that choice.

The Minister for Housing:

Yes, I think there is some precedent in other jurisdictions as well where they talk about the generations of rent control and third generation rent control tends to be called rent stabilisation. It is a term that is used in other jurisdictions and reflects what I am proposing here.

Deputy A. Curtis:

You mentioned, going into that model where you might go to the rent tribunal to understand whether a change is applicable, perhaps after development. Do you foresee that being an in-person thing or do you think many of these instances can be handled as paper exercises, as written submissions only? So, log on to a website: "Here is my property, here is my U.P.R.N. (unique property reference number), this is what I am doing", and I will get a yes or no or a "more info required".

The Minister for Housing:

I would anticipate, in the first instance, it could be a paper thing, because there may well be plenty of instances where the tenant does not contest it, where the tenant realises that ultimately it is fair, in which case there is no point in convening any kind of body to examine it any further than that, but it still needs to be registered in that way to just confirm that it is lawful. When it comes to properly contesting it, then that may well be a convening of people in a room to hear the arguments on both sides.

Deputy A. Curtis:

Are you considering inter-tenancy rent stabilisation mechanisms at the moment?

The Minister for Housing:

No, not for brand new tenancies, but if you are transitioning from the fixed term to the non-fixed term element of it, then it would apply at that point. But no, not in between tenancies.

Deputy A. Curtis:

Okay, not in between.

The Minister for Housing:

Yes. It is an even softer form of rent stabilisation than exists in some places.

Deputy A. Curtis:

Lastly on this, you mentioned the various mechanisms you could use; you mentioned R.P.I., average earnings. Could you provide a bit more update as to what you have gone through as a process with the Economics Unit to work this out? Is there anything? I know you might say this is under development, but is there anything you have already discounted?

The Minister for Housing:

Yes. I am trying to remember what they are because I think I threw them out in my mind because I had discounted them. Natasha might be able to remind me on some of those, but I did get a substantial list and there were a handful I looked at and went: "We are not going down that road."

Head of Strategic Housing and Regeneration:

We looked at 7 options. I am not going to attempt to list all of the iterations, but it is the R.P.I., which is obviously the existing ... well, first of all, we explored a counterfactual, which is: you change nothing on rent controls and you keep everything as it is, what does that look like? That is good economic analysis practice. R.P.I., R.P.I.X. (Retail Price Index excluding the cost of mortgage interest payments), which is a helpful measure relative to the cost of housing and mortgages; we looked at average earnings index; we looked at a combination of 2, whichever one is lower. There is also another option which looks at one of the measures plus a ceiling which helps us deal with times of high inflation like what we saw, so it could be R.P.I. or X percentage, whichever is lower. The Minister has given us his steer in relation to those options. As he said, he has discounted some immediately based on the initial assessment. That is now with the Economics Unit to provide us more detailed economic advice in relation to that narrower list. However, we have been working with the Economics Unit throughout this piece of work; it is important that they are a part of that journey.

Deputy A. Curtis:

Are we close to concluding what will go in there, would you say?

The Minister for Housing:

Ask me next week, because I have got this paper that I am anticipating at the end of the week.

Deputy A. Curtis:

Okay, brilliant. Then we will move on topics - we have spent a bit on that - to lodging houses and Deputy Warr will pick up.

Deputy D.J. Warr:

Moving on from residential tenancy law, the panel would like to touch on lodging houses. The panel is aware that lodging houses are not covered by the recently launched residential tenancy licensing scheme. To what extent are the conditions and inspection of lodging houses on your radar?

The Minister for Housing:

They have not been on my radar recently, because the focus very much has been on getting the rented dwellings licensing scheme and establishing a regime for that wider part of the market. Getting that right, getting it up and running and people understanding it has very much been the focus, so specifically looking at the lodging houses situation has not particularly been on my agenda thus far.

Deputy D.J. Warr:

Okay, thank you. What is your understanding of the frequency of inspections - and I appreciate you will send it probably over to your colleague there - undertaken, the number and nature of complaints received.

Head of Regulatory Improvement and Licensing:

There are 215 registered lodging houses and they are registered February to March. We inspected 123 of those last year. We took over the function of inspecting them in 2018 when the Public Health and Safety (Rented Dwellings) Law came in and we have been inspecting to those standards. The complaints have fallen because we have got a proactive inspection regime in place and the inspections are now done on a risk basis, so we will go back on a one, 2 or 3 year frequency depending on where we feel we need to intervene more.

Deputy D.J. Warr:

Okay, thank you.

Deputy A. Curtis:

What kind of notice are you providing to lodging house owners on those inspections? I speak having visited one and been surprised at, I would say, the poor quality of the communal areas from a health and safety perspective. I was surprised it had not been picked up. What coverage are you getting, and do you think that more focus needs to be provided, or maybe they are ... some of that might be to the Minister, but from an operations perspective.

Head of Regulatory Improvement and Licensing:

We work with the owners of the lodging houses to arrange the inspections. We will proactively contact them and say we would like to come in, and suggest a date and time. Then we will work

with them to make sure it is mutually convenient and that they are giving their tenants the appropriate notice. So we do allow them to feed into the inspection. It is not a surprise inspection, as it were.

Deputy A. Curtis:

Okay, and you are quite happy how it is working as a process?

Head of Regulatory Improvement and Licensing:

As a process it seems to have been working well. We have seen complaints drop because we are proactively going in, but we always will take intelligence and if required we will bring an inspection forward.

Deputy A. Curtis:

Okay, great.

[12:15]

Deputy D.J. Warr:

Okay. I think that answers the next question then. We will move on to homelessness. Minister, when we last met, you indicated that a piece of work was being done to examine the data held by Government on Islanders who are homeless and the reasons why. Please can you update the panel on progress in this area and whether you have drawn any conclusions on improving the services that are being provided?

The Minister for Housing:

The data collection is not over at this point; I think it has still got until the end of this month. We are anticipating getting some feedback on that. I think the Chief Statistician is going to feed back into that process as well to make sure that the data is all sound. I gather that the homelessness charities and providers have been feeding into that and have been very pleased to be doing so and pleased to see this project going ahead. But it is not complete at this point, so right now we cannot say for definite what that data will say. I think it also will be published on a gov.je page as well, so the public can look at it too.

Deputy D.J. Warr:

I am just quickly seeing if there are any questions here I can skip very rapidly. The panel understands from a response provided at the last hearing that other Ministers were due to join you on the homelessness cluster meeting which was taking place in May. Can you advise which Ministers attended and the actions they were left with?

The Minister for Housing:

There have been 2 meetings. One was the homelessness cluster, which I think had the Minister for Social Security, I think had my Assistant Minister there ... was anyone else at that particular one? Okay. Also, a couple of weeks ago was the Homelessness Ministerial Group meeting, which had a lot of us at that. It had me, the Minister for Social Security, the Minister for Health and Social Services, Assistant Health Minister, the Minister for Children and Families and the Minister for Home Affairs as well, and some of the charity providers there. They are technically separate groups, the cluster and the ministerial group, but there was a lot of cross-over.

Deputy D.J. Warr:

Thank you. Are you providing more information about the engagement undertaken with private sector landlords by the Housing Advice Service to understand what support could be provided to help prevent a tenant facing difficulties from becoming homeless?

The Minister for Housing:

There has been some brilliant work going on for this and I can hand over to Heather to give some detail.

Critical Support Team Manager, Customer and Local Services:

We have successfully rolled out our Supporting Sustainable Tenancy scheme to the Jersey Landlords Association and are looking to proactively work with them to prevent homeless positions and provide appropriate support to keep people sustainably housed. It is a real bespoke piece of work. It is person centred; it is designed around the person in need with their wants, wishes in mind. It fits both purposes, works for the person and works for the landlord.

Deputy D.J. Warr:

Thank you. Okay, right-sizing policy.

Deputy A. Curtis:

Brilliant, yes. That will be taken by the Connétable.

The Connétable of St. Mary:

Turning to the right-sizing policy published in May, can you please provide the panel with more detail on what actions you have taken? Here I quote the publication: "Support the development of new and desirable homes on rezoned housing sites across the country parishes, suitable for those who wish to downsize within their community." I expect it is a difficult question to answer but ...

The Minister for Housing:

Yes, the policy has only just come out and been prepared, so not a huge amount specifically has gone on there. But obviously we are anticipating, as sites come up, that we will want to look at what is the most appropriate tenure and make-up of the homes on those sites and that will include some element of right-sizing. I am personally keen to get a feel from parish Constables during that process when a place arrives in your patch, which you will understand better than anyone else, to make sure that you are fed into that process to help give some feedback. But, yes, there has not been a site yet where we have enacted this and gone in and done it.

The Connétable of St. Mary:

Yes, thanks. I appreciate it is a difficult question. For what it is worth, when publication was made an elderly parishioner got on to me to say: "I would if I could" but she said: "There are very few on the market locally and I have lived in this community, I want a shop nearby" where she was, et cetera, and there was no real incentive. So, I can see that unless there is a special zoned site - St. Mary has one, which I need to get hold of the Housing Trust to find out where they are on it - I can see that there are difficulties from these country parishes, the demands for the sites as well, because the other side of the coin, of course, is that the parishes want to attract younger people as well.

The Minister for Housing:

Indeed, it has got to be a good mix and understanding what the need is at a particular time. At the same time, though, somebody living in one of the parishes in a large home with lots of empty bedrooms could then ... if they want to downsize in the parish and in the community that they are happy in and familiar with, then that will be a younger family hopefully replacing them in the family home that they have vacated. So it causes a lot of movement, which can be really positive. But the thing that we were conscious of when we were putting the policy together is that it was not going to focus on penalising people for choosing to live in homes that they are happy with, that happen to have lots of spare bedrooms. It was not about making people feel guilty for doing that. It was about recognising that when people are deciding what home they want to live in, in that moment people have all sorts of calculations that they take into account then. For some people, you could not pay them enough to make them leave their nice multi-bedroomed home in the countryside to live in a small flat in St. Helier. They want to live in somewhere that is nice and desirable in the community that they are already well established in. If you provide nice opportunities like that for those people, it will then have the knock-on effect of freeing homes elsewhere. So that is not a stick approach; that is a carrot approach. We were keen to get that across in the policy, that that is the ethos behind it.

The Connétable of St. Mary:

Yes, I understand. I think for that one aspect, which perhaps is not universally recognised, is that some of these people who have perhaps outgrown their home still want the bedrooms there for their grandchildren who are not living on the Island.

The Minister for Housing:

Cheaper than a hotel.

The Connétable of St. Mary:

Exactly right.

The Minister for Housing:

Makes perfect sense, or it might be a place that has a particularly nice garden and you enjoy dedicating lots of your time to it and sitting in the sunshine and enjoying it that you would not get with a flat. Everybody's aspirations are different. I know people who did downsize from large family homes. One moved into an over-55s village in St. Peter. Loved it. Great pub, really good bus route, and his best mate lives a few doors down the road. Perfectly happy. My mother moved out of her family home, but she was able to do it because she just happened to find a little cottage in town that was angled at such a way that it was quiet and it has a nice little decking area outside that she can sit in the sun and read a book in, so she is delighted with what she has found. You can create those opportunities; people will flock to them if that is what they want.

The Connétable of St. Mary:

In a way you have answered the next question about what discussions have taken place with developers; you are suggesting not yet.

The Minister for Housing:

For those sites, not yet. That is now part of the policy, so that will be a part of the discussions that happen when they come forward. The exception to that is the S.o.J.D.C. (States of Jersey Development Company), where we have had discussions, but that is not for those kind of homes we were just discussing. That is for the apartments that will suit some people; some people are very happy with apartment living in town. For those who do like that, we are working with the S.o.J.D.C. to make sure that those are part of the mix in what they are building.

The Connétable of St. Mary:

Before leaving the country parishes, is there a schedule or plan in place to identify them to push that forward so you do have conversations with developers, or is it not a priority at the moment?

The Minister for Housing:

I am not sure something like that is in place at the moment.

Head of Strategic Housing and Regeneration:

I think a number of developers are starting their conversations, going back to the question before about the rezoned sites that are coming forward. So there would be 2, nearly 3, planning applications in and we have got a number of applications that are undergoing pre-application discussions. I think a lot of it comes down to the insights as to why that site was pursued for rezoning. We are very aware, in particular with the parishes where there is a greater desire to achieve right-sizing homes ... so that will boil down to working with those sites where it is known. Otherwise, it is when a developer has thought about their site and how they want to bring that forward in partnership with a social housing provider, we can then respond to that and provide advice accordingly. As the policy sets out, there are 2 parts of right-sizing on these sites. There will be the social housing element that is extremely straightforward. That will be dealt with by the smaller homes that are provided on those sites and does not require any additional policy mechanism. It is simply the purchased homes that become slightly more hands-on in terms of making sure that they are the right type of homes and that the Minister is achieving that right balance between affordable housing and homes for people who already have a home who will be downsizing in the community. As he says, it is an important balance that needs to be struck.

The Connétable of St. Mary:

Okay. So the moral is to get on to any site developer, really, perhaps privately.

Deputy A. Curtis:

Before we move on to the next question, you mentioned the sites and obviously the right-sizing policy does look to the supply of homes. The Minister for the Environment, in delivering the Bridging Island Plan, has to consider - and his officers have to consider - housing mix and whether it is a correct housing mix. Would you like to see this taken as a material consideration in the determination of planning applications? Are you speaking with the Minister about whether he should adopt supplementary planning guidance built off this to inform better decisions beyond ... within this plan, rather than just saying: "This is a problem to be dealt with in the next plan"? Do you think you can actually use this to better deliver housing in rural communities on, let us call them, windfall sites sooner rather than later?

Head of Strategic Housing and Regeneration:

I can clarify that there is already a policy requirement in the Bridging Island Plan for right-sizing and that is a part-driver for why the Minister has published this, Policy H4. It specifically addresses mix and there was an amendment brought to the Bridging Island Plan that specifically talks to the right-sizing issue, so encouraging a mix of homes that will support and enable right-sizing. You have

Policy H5, which is the affordable housing sites policy, which very specifically talks to right-sizing in there as an alternative mix, which is then supported by the Minister for the Environment's supplementary planning guidance. It is this Minister's policy. It already has that established link to the Bridging Island Plan, so this does need to be taken into account when it specifically relates to a Policy H5 site.

Deputy A. Curtis:

But only for a Policy H5 site, not for generic sites within the built-up area of rural communities. I am just looking at this and reading. My reading of Policy R6 is you are aiming for homes to be provided within rural communities. My reading is you are hoping for this to be beyond just new sites; you might be seeing sites which are ripe for development and you would like homes to be provided on those sometimes for right-sizing. Is that what you would like to see happen?

The Minister for Housing:

I think some we would have to consider.

The Connétable of St. Mary:

You mentioned already, Minister, the States of Jersey Development Company following last week's Assembly decision to ensure that the minimum of 50 per cent of homes on any of those sites on the Waterfront will be offered to first time buyers and assisted purchase pathway and a further 50 per cent are designed to encourage right-sizing. What evidence do you have that these percentages will meet or perhaps exceed demand?

The Minister for Housing:

Those are minimums, so we can scope, closer to the time, exactly what the need is, what is viable and what data we have got to inform that. To be honest, we had been looking at this anyway. Those were conversations that started very early with the C.E.O. (chief executive officer) of the S.o.J.D.C. to maximise the amounts of homes we are getting from these schemes that meet what, broadly, we know is a need and then nail down more finally what that need is. We have been in discussions about South Hill, about what a right-sizing offer there could look like, and there is some exciting stuff that we are in the process of considering. When it came up to say the Waterfront ... well, we already on the Waterfront have significant developments that lots of people chose to downsize into and by all accounts are enjoying it and have a very good standard of living down there. It is just natural to say, if we are expanding on that, then there is more that we could do down there and so what Deputy Miles proposed was perfectly reasonable.

The Connétable of St. Mary:

Yes. What I am getting at is, are you expecting a flurry of enquiries now as a result of it, or is it going to stimulate that particular market? Do you have evidence that there is a wealth of people wanting to take advantage of this?

The Minister for Housing:

There might have been something in an opinion and lifestyle survey at some point, but I could not cite it off the top of my head.

Head of Strategic Housing and Regeneration:

Yes, I think S.o.J.D.C. do have the insights from their sales programme. They have recently sold the Horizon Development and not only the enquiries, but also the transactions on that site. It does show that there are a number of right-sizers that took the opportunity to move to the Waterfront to establish their later years in St. Helier.

[12:30]

The Connétable of St. Mary:

So you are just waiting to receive enquiries, or S.o.J.D.C. is waiting to receive enquiries, are they?

The Minister for Housing:

They have not gone ahead and built these sites yet so I think, in the run-up to that, we would also think about promotion for this as a specific offer. The other thing that we have talked about with them is establishing some kind of gateway to ensure that those who are going for these schemes are those who would most benefit from it. So there may be conditions that are formally attached to it that you definitely are selling your old home to a growing family and looking at incomes and that kind of thing to make sure that it benefits those who may not have been inevitably going to do it but who, with a bit of support, are more likely to do it. That is in the early stages about what that gateway might look like, but that might be part of the mix as a way of sifting through who is most appropriate to buy those and how we promote it to them as well

Deputy D.J. Warr:

Will that gateway be administered by the company or through Housing?

The Minister for Housing:

That is to be decided at this point. For the first time buyer homes, that is slightly easier because we have a gateway for that kind of thing already so that is easier, but for the downsizers, we still need to work out what is the best way of doing it. It might not be a gateway. It might not be a database of people in the way that the gateway is. It might just be a published set of criteria and when you

apply, we just quickly inspect that you do meet those criteria and then accept you. So “gateway” might not be the appropriate term, but it is that kind of thing.

Deputy A. Curtis:

Sorry, David, can I just come in? We were just talking about data, and it is a real concern to me, and that is around 50 per cent of the development on the Waterfront being first time buyer and that is what the Assembly has approved. If we go on the historical numbers, we are talking about 1,000 homes overall down there and that is 500 homes. We have obviously got 15 per cent at Les Sablons if it goes ahead. We have 25 per cent on South Hill. That is a heck of a lot of first time buyer provision. The concern, which I think was put in the report by the Economics Unit, was there is a real danger that we over-provide for first time buyers and, as a result of that, we drive up the cost for people who cannot go into the first time buyer market. What is your take on that one?

The Minister for Housing:

I think a surplus of first time buyer homes is a problem I would prefer to have than not having enough of them and I think that, as a democratic government, we will have the flexibility to pivot, if we have to, in the future. If we get to a point where we experience negative distortion in the market because of these kinds of schemes, we can, at that point, change our mind if we have the evidence basis.

Deputy D.J. Warr:

So that would mean rescinding the proposition.

The Minister for Housing:

It could potentially be or bringing an alternative proposition that replaces it with something different, but I would not anticipate doing that from the outset if it ever got to that, and I would be very surprised if it did. If it got to that, it might be dream world. We have built the first 2 blocks and we have solved all the Island’s problems and it might be on the verge of causing some unintended consequences. Can we alter the third and fourth block of it to counteract that? It might be a case of pivoting at that point but, as I said, an oversupply of first time buyer homes is a problem I would like to have.

Deputy A. Curtis:

Could I just check up on that? Some of this links into the fact that you identified you are not a member of the Regeneration Steering Group, and that is the proposition that was approved specifically and relates to the suitable type of right-sizing property, which is the language you have used in your right-sizing policy. Yet you have just referred to your expectation that the housing at the Waterfront will be apartment living pretty much 100 per cent and will not be the type referred to in the proposition. How do you square where the right-sizing mix is suitable down at the Waterfront

(a) if you do not have a say in it with the R.S.G. and (b) if you have been so keen to look at making sure that the stock is suitable both on new fields and others?

The Minister for Housing:

To be clear, I do think the right-sizing policy does account for apartment living. It is just it is taking into account that some people are happy with apartment living and some people are not. It is a mix of options within that and we talk about those sites in the country parishes. That is not going to be tower blocks of apartments, I am pretty sure, unless something drastically changes in people's desires in the Island. Some people like apartment living, and it is obvious that the Waterfront would be a place for that, so I do not think it is hinted in that report that it would be anything other than that. We already have the experience from what has been built down there already that some people have found them desirable and have had the initiative to go ahead and do their own right-sizing through those sites. There is already experience that there is at least some demand out there for that kind of offer.

Deputy A. Curtis:

The proposition that was adopted in the report, not in the proposition, referenced at least 3 sites that the Deputy who brought it wanted to be shown as a consideration. One was Hameau de la Mer, one was L'Hermitage Gardens and one was Tabor Park. Do you think that the report has any material consideration in how you give a steer as Minister for Housing as to what the Assembly wanted on that site?

The Minister for Housing:

Yes, I would be surprised if Deputy Miles meant the physical kind of homes. L'Hermitage Gardens is a lovely place. It would be a bit out of place plopping a version of that kind of estate on the Waterfront, but there are other things that go on there too. There are apartments at L'Hermitage as well and they have various facilities such as supportive living and that kind of thing, so that kind of offer as a similar offer as to what is considered in how a block is built or how facilities are developed. I suspect that was more what she was getting at.

The Connétable of St. Mary:

You have touched on it already, but going back to the percentages of Les Sablons and availability for right-sizing, et cetera, what advice have you received on the impact that these percentages will have on the cost of housing over a period and the fact that they are going to be made available to these categories? Is that going to impact on the cost of the housing units on the Waterfront in the future and has advice been given on that?

The Minister for Housing:

When you say the homes, as in the long-term price projections for the homes that are suggested to be built or the other homes on the Waterfront that will suddenly find they have lots more neighbours than previously, is that what you mean?

The Connétable of St. Mary:

I was thinking of the new ones basically.

The Minister for Housing:

Yes. Well, I think the point is to put restrictions on them that suppress the price of those homes more than they would be if they were completely open market. A proportion of that will be shared equity, so the price that people pay at the point of purchase will be discounted from what the open market value would be and that is the point for those homes. Other homes on there may not be suppressed in their price but have some other assisted mechanism to support people being able to buy them at their open market price. We have talked about deposit saver schemes, for example, or people buying off plan and that kind of thing, but one of the points of homes being first time buyer in perpetuity, which might be part of this mix as well, is by suppressing the demand by not allowing investors to come in and buy those homes, over time without that extra demand the price is not going to go up as much over time which, again, is a problem I would love to have.

The Connétable of St. Mary:

Again, we do have concerns about the information you have in formulated policies. You have just stated that you want to focus on the tangible rather than more reports and the gathering of data. I understand why you say that but how can you be sure that you are meeting current and future demand without sufficient data?

The Minister for Housing:

We already possess lots of data on lots of areas as well. We already have housing gateways, we already have the assisted purchase pathway and the developers that are building and selling will have their own data, so that is data that we already have and can draw upon. I have to be honest, my political style is not to get bogged down in obtaining new data to tell us things that we ought to be smart enough to know already. I know that lots of young people do not believe they have a prosperous future ahead of them in Jersey because of the cost of housing. I do not need another report to tell me that. I know it already. So that is my style there and I think we can get on with things and if the landscape changes, we will pick up on it one way or another and my efforts are best spent on the things that are going to improve on the things that we already know, are blindingly obviously and need to be improved.

The Connétable of St. Mary:

We agree to that then. My final question in this area is that you have mentioned during the debate you had already had discussions with S.o.J.D.C. about what kind of products and incentive reckoning mechanisms can be utilised in that to help people who otherwise might not feel it was a viable option for them. Can you provide more detail about the products you are talking about and the mechanisms?

The Minister for Housing:

Is this just for right-sizing or first time buyers as well?

The Connétable of St. Mary:

Both, please.

The Minister for Housing:

There are the ones that are tried and tested that we know work. Shared equity is a good example of that. Shared equity I was going to say is the most expensive one to deliver. It is sort of not but it is the one that means money gets put aside in the largest amounts that you cannot then draw upon until that buyer eventually sells on or buys the rest of the equity. There are other tried and tested ones as well such as deposit saver schemes and I know that they have been in discussions with financial institutions about what kind of things they can develop with that kind of concept. I will leave it to them to give more detail on that when they have worked a bit more on it. With right-sizing, there are things that the S.o.J.D.C. could procure more effectively than an individual buyer could, so removal services, for example, if that was part of the package. They could probably do a better deal on it if they doing it in bulk than individuals might be able to. Some kind of stamp duty incentive as well for right-sizers could be part of that, so there are lots of things that they are looking at.

The Connétable of St. Mary:

Generally speaking, developing the right-sizing policy, referencing maybe previously to things like the saving of stamp duty for right-sizers or maybe contribute to legal fees or whatever, are these all still in the mix or are they all potentially in the mix?

The Minister for Housing:

The S.o.J.D.C., as a body, can do that. As a specific offer on a specific site, they can do it if they can find a way of making it work and find a way of getting good value from it and they are looking at how they might do that. It is still something that could be on the table for that kind of thing.

The Connétable of St. Mary:

You are talking about S.o.J.D.C. doing that rather than it being blanket policy.

The Minister for Housing:

Yes, so that is not the wider policy. That is specifically for the S.o.J.D.C. because they are potentially capable of doing it.

Deputy A. Curtis:

We are going to quickly move on to Affordable Housing Gateway statistics, which Deputy Warr will take.

Deputy D.J. Warr:

The panel has noted the publication of Affordable Housing Gateway monthly statistics of 31st May. The figures show the demand for social rented accommodation has increased by 29, although it remains lower than this time last year. What impact do you think the widening of eligibility criteria has on this increase?

The Minister for Housing:

Not a huge amount, I do not think. That is something that I tend to ask for updates on at the Housing Crisis Emergency Taskforce, and there has been a number of people who have been coming through because of that. It is not swarms of people queuing up but Heather might have some of the numbers there.

Critical Support Team Manager, Customer and Local Services:

I do not have particular numbers on the impact of the decrease in age but the Minister for Housing is completely right. The demand has not been as much as anticipated. In the past month, there have been 6 applicants under the age of 30. All have then received ongoing Housing Advice Service support to find appropriate housing. We anticipate a further decrease towards the end of the year is also not going to be as impactful as anticipated, but there is support there on hand for those that do not meet the criteria.

Deputy D.J. Warr:

That is great and the point I was coming on to was the dropping of the age to 25. I think it was planned in September-October. Are there any other areas where you might consider widening the gateway eligibility? In other words, income, et cetera, or are you going to just stick with dropping the age for now?

The Minister for Housing:

For now, just dropping the age, but everything else remains under constant review as our economic landscape evolves. Over time, income limits become devalued from inflation or more add-ins going

up, et cetera, so that is the kind of thing to keep under constant review and not let it go into abeyance for years and not be readjusted as frequently as it probably ought to be.

Deputy D.J. Warr:

I think that happened in the past, did it not? Could you provide the panel with your view on whether the right balance is currently being struck by Andium between selling units to allow Islanders to pursue home ownership and retaining sufficient social housing stock?

[12:45]

Obviously, to a degree, that is also around the timing of the dropping of the age to 25. Clearly, there was probably an opportunity there to drop the age to 25 sooner, given there has not been the change and, therefore, Andium would have more homes to rent, as it were, as opposed to sell. Do you feel you got the balance right on that?

The Minister for Housing:

I have asked Andium if they can look at their sales and renting figures and what demand they anticipate, because it is not just about the headline numbers. It is also about the types of home. They might have more people looking to buy 2-bedrooms but more people looking to rent one-bedrooms, for example, so I have asked them if they can look at that and see if there is a more effective mix they can get to meet those 2 elements of demand without taking away from the other. I am still waiting on that, but I have said to them that I am open-minded about the mix. If there is a particular opportunity where a site, for whatever reason, is just not attracting the demand for one particular kind of tenure, I am open at looking a converting it to the other type of tenure if they think there could be demand for that as well. That is something I would want to be evidence-led on to make sure that we are not just doing it for the sake of it and not just doing it for the sake of selling homes to get the money back for them quicker than you would by social renting. I want it to be needs based rather than based on other kind of pressures.

Deputy D.J. Warr:

At the last meeting, we talked about Andium having a policy of selling 60 homes. You did not have the data to hand last time. Do you know if they managed to sell all 60 homes in 2023?

The Minister for Housing:

For some reason, I do not think they did but I could be wrong on that. I do not suppose anyone knows.

Head of Strategic Housing and Regeneration:

No, I do not have that information.

Critical Support Team Manager, Customer and Local Services:

I do not have the final figures. I know that towards the end of last year, from my memory, they had not yet made all of those sales. They have been, as the Minister for Housing says, looking at their sales strategy relative to the rentals. One thing that they have done recently is move away from the 3-bedroom sales, which obviously attract a higher price to the lower-sized units, which are seemingly going okay. In the changeable market conditions and in light of the supply that is coming, Andium do need to keep their sales programme under constant review, which they are doing.

Deputy D.J. Warr:

I will leave it there. A final question in this section is what insight can you provide on whether the numbers of applicants who are categorised as being in urgent need of accommodation when they are accepted on to the gateway has risen or fallen over the last year? That is probably a question for Heather.

Critical Support Team Manager, Customer and Local Services:

It depends on which way you are looking at it. The partnership pathway is run through Andium with approximately 40 applicants at the moment who are in urgent need. At the moment, we have in the region of 256 in need in band 1, which is a slight increase, but the way that we work the banding is slightly different and the way we support people is slightly different. We are more preventative and take preventative action in supporting tenancies and maintaining tenancies as opposed to people being evicted. It is a very difficult question to answer because we have made lots of changes to change the landscape of how we support individuals. There is a slight increase in terms of numbers but a wide range of support in place to sustain tenancies.

Deputy D.J. Warr:

You feel right now you are comfortable with where you are at the moment in terms of that support with what we are able to offer.

Critical Support Team Manager, Customer and Local Services:

Comfortable with the support, the knowledge and the opportunities, yes, and the colleagues around us within government working in a much more multi-agency way and much more collaborative in supporting tenancies as well. So, yes, I am very happy.

Deputy A. Curtis:

We are going to move on to the last topic, the First Step scheme, and then we will let you all escape. Please could you provide the panel, Minister, with any update on the First Step scheme since the launch of the second tranche funding?

The Minister for Housing:

It is going great. That is the headline. There has been a good amount of demand. It might be more useful in written form but we can give you a breakdown of numbers in terms of the types of homes that people have been applying for and buying and what their incomes and household makeup was. From the first round, I have noticed that the largest grouping is people in their 20s, which I am really pleased with, and also people on relatively lower incomes of £20,000 to £40,000 in many instances as well. So it is helping younger and lower income people into home ownership, which is very pleasing, and is exactly the kind of thing I wanted. One thing that we did not experience much of in the first tranche, which we did make some slight modifications to for the second tranche, was in that first tranche it really was mostly one and 2-bedroom apartments and less so 3-bedroom homes. The thing that stuck out to me in the figures is that the number of children who would be housed through the scheme was relatively low in the first tranche. Just so we get an experience of a mix of types of homes and households being helped, we modified things slightly for the second tranche so that it would be more likely that slightly bigger families and slightly bigger homes would be more likely to get through that. Applications for the second tranche are closed at the moment, but I am kind of hoping that some of that might be a bit more family homes as opposed to smaller apartments as it was first time around. Seeing how that goes, we can then have a look at tranche 3 and see if there is a further mix that needs to be thrown in or can be modified, again just to see what happens and see what kind of people come forward.

Deputy A. Curtis:

That is really interesting because you told the panel previously you did not anticipate a change but it sounds like you have been quite proactive in spotting things. Are there any other things - you mentioned you are looking forward to tranche 3 in September I presume - that you see might be modified, tweaked or changed that you have learned from tranche 1 and now obviously the ongoing learnings of tranche 2?

The Minister for Housing:

One little thing that we noticed from tranche 1 was the expectations of people who were successful in the homes they were then going out to bid on. I think there was not perhaps as great clarity as there could have been on the fact that this is for secondary market homes. It is for homes that people have lived in. It is not for new builds and it is not intended to be for conversions if they are reasonably drastic and have not had people living in them before and not unlocking a chain. I think there were a couple of instances where there had been homes that were conversions by developers

and not the people who were living in them who did not realise that that was not really what it was about and there was not as much clarity as there could have been on that. I think for the third tranche, we will probably communicate that a bit more effectively because it is better use of that public money if it is going towards buying a home that is going to unlock another purchase further on down the line and get things moving. It is just better value for money so we might probably try and communicate that a bit better.

Deputy A. Curtis:

For example, a property split into 3 flats does not qualify under the scheme and that is some of the clarity that people had to have?

The Minister for Housing:

Yes.

Deputy A. Curtis:

You see the twin benefits there of being the benefit of unlocking chains of those looking into it?

The Minister for Housing:

Yes.

Deputy A. Curtis:

You hope to see success in that.

The Minister for Housing:

Yes, indeed.

Deputy A. Curtis:

Has any analysis been drawn from the fact that, of the 125 applications received, 24 resulted in applicants being offered loans? Is there anything you have taken from that?

The Minister for Housing:

I think 25 were initially offered and subsequently 2 dropped out for various personal reasons. I do not know if I can find what that number is, but there were a lot of people who applied who were unsuccessful purely because of the demand, not because they were not eligible or would not potentially be right for the scheme but just that they were unlucky that time around. What that showed was that there was more demand for that first tranche than we were aiming to meet that first time around which, in a sense, is a good thing because it showed that there were people who saw it and were interested and excited enough to go through the effort of applying. That does help me

say when we did it, there was demand. If we do it again, there will probably also still be demand so let us see what happens there. That was a sign to me that it was popular and that it is the kind of scheme that was desirable for a number of people, more than we were able to accommodate which, in fairness, I think we probably would have presumed that would happen. It is not a surprise.

Deputy A. Curtis:

Have you seen any impact or have an understanding of the impact that high interest rates and deposit requirements have had on applicants?

The Minister for Housing:

Not necessarily because the deposit requirement was clear and upfront from the start. If there were people who that was a problem for, they probably were not applying in the first instance. I think there was a small number who did apply anyway and then got told that it is clear that the deposit is part of it. I have been trying to communicate with just a small number of people who privately contacted me saying: "The deposit requirement was an issue for us" to say the home buy scheme from Andium does not have a deposit requirement so there are a mix of schemes that can be available. Some will require a deposit and some will not. So people managed it and people are buying homes now through the scheme. They are going through the Royal Court so, for those people, it was okay.

Deputy A. Curtis:

Great. You mentioned those who were not successful in the first tranche. Could you just clarify for any applicants or people listening, should they wish to take part in the third tranche, those in the first and second will have to reapply? Is that the case?

The Minister for Housing:

Indeed. They were all emailed to be told that and a number of them have reapplied for the second tranche but some will be of course free to do so in the third one as well.

Deputy A. Curtis:

Brilliant. Finally, just looking at the time, thank you for 2 hours of your time, Minister, and officers. Reflecting on the online information and the access to the eligibility criteria, and you have touched on this, have changes now been made to make anything clearer on making sure those who want to apply have really clear advice as to what they can apply for? Are there any lessons from that?

The Minister for Housing:

I am worried that you are asking the question because I did not think there was. I was pleased with the website. I thought the process was okay and I think that there are some improvements in

communication that could probably be made after people have applied. That point about converted properties is one that probably requires a few more words in there to be clear on that, but I thought the website was pretty good and clear. I am worried you might be about to tell me it is not.

Deputy A. Curtis:

If we find anything, Minister, we will share it with you.

The Minister for Housing:

Thank you.

Deputy A. Curtis:

On that note, I think we will end the public hearing now. I would like to thank, once again, the Minister and officers for attending and for the staff supporting.

[12:57]