

**WRITTEN QUESTION TO THE MINISTER FOR PLANNING AND ENVIRONMENT
BY DEPUTY P.V.F. LE CLAIRE OF ST. HELIER**

ANSWER TO BE TABLED ON TUESDAY 4th DECEMBER 2007

Question

In relation to the proposals on shared equity being brought forward in conjunction with the Minister for Housing, would the Minister advise –

- (a) what progress, if any, has been made in bringing forward for debate a shared equity scheme or schemes for Jersey?
- (b) whether any difficulties have been identified and, if so, when does the Minister expect that they will be resolved?
- (c) what work has been done, if any, in comparing existing U.K. schemes with the proposals for Jersey?
- (d) whether legal advice has been sought on the proposals and, if so, what legal difficulties, if any, have been identified?

Answer

- (a) I can confirm that significant progress has been made in recent weeks towards bringing forward a proposition relating to 'shared equity' homes.

It is important that I first clarify the Deputy's use of the term 'shared equity', which can mean different things to different people. For most it suggests a form of partial or shared ownership with only part of the property being sold and the remainder held by a landlord who receives rent from the occupier on the retained share. Many of the schemes in the UK are based on this model. However, the Law Officers' Department has advised that it is likely to prove difficult in Jersey to raise a secured loan on a shared ownership property, making it difficult or impossible to operate this model.

Fortunately, there is another option available to meet the aim of providing affordable homes for first time buyers. In the Social Housing Property Plan P6.2007 approved by this Assembly on 17th July this year, the Housing Minister brought forward a deferred payment scheme for States Tenants to enable them to buy former States rental homes, with up to 25% of the first time buyer value being deferred until the next onward conveyance. This scheme is similar to a scheme operating in the UK and known commonly as 'HomeBuy'.

The potential to replicate this model on rezoned sites is currently being examined closely by my officers, in collaboration with the Housing Department. Any proposal for such a scheme would need to be put out to consultation under Article 3(3) of the Planning and Building Law 2002, before being brought to the States for approval, as it involves an amendment to the Island Plan;

- (b) as indicated in my answer to part (a), work is ongoing and I expect the outstanding issues to be resolved in the near future;
- (c) a number of UK schemes were set out in the aforementioned Social Housing Property Plan and have been subsequently discussed between the Housing and Planning Departments. However, as I mentioned in my response to the first part of this question, these are not necessarily suitable for application in Jersey;
- (d) advice of the Law Officers' Department has been sought on specific aspects of these proposals and

outstanding matters are currently being addressed as a priority consideration.