

3.14 Deputy R.G. Le Hérissier of the Minister for Housing regarding the release of the Whitehead report on social housing.

Will the Minister advise whether the Whitehead report on social housing will be made available to Members and explain how it is intended to deal with its recommendations?

Deputy S. Power (Assistant Minister for Housing - rapporteur):

My Minister is off Island at the moment so I am answering on behalf of him and the department. The first part of Deputy Le Hérissier's question is answered as follows, it is proposed that this academic review of Professor Christine Whitehead will now be presented to the Council of Ministers on 15th October, this month. Copies of that report will be circulated to all States Members the following day and released for public consultation on Monday 19th October, this month. The second part of Deputy Le Hérissier's question, the review presents a number of options for change in the way that social housing is provided and regulated. The Minister and myself will consider all of the feedback generated throughout the 3-month consultation period before deciding on options to be recommended to the States. There are a number of serious significant issues and it is likely that the first report and proposition to be brought by the Minister will establish the main strategic decisions that the States have to make about housing.

3.14.1 Deputy R.G. Le Hérissier:

With the tantalising glimpse that the rapporteur has given us of the report, could he say whether the report has been much more radical than they expected and it will lead to major changes with housing policy and the Housing Department?

Deputy S. Power:

I am not sure if the word "radical" is a correct word. I can say to the Deputy that the Housing Department in its present form is unsustainable, and I say that because the Housing Department has to sell stock to maintain stock and we have a finite resource in the amount of stock we have. We have to address the prospect somehow for the future in how the Housing Department maintains a stock of something in the region of £900 million worth of stock with access to a rent figure in the region of £10 million to £11 million a year. It is simply unachievable, so the report deals with this in a number of ways, and when this is released the department will be very, very happy to listen to Members reactions to the options being recommended.

3.14.2 Deputy T.M. Pitman:

Would the Assistant Minister confirm or deny reports that one or 2 less complimentary aspects of the Whitehead report are in fact being revised, some might say airbrushed, prior to general consumption?

Deputy S. Power:

Professor Whitehead has been studying Jersey's Housing Department for well over a year now and there have been a significant number of economic factors that have changed the way that the future of Jersey's Housing Department is to be looked at. I think airbrushing is probably too dramatic a phrase to use, however, I can advise Deputy Pitman that the report started long before I became an Assistant Minister and it has evolved from where it started to where it more or less is now and there have been some changes, but I think airbrushing is an incorrect use of the phrase.

3.14.3 Senator A. Breckon:

The Assistant Minister has said in answer that it has taken well over a year. Can he say how long the report has taken and what was the reason for the delay?

Deputy S. Power:

The report has taken too long. There have been factors to do with global economic conditions which affect the way Jersey's housing stock is being looked at. Professor Whitehead looked into other areas of housing stock within the U.K. and other areas that were comparable to Jersey, but I think the answer to Senator Breckon's question is, it is has taken too long and I have been in the department for 10 months and I have pushed very hard to get this report concluded and it will come out this month.

3.14.4 Senator A. Breckon:

I wonder if the Assistant Minister could expand on what global economic conditions have to do with States rental housing?

Deputy S. Power:

The parameters on which the study of Jersey's housing stock was first commenced changed. For instance, the sell off of social rental stock, one of the big things that changed the success or otherwise of that was the fact that people suddenly had very great difficulties in getting mortgages so one of the areas that has changed the way we look at the way the Housing Department conducts itself would be in that area and there are other areas as well.

3.14.5 Connétable D.W. Mezbourian of St. Lawrence:

Will the Assistant Minister advise the House what was the agreed cost for this report and whether the increase in time to prepare it has meant an additional cost to the Housing Department and can he confirm what the cost in total has been?

Deputy S. Power:

I can tell the Constable of St. Lawrence that I do not know the cost. The review started before I became involved in the Housing Department and as it is an academic report, I have not had any input into the composition of this review and I deliberately stayed away from it because it has to be an academic report. If I have left something out, the Constable will remind me.

3.14.6 The Connétable of St. Lawrence:

If the Assistant Minister cannot tell the House today what the total cost of the report has been, will he give a commitment please to come back to us when he has found the information?

Deputy S. Power:

Yes, the Constable did ask me whether there was an increase in the cost of the report because of the extension and delays. I do not know the original cost and I do not know any additional costs, but I will find out and report back to the Assembly.

3.14.7 Deputy D.J. De Sousa:

The Assistant Minister, in answer to one of the questions already put, touched on the fact that the way the Housing Department currently runs it cannot continue in this way. Is it not a fact that because such a large proportion of the department's revenue goes to Treasury to supplement budgets that the previous Ministers that have been in

charge at the department have been weak in fighting their corner and not retaining a higher level of their revenue to carry out maintenance of the properties?

Deputy S. Power:

Very briefly, the Housing Department's annual rent is about £35 million. Of that £35 million, about £23 million is returned to Treasury and to Social Security for the housing portion of income support. In relation to Deputy De Sousa's about the Housing Minister and previous Committee Presidents, I really would have great difficulty in commenting on the rights and wrongs of previous Committee Presidents' decisions or previous Housing Committee decisions, but I think it is fair to say and I think Members will have me on record as saying I am not happy with some of the decisions that were made in this Assembly and approved by the majority of Members in this Assembly that have put the Housing Department where it is today. It is absolutely impossible to maintain a large portfolio of housing stock approaching £900 million with something in the region of £10 million a year and that is why the department is in the position it is in. It is impossible to go on ...

3.14.8 Deputy R.G. Le Hérisssier:

Could the Assistant Minister confirm whether or not the issue of the housing trusts' relationship to the Housing Department and housing policy has been fully covered and could he tell us what the outcome is?

Deputy S. Power:

The relationship between the Housing Department and the housing trusts has been addressed in the report. It does make some recommendations and obviously I am not in a position to do that because the Council of Ministers have not considered the report, but it does make some recommendations and a way forward which will be decided by this Assembly some time in the next 6 to 9 months.