

6. Questions to Ministers Without Notice - The Minister for Housing

The Deputy Bailiff:

We now come to the next item of business which is Questions to Ministers Without Notice. First up is the Minister for Housing.

6.1 Deputy P.V.F. Le Claire:

I would like to ask the Minister how he feels about the Homebuy scheme? Having heard what the media has had to say, what is his take on it?

Deputy S. Power of St. Brelade (The Minister for Housing):

My feeling on Homebuy is the same as it was a week ago, a month ago, 6 months ago and in February 2009 when I first inherited the delivery. I feel it is a good product. It was a report and proposition. It was an amendment to the housing plan that was brought by the Minister for Planning and Environment. It was a Planning Department report and proposition and the Housing Department had to deliver it and I feel we did a very good job.

6.2 Deputy A.E. Jeune:

Could the Minister advise Members please what the increase in the specification of the houses was when it was decided that they would no longer be social rented but would be available for the first-time buyers which resulted in an increase of the cost of about £50,000 I understand, given that my understanding is social rented properties are normally built to an incredibly high specification in Jersey?

Deputy S. Power:

In July 2009 when the report and proposition was brought before the Assembly ... sorry, July 2008 because I became an Assistant Minister at the end of 2008. It was July 2008. I apologise to the Assembly. The houses at that stage were not coming out of the ground. When this Assembly voted by 38 votes for and 5 against to proceed with Homebuy, the developer changed the specification on the houses. They changed from what would have been the social rented specification to the Homebuy specification; the main difference being that the final fit-out - the second fix carpentry, the second fix plumbing, the second fix whatever - were a much higher specification; kitchens, bathrooms and so on. There was no difference between the 46 houses in Homebuy and the 102 houses that were sold off to private parties. The specification with the company, Dandara, changed after the report and proposition in July 2008 to the higher specification. I cannot give the Deputy the exact changes on the difference between social rented and Homebuy but as of July 2008 they became Homebuy. They were no longer social rented. That is a misconception right across the Island. There was never any question that they would be social rented after that.

6.2.1 Deputy A.E. Jeune:

I appreciate the Minister is not able to give us exactly now but will he be able to supply that information to Members later?

Deputy S. Power:

Yes, we have 2 schemes which are social rented in Salisbury Crescent and ...

The Deputy Bailiff:

The question is whether you will give it later.

Deputy S. Power:

Yes, Sir.

6.3 Deputy M.R. Higgins:

Will the Minister give his precise reasons why he broke his promise to the residents of Pomme d'or Farm Estate to redevelop their homes which they had been promised that £7 million would be spent on that development?

Deputy S. Power:

I think the Deputy is being a bit unkind to me in terms of breaking a promise. I gave an undertaking to the residents of Pomme d'or that we would carry out effective repairs to the cost of about £6.5 million in the summer of 2009. It was within 6 months of my being elected an Assistant Minister for Housing. As the Deputy will well know, circumstances changed dramatically, both for the Island and for the Housing Department in the intervening period. The most immediate effect that happened to me subsequently as Minister was the fact that in the capital allocations for 2011, 2012 and 2013 the Minister for Treasury took £6.5 million of funds that had been allocated to the Housing Department. That essentially was the main effect. We prioritise repairs and refurbishments on a worst scenario basis. On that basis the proposed refurbishments which start next month at Clos Gosset has kept to schedule.

6.3.1 Deputy M.R. Higgins:

A supplementary. Can I just ask the Minister why he did not inform, for example, the Deputies in the area who were being reassured up to the meeting with the First Tower Community Association that this was taking place because we would have fought to have had that money put back into the business plan?

Deputy S. Power:

The withdrawal of the £6.5 million from the Housing Department's capital budget occurred at the end of September 2010. There was very little time for me to consider what my options were. In the end the only agreement I could come to with the Minister for Treasury was for us to be allowed to roll-up and roll-over our underspends, if any, in 2011-2012. That was occurring right through to the end of October.

The Deputy Bailiff:

The question, Minister, is why you did not advise the Deputies?

Deputy S. Power:

It did not seem to me that I had time to react to much more than anything else, like I just explained.

6.4 The Deputy of St. John:

Yesterday I received correspondence from within the Housing Department re. a query I was making on behalf of one of our housing tenants. I was surprised to see the size and the grants that were given to States tenants for moving. I am thinking of grants of £400 towards the move and X towards buying new carpets, et cetera. Is this pushed out across the entire States tenancy including the housing trusts which operate within the Island and also the private sector? I know it does not go in the private sector. How much in grants is this out of your budget annually?

Deputy S. Power:

First of all we do not support tenants of the housing trusts with regards to moving. The decision by the department to help and assist a tenant is normally a discretionary one. It is not rolled-out across everyone. Normally it tends to be people who are on income support. I can give the Deputy further and better particulars. I do not have those right now but I can assure the Deputy we do not roll it out across everyone. It is very much a discretionary decision on a recommendation by the officers.

6.4.1 The Deputy of St. John:

A supplementary. If it is discretionary, of your budget what percentage of your budget annually is spent in this way?

Deputy S. Power:

I cannot answer that but I am prepared to come back to the Deputy as to what proportion of our annual, weekly, monthly rollover budget on maintenance is part of that. I cannot answer that exactly today.

6.5 Deputy G.P. Southern:

I would like to welcome back the Minister after his prolonged absence and wonder what progress he has made with the Minister for Treasury and Resources or otherwise in promoting a new scheme for the delivery of States rental housing and affordable housing in the Island?

Deputy S. Power:

I thank the Deputy for his concerns. It was not that prolonged an absence. With the roll-out of social rented housing and more affordable housing, that is very much in the area of the Housing Transformation Programme as it is now rolled-out. Part of the provision within the Housing Transformation Programme, as the Deputy will know, is for us to be self-funding. We cannot really depend on Treasury any more. As I have just explained to Deputy Higgins, we have lost £6.5 million. There are no more capital allocations to Housing so our next tranche of funding will come from within the Housing Transformation Programme and afterwards.

6.6 Deputy M. Tadier:

Does the Minister agree that there is both a perceived problem and an actual problem with the amount of taxpayers' money that we use to subsidise private landlords through what is now the rent rebate scheme or the equivalent? If so, what are the Minister's plans to address this issue in coming years?

Deputy S. Power:

I thank the Deputy for his question. It is a very relevant question. I discussed this yesterday with the Assistant Minister. There is an issue with regard to rent subsidy and rent rebate in the private rental sector. It is something that has been going on. We estimate it runs in the region of £6 million a year. As we visit and as we do work towards housing transformation it is an area that will be addressed. It is a big issue.

6.7 Senator S.C. Ferguson:

Does the Minister not consider that the Homebuy scheme should be suspended while the scheme is amended following the Comptroller and Auditor General's report and pending the results of the Public Accounts Committee report?

Deputy S. Power:

I do not believe that anything that has been examined to date on the Homebuy scheme has shown it to be in default of what it was set up to do. The Comptroller and Auditor General made no reference to the sizes of deposits. The Comptroller and Auditor General made no reference to share-transfer of flying freehold properties. There is no new product on Homebuy coming down the pipe at the moment. My own view is if it is not broken, do not fix it.

6.7.1 Senator S.C. Ferguson:

A supplementary. Originally we were promised that the details of the scheme will be brought back to the States. Why was it not brought back to the States and will the new one be brought back to the States?

Deputy S. Power:

It is up to the Minister for Planning and Environment to bring back supplementary planning guidance on Homebuy. It is up to the Minister for Planning and Environment to bring it back to the States. It is not up to the Minister for Housing. It is a Planning proposition.

6.8 Deputy J.A. Hilton:

Is the Minister able to tell the Assembly how the proposed development at Bellevue and Ann Court is coming along?

Deputy S. Power:

I find that a fairly easy question. The development of Ann Court is not coming along because the Housing Department was persuaded to play its part in the redevelopment of the North St. Helier Master Plan and allow Ann Court to be used for the T.T.S. (Transport and Technical Services) shaft scheme and for parking for the next 2 to 3 years. The Bellevue scheme is currently under negotiation and as yet there is little progress.

6.9 Deputy A.K.F. Green:

If I could take the Minister back to Pomme d'or Farm, having visited Pomme d'or Farm last night, would the Minister agree 2 things; that the condition we ask some of our residents to live in is disgraceful and appalling and, secondly, that some of this is due to lack of maintenance and what does the Minister intend to do about it?

Deputy S. Power:

Deputy Green will be aware that both Senator Le Main, as my predecessor, and myself have inherited a £75 million backlog of maintenance that was not done in the preceding years. We are now getting on top of it. We have reduced it from £75 million to £46 million. Pomme d'or Farm is overdue for repair. It has not been done in 33 years but it is not the worst one. But I can assure the Deputy and the Deputies of St. Helier No. 3 and 4, it is high on our agenda. We are going to do the windows this year and the rest of it will be done when and if we have funds.

6.10 The Deputy of St. Mary:

That leads nicely on to my question which was the Minister for Housing lost £6 million at the end of 2009 to the Minister for Treasury and Resources for Health, he had a £75 million backlog in maintenance which he says he has now cut to £46 million, will the Minister tell the House briefly how those things arose and can he assure this House that it will not happen again this constant leeching of the money away from housing?

Deputy S. Power:

Within the parameters of answering questions without notice it would be impossible for me to explain how the department ended up in this situation between 1992 and 2008. Suffice to say that it is all related to the formation of the housing trusts and the fact that the Housing Department is committed to return £23 million a year to Treasury. I will give the Deputy a definitive answer.

6.11 Deputy J.M. Maçon of St. Saviour:

The question I wanted to ask has been answered. I look forward, as the residents do, to the refurbishment of Clos Gosset.

6.12 Deputy D.J. De Sousa:

Thank you. I thought you indicated there would not be time for me. With Pomme d'or Farm in mind and the conditions that people are living there, several of us met with yourself there and the residents yesterday evening. They have been told that they will have a certain amount of work done on their property. What guarantees can the Minister give to those residents that once that work is done if more money comes into the pot that they will continue to improve those

properties and not put it on to another property that they deem more urgent because the others have been patched-up with a plaster?

[14:30]

Deputy S. Power:

I will assure the Deputy that the 4 projects of highest priority within the Housing Department are in order: Clos Gosset in St. Saviour, La Collette high rise, Jardins des Carreaux in St. Helier No. 3 and Pomme d'or Farm. Those 4 are absolutely high priority and they will be done as soon as possible. That is my undertaking to the St. Helier Deputies.

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

I did not think you were going to get to me today. The Minister will recall that for a number of years the Parish of St. Lawrence was in discussion with the Housing Department about the purchase of the St. Lawrence Arsenal. The discussions have been concluded and the Parish no longer wishes to buy the arsenal. I believe during that time very minimum maintenance was carried out on the building. I wonder if the Minister would be able to tell me where the maintenance and repairs due on the St. Lawrence Arsenal stand in his list of priorities. I think the work has been neglected because of the discussions and I feel that the residents have suffered because of that.

Deputy S. Power:

I thank the Constable for her question and I would like to clarify the status of St. Lawrence Arsenal. A number of units in the arsenal were left void because the Parish of St. Lawrence had given us an indication that they wanted to buy the arsenal. As that is no longer the case we have now commenced discussions with the Planning Department because the building is a site of special interest. We will be proceeding with a budget and a plan to upgrade St. Lawrence Arsenal as soon as possible.

The Deputy Bailiff:

Minister, that brings your question time allocation to an end.

Deputy G.P. Southern:

On a procedural matter, may I ask the Minister to circulate widely to Members his answer that he said he would give to Deputy Higgins?

The Deputy Bailiff:

We now come to questions of the Minister for Economic Development.

The Deputy of St. Martin:

Before the adjournment I did ask if the Chief Minister could circulate the statement that he was going to make and it would be on Members desks at 2.15 p.m. It is not on my desk. I do not know if other Members have had it. But if the Chief Minister has it, I would be grateful if it could be circulated.

Senator T.A. Le Sueur:

I gave the instructions and I see now that the statement is now being circulated. I thank the Deputy for reminding me what was required.

The Deputy Bailiff:

Very well. Question time in respect of the Minister for Economic Development will now start.