

**WRITTEN QUESTION TO THE MINISTER FOR HOUSING
BY DEPUTY G.P. SOUTHERN OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 14th MAY 2013**

Question

Will the Minister confirm to members that, in drafting the Housing Transformation Programme, advice was not sought from the Head of the Statistics Unit over the impact of population projections on potential demand for housing and, in particular, social rental housing over the 30-year term of the plan, and, if so, would he explain why he did not do so?

Will he further state why the plan contains no estimates of the population it is designed to cater for and there are only 4 paragraphs on page 11 of R.15/2013 (Full Business Case) relating to population?

Does the Minister consider that the failure to address such issues is a serious weakness in the plan, and, if not, why not?

Answer

The advice of the statistics unit was not sought because advice on the overall population was not required. However, the report does take into account a number of outputs from the Statistics Unit most notably prevailing house prices, private sector rents and the Housing Needs Assessments, which are jointly commissioned by the Department of the Environment and Housing Department and run by the Statistics Unit.

R.15/2013 contains no estimates of overall population because as I said in my response to question 7621 on 30th April 2013, an increase in the overall population of the island does not necessarily translate into an increased need for affordable housing. The need for affordable homes is a much more complex issue and one which is sensitive to economic fluctuations. This is why the outputs from the Housing Needs Surveys having been validated against the Statistics Units Population Model and the Affordable Housing Gateway, are reviewed annually and set out in the Department of the Environments' 'Review of Residential land Availability' on an annual basis. This document monitors the delivery of homes including those on sites approved in the Island Plan and identifies the impacts that insufficient or slow to emerge supply has on housing needs. Shortages in supply are dealt with in the Island Plan and in 2011 it was agreed that schemes on States land would be brought forward as a means of meeting the level of need identified in the most recent Housing Needs Survey. It is these sites which form the basis of the growth in the new Housing Company's Business Case.

As I have said before, I fully acknowledge that even without widening eligibility criteria to include groups such as key workers and couples and singles under 50 without children, further sites are required to meet the growing demand and I am working with the Minister for Treasury & Resources and the Minister for Planning & Environment to identify appropriate sites.

The important thing about my reform proposals in P.33/2013 is that they will put in place the structure necessary to respond to the changing housing requirements of the Island. The Housing

Company will have the capacity and flexibility to react to changing requirements (as laid out in section 3.83 of the Reform of Social Housing Report) and the proposed rent policy will enable the Housing Company and the other registered providers to deliver new homes through the use of borrowing, with the rentals generated from the new units being sufficient to repay the borrowing over time. This will leave the Strategic Housing Unit free to set housing policy with the Regulator monitoring achievement of that policy.

It might have been possible to show additional growth in the Business Case but I would suggest that the inclusion of notional sites with notional costs would have been grossly misleading, particularly if further growth had been based on increased population numbers without any sense of whether the individuals making up that growth would fall into the eligibility criteria for social or affordable housing.

What I will deliver is a re-structured social housing sector that resolves current issues, increases capacity and provides a structure that enables further supply of homes into the long term as and when our Housing Strategy identifies the need for them and suitable sites are made available.