

4.10 Deputy G.P. Southern of the Minister for Housing regarding the continued sale of social rented housing:

Can the Minister for Housing justify the continued sale of social rental housing in the face of pressure on the waiting list for social rented housing?

Deputy A.K.F. Green of St. Helier (The Minister for Housing):

I think I covered most of this in the written response to Deputy Southern's question this morning so I apologise for the repetition. I would like to dispel the myth that surrounds deferred payment sales. They have not and do not have a negative effect on the wider housing market or the Affordable Housing Gateway waiting-list. All of the deferred payment sales carried out have been to existing social housing tenants. Those are tenants that could not afford to go and buy on the open-market in the private sector, whose situations have improved as well, and thus would remain as tenants. In the majority of cases, they have stayed occupying the homes that they have bought. There have been some that have moved from one social rented housing development to another but they have all remained in social housing. The sale of that home to them represents a tenure change. The impact on social housing is negligible. £31 million has been generated from these property sales, all of which have been invested in new stock or development of homes or major refurbishment. In fact, Members may recall the full business case, R.15 that supported P.33 in May this year, sets out over 20 years we will sell some 330 homes under the deferred payments scheme, sold to persons that qualify under the affordable housing scheme. All of that money will be reinvested in social housing. The Affordable Housing Gateway clearly shows that demand for social housing, as Deputy Southern has said remains high. This is undoubtedly due to the slowdown in supply of new social housing, the economic climate as well as the ongoing ageing population. It is the lack of supply that is the problem rather than the sales.

4.10.1 Deputy G.P. Southern:

Is the Minister for Housing content that he can continue to find social rental tenants to purchase housing from now on and is he content that at present some 5 3-bed houses lie empty on one particular estate and 2 2-bedroom houses lie empty now on that same Oak Tree Gardens estate?

Deputy A.K.F. Green:

Dealing with last part of the question first, no, I am not content that houses lie empty but they are not lying empty just to be mothballed. They are lying empty because tenants are applying to buy these homes, the due diligence processes are happening, they are getting a mortgage and everybody knows how long it takes to go through that process. Am I content that we are selling social rented houses? Yes, I am. Some people find their situation improves over time. They come in to the social housing system in real need very often and then the children grow up or leave home or become earners and the situation improves but those people do not have sufficient means by which to go out into the open-market and therefore will always remain tenants in subsidised social housing. But under the deferred payments scheme they can realise that dream of having their own home. They can get out of the subsidised housing and release that capital for reinvestment in homes. Very often when we sell one home we are able to reinvest in 2.

Deputy G.P. Southern:

Clarification, if I may? Could the Minister for Housing answer the question? Is he content that he will continue to find sufficient social rental housing tenants to buy properties that he has for sale?

Deputy A.K.F. Green:

The answer to that is yes.

4.10.2 Deputy J.H. Young:

The Minister for Housing has referred to his waiting list, the Affordable Housing Gateway and his policies that he is applying. Could he clarify that and indicate whether or not that waiting list and the Affordable Housing Gateway includes those persons who need sheltered-housing in the Island? If not, could he tell us where they would be dealt with under the policy he has explained to the Assembly?

Deputy A.K.F. Green:

I explained to the Assembly last time when we met that unfortunately sheltered-housing, as it should really be described, very little of that exists in Jersey. We have homes for over-55's which are adapted with correct wet-rooms and access and wider doors but that is not sheltered-housing. Sheltered-housing provides other services such as laundry, meals, cleaning, something I am working on at the moment and we are looking at the Affordable Housing Gateway to develop perhaps a section for sheltered-housing. At the moment it is just people requiring adapted-housing, not sheltered-housing.

4.10.3 Deputy M. Tadier:

Will the Minister confirm how many extra units of housing we would need now to meet the current demand, the excess demand for social-housing?

Deputy A.K.F. Green:

It is somewhere in the region of 800 units.

4.10.4 Deputy M. Tadier:

So we have 800 units. How does fact of selling 330 units to people who are not in abject need but aspiring towards an affordable home scenario, with no safeguard that they will remain affordable homes and that they can be sold on in the future, mean that the Minister for Housing can now give us a guarantee that the sale of these homes will not have an adverse affect on the stock?

Deputy A.K.F. Green:

I suggest that the Members read my Report 15 which supported P.33 which laid this out very clearly. It is quite simple. These people will remain social-housing tenants. In the main, they will remain social-housing tenants unless we give them a way to stand on their own 2 feet. This does that. As I said before, very often when we release the capital from one home, I am able to invest in 2 homes and therefore house more people within the community. But it is all laid out in my business plan and when we hear the Budget later on today, we will understand how we are going to afford to do it.

[10:45]

4.10.5 Deputy M. Tadier:

Does the Minister for Housing agree that his primary function is for social-housing for those in the most abject need and it is not to fill in a lacuna in the Council of Ministers when it comes to putting forward a feasible strategy for providing affordable homes for those who would wish to buy?

Deputy A.K.F. Green:

My job is to provide housing across the whole of the community but there is a particular emphasis on social-housing and do Members not understand that for every house we sell, those people would have remained in that house under subsidised-housing for the rest of their lifetime. They buy it. They release the capital. I can reinvest that in housing. I do not know what the problem is.

4.10.6 Deputy G.P. Southern:

Can the Minister for Housing state how big the queue is for 3-bed purchased accommodation from social housing and how this compares with the 291 on the waiting list for 3-bed accommodation from rental?

Deputy A.K.F. Green:

I do not have that figure available but I will get it.

4.10.7 Deputy G.P. Southern:

Can he confirm that these 291, some of whom are in chronically overcrowded accommodation will have to wait between 2 and 3 years to be released from this chronic bad housing.

Deputy A.K.F. Green:

All I can say to that is support the Budget when it comes through and we will have the money to get on with the work.