

**WRITTEN QUESTION TO THE MINISTER FOR HOUSING  
BY THE DEPUTY OF ST. JOHN  
ANSWER TO BE TABLED ON TUESDAY 22nd MARCH 2016**

**Question**

Would the Minister provide a full list of initiatives led by the government which are currently in place to assist the people of Jersey onto the property ladder, stating whether, in comparison with the former States loan scheme, they have improved the position? Would the Minister also advise whether consideration would be given to re-introducing such a scheme?

**Answer**

Building more homes is the key to improving affordability and ensuring that there is a sufficient supply of affordable homes is my primary focus in the Housing Strategy. The Strategy identifies affordability as a major challenge and sets out a series of actions that must be taken to tackle the problem. Over the lifetime of the Strategy, we plan to have delivered:

- 300 new affordable homes for purchase on States-owned and re-zoned land, e.g. the former JCG and Summerland sites in accordance with the revised 2011 Island Plan.
- 25 sales a year of existing properties through the Andium Homes deferred payment scheme.
- Working with Andium Homes, a substantial increase in affordable homes for sale through the redevelopment of existing housing sites and newly identified land.

We must also offer more financial support to help first-time buyers get on the property ladder. There have been a number of examples over the years, including the States loan scheme, rezoning land specifically for first-time buyers, and the deposit loan scheme. An affordable housing policy paper is being developed and will draw on these examples as well as new initiatives to support home ownership such as changes to the immovable property law to allow for a shared equity scheme.

Although interest rates are currently very low, accessing a mortgage has been tightened-up considerably through stricter bank stress testing and lenders requiring more rigorous evidence of household income and expenditure. These rules were put in place for a good reason: to prevent a repeat of the loose lending practices common before the financial crisis. However, this approach is denying perfectly good applicants a loan and we would like to be able to develop schemes that help these households to obtain the finance to get on the property ladder.

However, such schemes require funding. An extension to the deposit loan or creation of a new States loan scheme would be challenging in today's financial climate and will require alternative funding sources to be developed or found. In this regard, I am working closely with the Minister for Environment to review Policy H3 in the 2011 Island Plan, which sought to develop affordable homes through private developments. Such sources could fund future affordable housing for those wishing to get on to the property ladder for the first time.

This is clearly set out in the Housing Strategy and is a high priority, which the Strategic Housing Unit will be working towards over the next few months.