

21.04.20

4 Senator S.Y. Mézec of the Chief Minister regarding the Housing Development Board Report (OQ.98/2021):

I am feeling slightly asleep because the question is now out of date but I am sure the answers will account for that. Will the Chief Minister explain why the report from the Housing Policy Development Board has still not been published, despite having been received 6 months ago?

Senator J.A.N. Le Fondré (The Chief Minister):

Yes, I had indicated that we were aiming for the report to be published at the end of quarter one. It has now been published and being considered by the Council of Ministers and presented to Scrutiny for comment; that is really all.

3.4.1 Senator S.Y. Mézec:

In the covering note for the report, as it was published yesterday, it says: "While the recommendations are not policy and do not commit the Council of Ministers to a particular course of action, the work of the report provides good foundations to inform our considerations of this important topic." Chief Minister, I think it is more than enough time to come to a view on the recommendations in the report. Could he tell the Assembly whether he accepts the recommendations that are found in this report or perhaps just slightly rephrase that to not get such a general answer? Are there any recommendations in the report that he would outright reject at this stage?

Senator J.A.N. Le Fondré:

As we said, on any of the policy boards, the idea is to inform and advise in terms of development of policy moving forward. The intention is that, as we said, some of the policies are in the process of being incorporated, I think that some of them have been incorporated with the draft Island Plan. I am getting an echo, can you hear me okay?

The Bailiff:

Yes, we can hear you, thank you.

Senator J.A.N. Le Fondré:

But there will be other policies and I am not going to go into the specifics at this stage, which will require further consideration and will require basically discussion and approval from the Council of Ministers before they can be taken forward. That will, in all shapes and forms, as with any of these policies, require consultation and work, *et cetera*. That is what we said, there are some policies in there which are eminently sensible and there are some which will be more challenging.

3.4.2 Deputy R.J. Ward:

Throughout the Housing Policy Board's report is a reference to affordable housing. Can I ask the Chief Minister, what is his definition of affordable housing?

Senator J.A.N. Le Fondré:

I am also going to be cautious answering that because we already have definitions that presently exist under the Island Plan process and I do not want to fall too far away from those definitions at this stage. I think the Deputy does make the point, a definition of what affordable housing is

appropriate and I think I would hope it would be in commonality with what most people would understand it to mean.

3.4.3 Deputy R.J. Ward:

Does the Chief Minister support the reform of social housing, given the Housing Policy Board's strong support for the reform of social housing rents below 90 per cent? Can he give some information and his views on that specific area of the report?

Senator J.A.N. Le Fondré:

On a personal basis, as the Deputy may or may not be aware, I brought the amendment that made the ability for all social housing providers to charge rent up to 90 per cent of market, rather than at 90 per cent. On that basis, as a general principle, I am obviously in favour of social housing providers having that flexibility to charge rents that are less than 90 per cent. The only caveat, which we are in the process of just understanding, is the balance between, essentially, subsidising people in social housing who are not on income support and, therefore, notionally could afford 90 per cent of the market versus the wider impact on the overall market of rents being at a lower level. Subject to understanding that, and that is a piece of work that needs to be done, my principle at this stage is I support rents that are less than 90 per cent, subject to, again, the directors or trustees of the social housing providers basically using their judgment in managing their social housing appropriately.

3.4.4 Deputy G.P. Southern:

Is a 6-month wait set to be the norm for receiving and understanding a report from a policy board or are we going to see a better, quicker turnaround of such recommendations in future?

Senator J.A.N. Le Fondré:

The Deputy may or may not recall the events of the end of last year, which would, I would suggest, be outside of the norm. But if it helps that the report was given to me in its final form on 6th November, the Minister for Children and Housing then resigned on 8th November and a vote of no confidence, I believe, took place the following week. We then dealt with the subsequent consequences, including the reallocation, taking the opportunity, partially on the recommendations of the Children's Commissioner, to reallocate the responsibilities between Children and Housing. We had the Government Plan, we have had the COVID increase and obviously we continue in dealing with the pandemic and last, but by no means least, we also had the implementation, effectively, of Brexit. I would suggest in that period we have had a very significant amount of activity. Even so we have moved some things forward to put, for example, the ability to provide brownfield sites into the pipeline and also, as I have alluded to already, the Island Plan will also be including some of the recommendations, as I understand it, from the board in there. We have been and continue to live through extraordinary times and let us be very clear the pandemic has had a delaying impact on a whole raft of activities that we would all love to achieve.

3.4.5 Deputy G.P. Southern:

Given the Chief Minister's involvements in rent-setting previously, will he now go further and will he personally advocate the setting of rents that are 80 per cent or even below that of by the market?

Senator J.A.N. Le Fondré:

I do not think I can add much more to what I have previously said, which, in other words, I basically want to understand the actual implications of doing it but to date there is nothing stopping social housing providers doing that already.

3.4.6 Senator S.Y. Mézec:

There is something that stops social housing providers from doing that right now and it is the financial return that Andium Homes is required to pay back to the Treasury. The Chief Minister will have an opportunity to give political approval to some of these recommendations in an upcoming States sitting with the proposition that I have lodged. Will the Chief Minister confirm whether he will be in a position by then to be able to confirm whether the Government supports the recommendations on rental housing that are found in the report, which he commissioned and which he has had now for 6 months, so that this work can begin very quickly?

Senator J.A.N. Le Fondré:

All I can confirm is that obviously consideration is being given to the Council of Ministers' position on the 80 per cent. There is a trade-off and I do not have a problem personally with the principle but it is subject to understanding the financial implications and that has always been the case.